

## HOUSE OF REPRESENTATIVES—Tuesday, January 23, 1968

The House met at 12 o'clock noon. The Reverend Russell S. Danylchuck, V.F., Holy Trinity Catholic Church, Carnegie, Pa., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Spirit. Amen.

Almighty God, in whose power and guidance the destinies of all nations unfold to their ultimate resolution, we ask that You confirm in wisdom all those who share the burden of authority throughout the world.

May Your gifts of counsel and fortitude enhance the person of our esteemed President so that his administration may further advance the welfare of our Nation in righteousness, encouraging respect for virtue and religion, and promoting our laws with justice in the most sublime aspect, tempered with charity.

We pray that the deliberations of our Congress, this august assembly of lawmakers who are dedicated to the preservation of our national welfare, continue to perpetuate the blessings of equal liberty in a nation that has benefited from unparalleled bounties.

With equal devotion we recommend to Your limitless mercy the welfare of the Ukrainian nation, whose proclamation of liberty was observed just 50 years ago. The ensuing half century has witnessed the valiant efforts of this nation, the first victim of atheistic oppression, to enjoy the blessings of freedom and self-determination so evident here in our United States. We pray that the victories of so many other nations, achieved in the name of freedom, both in times of peace as well as in the shadow of war, may serve as an infallible encouragement to the people of Ukraine, that they too are awaited in the family of free nations of the world.

Bless us, Lord, with the fulfillment of these aspirations, as in constant gratitude we acknowledge Your everlasting and infinite compassion for all mankind. Amen.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries.

## THE REVEREND RUSSELL DANYLCHUCK, V.F., HOLY TRINITY CATHOLIC CHURCH, CARNEGIE, PA.

Mr. FULTON of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. FULTON of Pennsylvania. Mr. Speaker, it is a pleasure today to wel-

come the Reverend Russell Danylchuck, an outstanding young minister of Pittsburgh, Pa., from the suburban borough of Carnegie.

Reverend Danylchuck is the pastor of the fine Holy Trinity Catholic Church of Carnegie and has served well in our South Hills area. Reverend Danylchuck is a well-known minister of the Gospel, well educated, and of warmhearted and genial disposition. We also know Reverend Danylchuck as a strong supporter of freedom for the Ukraine and the captive nations. It is a special pleasure for me as a friend and admirer to welcome Reverend Danylchuck here today.

We in our congressional district are proud that Reverend Danylchuck has been honored by Bishop Ambrose Senyshyn of the Philadelphia diocese for his fine work, not only in the Catholic Church, but also participation in civic and community affairs.

We Members of Congress want especially to welcome Reverend Danylchuck today and compliment him on his excellent prayer and his fine spirit.

## ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Monday, January 22, 1968, he did on that day sign the following enrolled joint resolution of the Senate:

S.J. Res. 132. Joint resolution extending the dates for transmission of the Economic Report and the Report of the Joint Economic Committee.

## ANNOUNCEMENT OF HEARINGS ON S. 945, THE PROPOSED FEDERAL MAGISTRATES ACT AND RELATED BILLS

Mr. ROGERS of Colorado. 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 Colorado?

There was no objection.

Mr. ROGERS of Colorado. Mr. Speaker, as chairman of Subcommittee No. 4 of the Committee on the Judiciary, I would like to announce that the subcommittee has scheduled hearings on the proposed Federal Magistrates Act, S. 945, and related bills. The hearings will commence on Wednesday, March 6, and will be held in room 2141, Rayburn House Office Building. Persons wishing more detailed information may communicate with the subcommittee counsel.

## THE LATE HONORABLE BUTLER B. HARE

Mr. ANDREWS of Alabama. 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 Alabama?

There was no objection.

Mr. ANDREWS of Alabama. Mr. Speaker, it was my privilege to serve in the House with our late beloved colleague, Butler B. Hare. I also served with his son, the late James B. Hare. Butler Hare was a tireless worker for the things in which he believed. His positions on important issues were never misunderstood. He fought and fought hard for principle.

He not only was attentive to his job but believed in doing it as well as he possibly could and I add here, he always did it well. He was one of the most delightful and pleasant individuals I have ever served with. In a highly personalized and competitive world, Butler Hare commanded the respect and earned the affection of all who knew him.

To his widow, Mrs. Kate Etheredge Hare of Saluda, S.C., and son, Rear Adm. Robert Hayne Hare, Deputy Judge Advocate General of the U.S. Navy, I extend my sincere sympathy in their hour of sadness.

## SEIZURE OF THE U.S.S. "PUEBLO" BY NORTH KOREAN TORPEDO BOATS

Mr. HALL. 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 Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, I address this House as a peacemaker in perilous times. This is not paradoxical.

An American naval vessel, the U.S.S. *Pueblo*, sailing in international waters over 25 miles east of the shores of North Korea, has been fired upon by North Korean torpedo boats acting with Mig cover. Communications were cut.

The American ship was taken into custody by North Korea and is reportedly being taken to the Port of Wonsan.

There have been prior threats leading up to this. As part of the same Communist strategy, an assassination team of at least 30 North Korean soldiers crossed the 38th parallel in a blatant attempt to kill the Premier—or President—of South Korea.

Is this the reward we get as defenders of freedom for our ill-timed peace feelers?

A crisis of as yet unknown but obviously severe proportions is in the making. I have been advised that American capital ships are sailing to the area, but the distance involved make it unlikely that the North Korean warships can be engaged before they reach port.

There are obviously many unanswered questions, and it is time for level heads. Was it daylight? Was there resistance? Were they any wounded? Was the *Pueblo* alone? Is U.S. help on the way?

These provocations require—indeed demand—an immediate response. The President should make clear, and make clear at once, that the American ship should not be ransacked and should be released at once, or North Korea be pre-

pared to suffer needed and dire consequences.

Whatever is in the Communists' mind, the time for action and response is now. It should be very prompt and clear. The only language these people recognize, or indeed know, is dealt from strength and the will to use it.

The freedom of the seas has again been abrogated if indeed an act of war has not been committed. Let the Commander in Chief now and on this day act with Teddy Roosevelt firmness and abort a diversionary effort or indeed world war III. Please recall that it was on June 22, 1904, after a similar international situation, that his Secretary of State, John Hay, cabled the U.S. consul in Morocco, "We want Perdicaris alive, or Raisuli dead." History records immediate results. Let us get on with the job. We are reacting too little as a proud nation to the loss of too many fine citizens.

#### RIOTING, BURNING, LOOTING, AND SHOOTING

Mr. CARTER. 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 Kentucky?

There was no objection.

Mr. CARTER. Mr. Speaker, during the past year our beloved country was torn by rioting, burning, looting, and shooting. A cloud of fear of repetition of the actions of 1967 glowers over our land. No fewer than 90 percent of our citizens, white, black, red, and yellow, are strongly opposed to such. The stellar figures in these riots, Stokely Carmichael and H. Rap Brown, travel about our country unpunished and in high style.

Now is the time for this Congress to make it known that we are doing and will continue to do all in our power to rid the cities of their slums, to obliterate rural poverty, and to raise the spirits of the poor in heart. Our efforts toward these goals, of necessity, will be gradual, slow but sure.

In the meantime, we ask and demand of the beneficiaries their understanding and cooperation. For improvement in housing those who benefit must share in the effort. Those citizens helped by social programs must show themselves responsible and appreciative. For almost 8 years the statement, "ask not what your country can do for you—ask what you can do for your country," has lost the name of action.

It is shameful, disgraceful, that arsonists and traitors such as Carmichael and Brown go unpunished. Our executive department must let it be known now that violence in our streets will not be tolerated and that those guilty of incitement to riot and arson will be quickly punished to the extent of the law. A firm hand in the executive can do this, and it must.

#### PIRACY ON THE HIGH SEAS

Mr. BATES. 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. BATES. Mr. Speaker, I want to congratulate the gentleman from Missouri [Mr. HALL] for bringing to the attention of the House the episode involving the U.S.S. *Pueblo*. As the ranking minority member of the Armed Services Committee, I was contacted this morning in reference to this. All of the facts at this moment are not clear, but it does seem obvious that this ship was in international waters and that this was a dastardly act of piracy. I sincerely trust that the President of the United States will not countenance this action and will take whatever action is necessary to see that this ship is returned forthwith.

I would also say, Mr. Speaker, I was in Korea just before Christmastime and talked to the naval authorities there who anticipated action such as this. As a matter of fact, Mr. Speaker, you will recall that last fall when the ship loan bill was before this House, the Committee on Armed Services added to that bill two destroyers for Korea to take care of just such eventualities. I am pleased to say that that bill was accepted by the Senate and was signed by the President at the very time we were in Korea. This greatly pleased and gratified the Koreans who expressed their gratitude to us.

#### THE B-52 ACCIDENT

Mr. HOSMER. 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 California?

There was no objection.

Mr. HOSMER. Mr. Speaker, for over a decade America's B-52 fleet has stood guard against nuclear attack. The ready presence of these aircraft on the ground and on alert patrol has assured any potential nuclear aggressor the United States stands ready to reward surprise attack upon us with unacceptable retaliatory damage. The B-52's are an important element of our capability to deter aggression.

One of these aircraft has crashed on ice-covered waters near Thule, Greenland. One of its seven crewmembers has died, the others were saved. The cause of the tragedy apparently was a fire on board the aircraft.

This incident is no cause to point to dangers from having these aircraft on alert patrol. During the many years they have been flying, only a miraculously few accidents have occurred, only about a score, including those of the most minor nature involving aircraft with bombs aboard. In no case has there been any danger whatever of an explosive nuclear incident.

This incident points up again the intense elements of safety that have been built into both the aircraft and the weapons they carry. The design and maintenance of the weapons is such as

to prevent positively any unintended or accidentally explosive nuclear incident. The excellence of the aircrews and the magnificent thoroughness of the maintenance of the aircraft have avoided all but a minimal number of crashes.

The few accidents that have occurred have involved only the slightest of dangers to other than members of their crews. Those dangers are infinitesimal compared to the dangers to which this country and all the free world would be exposed if these aircraft were not flying on ready alert.

This is the context in which the Thule accident must be viewed.

#### PERMISSION FOR SUBCOMMITTEE NO. 2 ON GOVERNMENT PROCUREMENT, COMMITTEE ON SMALL BUSINESS, TO SIT DURING GENERAL DEBATE TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that Subcommittee No. 2 on Government Procurement of the Committee on Small Business may be permitted to sit during general debate today.

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

There was no objection.

#### PERMISSION FOR SUBCOMMITTEE ON TRANSPORTATION AND AERONAUTICS, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE, TO SIT DURING GENERAL DEBATE TODAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Transportation and Aeronautics of the Committee on Interstate and Foreign Commerce may be permitted to sit during general debate today.

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

There was no objection.

#### THE LATE MRS. VIRGINIA LLAMAS ROMULO

Mr. ALBERT. 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. ALBERT. Mr. Speaker, like all of our colleagues who knew the Honorable Carlos P. Romulo and Mrs. Romulo during their many years in Washington, I was saddened to learn yesterday of the death of Mrs. Romulo.

Mr. Speaker, Virginia Llamas Romulo was a woman of unusual charm and ability. Also, she was a person of great courage. During World War II she took her children into the hills of Luzon while her distinguished husband was serving as a top aide to the late General MacArthur, during the mutual struggle of the United States and the Republic of the Philippines against the empire of Japan. Mr. Speaker, Mrs. Romulo was loved

by her many friends in America. Mrs. Albert and I had the privilege upon several occasions of enjoying her gracious hospitality when General Romulo was Ambassador from the Philippines to this country.

We had the pleasure less than 2 years ago of calling at their home in Manila. The hearts of all of those who knew General Romulo and his children go out to them in their sorrow.

Mrs. Romulo was by General Romulo's side when he was Resident Commissioner serving his people in this body, during his years as Ambassador from the Philippines, and in his years as President of the University of the Philippines. I join his host of friends in extending our deepest sympathy at this time of his sorrow.

Mr. GERALD R. FORD. Mr. Speaker, will the gentleman from Oklahoma yield?

Mr. ALBERT. I will be happy to yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, I would like to associate myself with the observations and comments made by the distinguished majority leader. Although I did not have the privilege and honor of knowing President Romulo and his wife, except in casual acquaintance, I do know that President Romulo and his wife were great representatives of a great new country.

We join the gentleman from Oklahoma in expressing our deep sadness and to offer our sincerest condolences at this very unfortunate time.

#### PERMISSION FOR THE COMMITTEE ON RULES TO FILE A PRIVILEGED REPORT

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report.

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

There was no objection.

#### DUKE KAHANAMOKU

Mr. MATSUNAGA. 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 Hawaii?

There was no objection.

Mr. MATSUNAGA. Mr. Speaker, it is with sadness in my heart and with a sense of great loss that I announce to my colleagues in the House the death last night of Duke Kahanamoku.

Duke Paoa Kahanamoku first gained world recognition when he swept all the swimming events in the 1912 World Olympics in Stockholm, Sweden. A descendant of Hawaii's King Kamehameha the Great, the regal Duke has long been recognized as the world's No. 1 Hawaiian.

Further world recognition came to Duke in recent years when he was named to both the Swimming Hall of Fame and the Surfing Hall of Fame.

Duke Kahanamoku was not only an Olympic champion representing the United States, but he was also a dedicated public servant. As official greeter for the State of Hawaii, he was a symbol of the spirit of the people of Hawaii. Just as Diamond Head symbolizes the geography of Hawaii, Duke Kahanamoku symbolized the people of Hawaii.

More than any other individual, he represented what people throughout the world pictured the true Hawaiian to be—friendly, cheerful, athletic, tall and handsome—someone you wanted to get to know better. He made you proud to be even just an acquaintance of his.

The legendary Duke sold Hawaii to the world and in so doing became a citizen of the world. Hawaii, the United States, and the whole human race have lost a true champion and a rare specimen of a man.

There is not a visitor to Hawaii who does not know the name of Duke Kahanamoku, and I am sure that my colleagues will join me in extending deepest sympathy to Mrs. Nadine Kahanamoku and other members of his family.

#### UNITED STATES RESUMES NORMAL RELATIONS WITH GREECE

Mr. PUCINSKI. 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 Illinois?

There was no objection.

Mr. PUCINSKI. Mr. Speaker, the State Department announced today that Ambassador Talbot has held a meeting with Premier Papadopoulos in Athens as an official act toward resuming and normalizing relations with that country by the United States.

I know there are those who perhaps will not agree with this move, and those who would be inclined to criticize it, but I myself believe it is an excellent move. I believe President Johnson should be congratulated for recognizing the fact that there are still many troubled waters in the Mediterranean, and there are still many troubled waters in the Middle East, and there are troubled waters near Korea.

It seems to me that it is urgent at this particularly critical time that the United States maintain contact with the Greek Government, and continue to work with that Government for the protection of our mutual interests in the Mediterranean.

It appears to me that Greece is very important to our NATO structure, as are all the other nations. For that reason, Mr. Speaker, the announcement today that we are normalizing relations with Greece is a welcome sign. This in no way means that the United States is abandoning its effort to continue doing everything we can to help restore parliamentary government to that country and we welcome the announcement of the Greek Government that steps are moving ahead on this score.

Mr. Speaker, I am particularly pleased

that our Government has rejected demands of those who have urged we delay any recognition of the Greek Government. These are the people who want to see Greece again torn by civil war and become an easy prey for the Communists.

We are well aware that the growing influence of the Soviet Union in the Mediterranean poses a most serious problem for the entire free world. Greece is our ally today and is protecting freedom from Communist aggression.

Right now, in a very troubled world, it appears to me we need to have open lines of communication with every country that wants to work with the United States. I hope we will resume full exchange of military equipment with Greece to strengthen her NATO capability.

So I say the announcement is a very welcome one and indicates we can now work together toward greater security in the Mediterranean, in the Middle East, and yes, Mr. Speaker, in Southeast Asia.

Mr. Speaker, I have said before and I say now, the United States needs Greece and I hope the action taken today will strengthen the Greek Government in its realization that we—the United States and Greece—are working together toward the mutual security of the Mediterranean against the growing menace of communism.

#### CALL OF THE HOUSE

Mr. PELLY. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 3]

Abbt	Fountain	Moss
Ashley	Fraser	Nichols
Baring	Glaimo	O'Hara, Mich.
Berry	Gibbons	O'Konski
Betts	Goodell	Pepper
Blanton	Gray	Price, Ill.
Blatnik	Hagan	Pryor
Bray	Halleck	Rarick
Broomfield	Hanna	Resnick
Brown, Ohio	Hansen, Wash.	Rivers
Burton, Utah	Harrison	Ruppe
Button	Harvey	St. Onge
Cabell	Hébert	Schadeberg
Carey	Hicks	Schneebell
Cederberg	Hollfield	Shriver
Celler	Ichord	Smith, Okla.
Chamberlain	Jones, Ala.	Stafford
Clancy	Jones, N.C.	Steed
Conyers	Keith	Stephens
Daddario	King, Calif.	Talcott
Dent	Kleppe	Teague, Tex.
Diggs	Kupferman	Tunney
Dingell	Laird	Watson
Dole	Landrum	White
Dorn	Long, Md.	Whitten
Eckhardt	McClure	Wilson,
Edmondson	McCulloch	Charles H.
Evans, Colo.	Machen	Wolf
Fisher	Mathias, Md.	Wylder
Flood	Meeds	Zion
Foley	Mink	

The SPEAKER. On this rollcall 337 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

**TO EARN A LIVING: THE RIGHT OF EVERY AMERICAN—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 242)**

The SPEAKER laid before the House the following message from the President of the United States, which was read:

*To the Congress of the United States:*

In this, my first message to the Congress following the State of the Union Address, I propose:

A \$2.1 billion manpower program, the largest in the Nation's history, to help Americans who want to work get a job.

The Nation's first comprehensive Occupational Health and Safety Program, to protect the worker while he is on the job.

**THE QUESTION FOR OUR DAY**

Twenty years ago, after a cycle of depression, recovery and war, America faced an historic question: Could we launch what President Truman called "a positive attack upon the ever-recurring problems of mass unemployment and ruinous depression"?

That was the goal of the Employment Act of 1946. The answer was a long time in forming. But today there is no longer any doubt.

We can see the answer in the record of seven years of unbroken prosperity.

We can see it in this picture of America today:

75 million of our people are working—in jobs that are better paying and more secure than ever before.

Seven and a half million new jobs have been created in the last four years, more than 5,000 every day. This year will see that number increased by more than 1½ million.

In that same period, the unemployment rate has dropped from 5.7 percent to 3.8 percent—the lowest in more than a decade.

The question for our day is this: in an economy capable of sustaining high employment, how can we assure every American, who is willing to work, the right to earn a living?

We have always paid lip service to that right.

But there are many Americans for whom the right has never been real:

The boy who becomes a man without developing the ability to earn a living.

The citizen who is barred from a job because of other men's prejudices.

The worker who loses his job to a machine, and is told he is too old for anything else.

The boy or girl from the slums whose summers are empty because there is nothing to do.

The man and the woman blocked from productive employment by barriers rooted in poverty: lack of health, lack of education, lack of training, lack of motivation.

Their idleness is a tragic waste both of the human spirit and of the economic resources of a great Nation.

It is a waste that an enlightened Nation should not tolerate.

It is a waste that a Nation concerned by disorders in its city streets cannot tolerate.

This Nation has already begun to attack that waste.

In the years that we have been building our unprecedented prosperity, we have also begun to build a network of manpower programs designed to meet and match individual needs with individual opportunities.

**OUR MANPOWER PROGRAM NETWORK**

Until just a few years ago, our efforts consisted primarily of maintaining employment offices throughout the country and promoting apprenticeship training.

The Manpower Development Training Act, passed in 1962, was designed to equip the worker with new skills when his old skills were outdistanced by technology. That program was greatly strengthened and expanded in 1963, 1965 and again in 1966 to serve the disadvantaged as well. In fiscal 1969, it will help over 275,000 citizens.

Our manpower network grew as the Nation launched its historic effort to conquer poverty:

The Job Corps gives young people from the poorest families education and training they need to prepare for lives as productive and self-supporting citizens. In fiscal 1969 the Job Corps will help almost 100,000 children of the poor.

The Neighborhood Youth Corps enables other poor youngsters to serve their community and themselves at the same time. Last year the Congress expanded the program to include adults as well. In fiscal 1969, the Neighborhood Youth Corps will help over 560,000 citizens.

Others, such as Work Experience, New Careers, Operation Mainstream, and the Work Incentive Program, are directed toward the employment problems of poor adults. In fiscal 1969, 150,000 Americans will receive the benefits of training through these programs.

These are pioneering efforts. They all work in different ways. Some provide for training alone. Others combine training with work. Some are full-time. Others are part-time.

One way to measure the scope of these programs is to consider how many men and women have been helped:

In fiscal 1963: 75,000.

In fiscal 1967: more than 1 million.

But the real meaning of these figures is found in the quiet accounts of lives that have been changed:

In Oregon, a seasonal farm worker was struggling to sustain his eight children on \$46 a week. Then he received on-the-job training as a welder. Now he can support his family on an income three times as high.

In Pennsylvania, a truck driver lost his job because of a physical disability and had to go on welfare. He learned a new skill. Now he is self-reliant again, working as a clerk with a city Police Department.

In Kansas, a high school dropout was salvaged from what might have been an empty life. He learned a trade with the Job Corps. Now he has a decent job with an aircraft company.

Across America, examples such as these attest to the purpose and the success of our programs to give a new start

to men and women who have the will to work for a better life.

These are good programs. They are contributing to the strength of America. And they must continue.

But they must reach even further. I will ask the Congress to appropriate \$2.1 billion for our manpower programs for fiscal 1969.

This is the largest such program in the Nation's history.

It is a 25 percent increase over fiscal 1968.

It will add \$442 million to our manpower efforts.

In a vigorous, flourishing economy, this is a program for justice as well as for jobs.

These funds will enable us to continue and strengthen existing programs, and to advance to new ground as well.

With this program, we can reach 1.3 million Americans, including those who have rarely if ever been reached before—the hard-core unemployed.

**THE CONCENTRATED EMPLOYMENT PROGRAM**

Our past efforts, vital as they are, have not yet effectively reached the hard-core unemployed.

These hard-core are America's forgotten men and women. Many of them have not worked for a long time. Some have never worked at all. Some have held only odd jobs. Many have been so discouraged by life that they have lost their sense of purpose.

In the Depression days of the 1930's, jobless men lined the streets of our cities seeking work. But today, the jobless are often hard to find. They are the invisible poor of our Nation.

Last year I directed the Secretary of Labor to bring together in one unified effort all the various manpower and related programs which could help these people in the worst areas of some of our major cities and in the countryside.

The concentrated Employment Program was established for this purpose.

Its first task was to find the hard-core unemployed, to determine who they are, and where and how they live.

Now we have much of that information.

500,000 men and women who have never had jobs—or who face serious employment problems—are living in the slums of our 50 largest cities.

The first detailed profile we have ever had of these unemployed Americans reveals that substantial numbers

Lack adequate education and job training.

Have other serious individual problems—such as physical handicaps—which impair their earning ability.

Are Negroes, Mexican-Americans, Puerto Ricans, or Indians.

Are teenagers, or men over 45.

As the unemployed were identified, the Concentrated Employment Program set up procedures for seeking them out, counseling them, providing them with health and education services, training them—all with the purpose of directing them into jobs or into the pipeline to employment.

As part of the new manpower budget, I am recommending expansion of the Concentrated Employment Program.

That program now serves 22 urban and rural areas. In a few months it will expand to 76. With the funds I am requesting, it can operate in 146.

#### JOB OPPORTUNITIES IN THE PRIVATE SECTOR

The ultimate challenge posed by the hard-core unemployed is to prepare rejected men and women for productive employment—for dignity, independence and self-sufficiency.

In our thriving economy, where jobs in a rapidly growing private sector are widely available and the unemployment rate is low, the "make-work" programs of the 1930's are not the answer to today's problem.

The answer, I believe, is to train the hard-core unemployed for work in private industry:

The jobs are there: six out of every seven working Americans are employed in the private sector.

Government-supported on-the-job training is the most effective gateway to meaningful employment: nine out of every ten of those who have received such training have gone on to good jobs.

Industry knows how to train people for the jobs on which its profits depend.

That is why, late last year, we stepped up the effort to find jobs in private industry. With the help of American businessmen, we launched a \$40 million test training program in five of our larger cities.

The program was built around three basic principles:

To engage private industry fully in the problems of the hard-core unemployed.

To pay with Government funds the extra costs of training the disadvantaged for steady employment.

To simplify government paperwork and make all government services easily and readily available to the employer.

#### THE URGENT TASK

With that work, we prepared our blueprints. We have built the base for action.

Encouraged by our test program and by the progress that American industry has made in similar efforts, we should now move forward.

To press the attack on the problem of the jobless in our cities, I propose that we launch the Job Opportunities in Business Sector (JOBS) Program—a new partnership between government and private industry to train and hire the hard-core unemployed.

I propose that we devote \$350 million to support this partnership—starting now with \$106 million from funds available in our manpower programs for fiscal 1968, and increasing that amount to \$244 million in fiscal 1969.

Our target is to put 100,000 men and women on the job by June 1969 and 500,000 by June 1971. To meet that target, we need prompt approval by the Congress of the request for funds for our manpower programs.

This is high priority business for America.

The future of our cities is deeply involved. And so is the strength of our Nation.

#### HOW THIS NEW PROGRAM WILL WORK

Our objective, in partnership with the business community, is to restore the job-

less to useful lives through productive work.

There can be no rigid formulas in this program. For it breaks new ground.

The situation calls, above all, for flexibility and cooperation.

Essentially, the partnership will work this way:

The government will identify and locate the unemployed.

The company will train them, and offer them jobs.

The company will bear the normal cost of training, as it would for any of its new employees.

But with the hard-core unemployed there will be extra costs.

These men will be less qualified than those the employer would normally hire. So additional training will often be necessary.

But even more than this will be needed. Some of these men and women will need transportation services. Many will have to be taught to read and write. They will have health problems to be corrected. They will have to be counseled on matters ranging from personal care to proficiency in work.

These are the kinds of extra costs that will be involved.

Where the company undertakes to provide these services, it is appropriate that the Government pay the extra costs as part of the national manpower program.

The Concentrated Employment Program, in many areas, will provide manpower services to support the businessman's effort.

#### A NATIONAL ALLIANCE OF BUSINESSMEN

This is a tall order for American business. But the history of American business is the history of triumph over challenge.

And the special talents of American business can make this program work.

To launch this program, I have called on American industry to establish a National Alliance of Businessmen.

The Alliance will be headed by Mr. Henry Ford II.

Fifteen of the Nation's top business leaders will serve on its Executive Board. Leading business executives from the Nation's 50 largest cities will spearhead the effort in their own communities.

This Alliance will be a working group, concerned not only with the policy but with the operation of the program.

It will:

Help put 500,000 hard-core unemployed into productive business and industrial jobs in the next three years.

Give advice to the Secretaries of Labor and Commerce on how this program can work most effectively, and how we can cut government "red tape."

The Alliance will also have another vital mission: to find productive jobs for 200,000 needy youth this summer—an experience that will lead them back to school in the fall, or on to other forms of education, training or permanent employment.

The Alliance will work closely in this venture with the Vice President. As Chairman of the President's Council on Youth Opportunity he will soon meet with the Alliance and with the Mayors of our 50 largest cities to advance this pressing work.

#### THE REWARDS OF ACTION

The rewards of action await us at every level.

To the individual, a paycheck is a passport to self-respect and self-sufficiency.

To the worker's family, a paycheck offers the promise of a fuller and better life—in material advantages and in new educational opportunities.

Our society as a whole will benefit when welfare recipients become taxpayers, and new job holders increase the Nation's buying power.

These are dollars and cents advantages.

But there is no way to estimate the value of a decent job that replaces hostility and anger with hope and opportunity.

There is no way to estimate the respect of a boy or girl for his parent who has earned a place in our world.

There is no way to estimate the stirring of the American dream of learning, saving, and building a life of independence.

Finally, employment is one of the major weapons with which we will eventually conquer poverty in this country, and banish it forever from American life.

Our obligation is clear. We must intensify the work we have just begun. The new partnership I have proposed in this message will help reach that lost legion among us, and make them productive citizens.

It will not be easy.

But until the problem of joblessness is solved, these men and women will remain wasted Americans—each one a haunting reminder of our failure.

Each one of these waiting Americans represents a potential victory we have never been able to achieve in all the years of this Nation.

Until now.

#### A STRENGTHENED MANPOWER ADMINISTRATION

The programs I have discussed are the visible evidence of a Nation's commitment to provide a job for every citizen who wants it, and who will work for it.

Less visible is the machinery—the planning, the management and administration—which turns these programs into action and carries them to the people who need them.

I recently directed the Secretary of Labor to strengthen and streamline the Manpower Administration—the instrument within the Federal Government which manages almost 80 percent of our manpower programs.

That effort is now close to completion.

But we must have top administrators now—both here in Washington and in the eight regions across the country in which these manpower programs will operate.

As part of our new manpower budget, I am requesting the Congress to approve more than 600 new positions for the Manpower Administration. These will include 16 of the highest Civil Service grades.

The central fact about all our manpower programs is that they are local in nature. The jobs and opportunities exist in the cities and communities of this country. That is where the people who need them live. That is where the indus-

tries are—and the classrooms, the day care centers, and the health clinics.

What is required is a system to link Federal efforts with the resources at the State and local levels.

We already have the framework, the Cooperative Area Manpower Planning System (CAMPS) which we started last year.

Now I propose that we establish it for the long term.

CAMPS will operate at every level—Federal, regional, State, and local. At each level, it will pull together all the manpower services which bear on jobs.

But its greatest impact will be at the local level, where it will:

Help the communities develop their own manpower blueprints;

Survey job needs;

Assure that all Federal programs to help the jobseeker are available.

As part of our manpower budget, I am requesting \$11 million to fund the Cooperative Area Manpower Planning System in fiscal 1969.

#### OCCUPATIONAL SAFETY AND HEALTH

The programs outlined so far in this message will train the man out of work for a job, and help him find one.

To give the American worker the complete protection he needs, we must also safeguard him against hazards on the job.

Today, adequate protection does not exist.

It is to the shame of a modern industrial Nation, which prides itself on the productivity of its workers, that each year:

14,500 workers are killed on the job.

2.2 million workers are injured.

250 million man-days of productivity are wasted.

\$1.5 billion in wages are lost.

The result: a loss of \$5 billion to the economy.

This loss of life, limb, and sight must end. An attack must be launched at the source of the evil—against the conditions which cause hazards and invite accidents.

The reasons for these staggering losses are clear. Safety standards are narrow. Research lags behind. Enforcement programs are weak. Trained safety specialists fall far short of the need.

The Federal Government offers the worker today only a patchwork of obsolete and ineffective laws.

The major law—Walsh-Healey—was passed more than 3 decades ago. Its coverage is limited. It applies only to a worker performing a Government contract. Last year about half of the workforce was covered, and then only part of the time.

It is more honored in the breach than observed. Last year, investigations revealed a disturbing number of violations in the plants of government contractors.

Comprehensive protection under other Federal laws is restricted to about a million workers in specialized fields—longshoremen and miners, for example.

Only a few states have modern laws to protect the worker's health and safety. Most have no coverage or laws that are weak and deficient.

The gap in worker protection is wide

and glaring—and it must be closed by a strong and forceful new law.

It must be our goal to protect every one of America's 75 million workers while they are on the job.

I am submitting to the Congress the Occupational Safety and Health Act of 1968.

Here, in broad outline, is what this measure will do.

For more than 50 million workers involved in interstate commerce it will:

Strengthen the authority and resources of the Secretary of Health, Education, and Welfare to conduct an extensive program of research. This will provide the needed information on which new standards can be developed.

Empower the Secretary of Labor to set and enforce those standards.

Impose strong sanctions, civil and criminal, on those who endanger the health and safety of the American working man.

For American workers in intra-state commerce, it will provide, for the first time, federal help to the States to start and strengthen their own health and safety programs. These grants will assist the States to

Develop plans to protect the worker. Collect information on occupational injuries and diseases.

Set and enforce standards.

Train inspectors and other needed experts.

#### CONCLUSION

When Walt Whitman heard America singing a century ago, he heard that sound in workers at their jobs.

Today that sound rings from thousands of factories and mills, work benches and assembly lines, stronger than ever before.

Jobs are the measure of how far we have come.

But it is right to measure a Nation's efforts not only by what it has done, but by what remains to be done.

In this message, I have outlined a series of proposals dealing with the task ahead—to give reality to the right to earn a living.

These proposals deal with jobs.

But their reach is far broader.

The demand for more jobs is central to the expression of all our concerns and our aspirations—about cities, poverty, civil rights, and the improvement of men's lives.

I urge the Congress to give prompt and favorable consideration to the proposals in this message.

LYNDON B. JOHNSON.

THE WHITE HOUSE, January 23, 1968.

The message was, without objection, referred by the Speaker pro tempore (Mr. HAYS) to the Committee on Education and Labor and ordered to be printed.

#### THE PRESIDENT'S MANPOWER MESSAGE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. PERKINS. Mr. Speaker, in the message which President Johnson has sent to the Congress on the subject of jobs, our Chief Executive has shown again not only a keen perception of the problem our Nation faces but has displayed a dramatic sense of what is needed to provide a solution.

The President's proposal to form a partnership between Government and industry in training the hard-core unemployed, so that they will have the skills needed in our industrialized society, shows his keen appreciation of the part that should be played by the private sector and the public sector.

His is a concept worthy of Franklin D. Roosevelt and Harry S. Truman. With his proposal that private industry provide the training for those who need to learn new skills and his request that Government provide the money to support this training, the President has shown a deep understanding of the way public and private effort can be combined.

I think it is worthy of special note that the President's program steers as far as possible from one of welfare hand-outs. His concept is that Government will enroll those who can use the training, that it will provide them and their families with support during the training period and then will turn them over to private industry and its payrolls when the training period is completed.

But the President's humanitarian instincts do not permit him to wash his hands of the problem at the end of training. He recognizes that some people will be slower to learn than others. There will be those, he notes, who will need extra training before they can compete in the world of jobs. Such persons will receive that extra training at the hands of private industry. When a company does provide such additional instruction, the Government will meet the costs and provide support for the man during that period.

I applaud the President's sincerity, his genuine devotion to human welfare, and his efforts to avoid "made work."

I am sure the House Committee on Education and Labor will give him any legislation he asks, as will the entire Congress.

As I said last week, there inevitably will remain, especially in rural areas such as the mountain counties of eastern Kentucky which I represent, groups of men who will not be able, for various reasons, to acquire the skills modern industry requires. I feel sure it would not conflict with the President's sound program, if in due time, special provision is made for these men to engage in a type of public work under public supervision similar to the projects of the Roosevelt-era WPA.

These men could build and repair minor roads which neither the counties nor States will construct. They could provide flood protection by clearing debris out of streams. They could clean up city streets and alleys. They could take part in beautification programs on the grounds of public buildings. They could well form a supplement to the fine, imaginative program which the President has presented to us. I mean a pro-

gram that the Government will be the employer of last resort, instead of pushing this type of hard-core unemployed on relief. A program that is well planned, and furnishes the local government involved permanent improvements of a constructive type.

**PRESIDENT'S MESSAGE ON THE RIGHT OF EVERY AMERICAN TO EARN A LIVING**

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. ALBERT. Mr. Speaker, the message of the President to the Congress proposes the appropriation of \$2.1 billion to be expended in a nationwide program to help Americans who want to work get a job, to organize and administer the Nation's first comprehensive occupational health and safety program, and to protect the worker while he is on the job. The President has sounded a clarion call for the Congress to be about the business of improving the lot of our poor and the lives of those who have been unjustly deprived of equal opportunity in the Nation's economy.

In this program, the President strikes at the source of the unhappiness and poverty of thousands upon thousands of our citizens. I shall heartily and earnestly support the President's program. I look forward to the accomplishment of the goal of putting 100,000 men and women on the job by 1969 and 500,000 by June 1971. The President is right when he states:

Our society as a whole will benefit when welfare recipients become taxpayers, and new job holders increase the Nation's buying power.

The second goal, announced in the message, is to protect every one of America's 75 million workers while they are on the job. And Congress can do this by enacting the proposed Occupational and Health Act of 1968. Mr. Speaker, I recommend to my colleagues the enactment of the President's proposals into law. By doing so, we will immeasurably contribute to the welfare of the people of the Nation.

**PRESIDENT JOHNSON PRESENTS THE CORRECT CURE TO EASE UNEMPLOYMENT**

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. BOGGS] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. BOGGS. Mr. Speaker, President Johnson's manpower message to the Congress provides a comprehensive approach to many of the problems that cause persistent unemployment. The President has devoted a great amount of attention to preventive measures in the manpower area, and that is exactly what is needed.

I have a particular interest in the present and proposed efforts to provide job training and employment to those on the public welfare rolls, particularly those 1.2 million families who need help because there are children to be cared for.

As you know, Louisiana was a pioneer in the social welfare field, and its present program is one of the best in the Nation. And because we are aware of these problems in Louisiana, I think that self-help programs to take residents off the welfare rolls and put them on the payrolls are the only meaningful way to a productive life for these citizens. I am thinking of programs like the old community work and training program under the Social Security Act; and the work-experience program under title V of the Economic Opportunity Act; and the work incentive program under social security which is now being put in operation by the Department of Labor and the Department of Health, Education, and Welfare, and their State counterparts.

These citizens are going to get employment or job training, or any kind of special help that will make them better able to get and keep jobs in private industry. The President's proposal makes it possible for a broad attack on the problems of the very poor, the people who most need our help. The job is big. The need is great. And the time is now.

The proposals made by the President in his manpower message deserve our full and immediate support. I hope and expect the 90th Congress to pass them promptly.

**THE PRESIDENT REMINDS THE COUNTRY OF ITS RESPONSIBILITY FOR THE HEALTH AND SAFETY OF THE AMERICAN WORKER**

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. MINISH] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. MINISH. Mr. Speaker, I am delighted that President Johnson has focused new attention on health and safety protection measures for the American workingman by proposing a new Occupational Health and Safety Act of 1968.

Those of us who have had experience in labor affairs know that the President is right when he calls on the Congress to act because each year 15,000 workers are killed on the job, 2 million are injured, 200 million man-days are lost, and \$5 billion in wages are sacrificed.

In my own State of New Jersey, worker health and safety have been key points in our legislative programs in recent years, and I am pleased that the President has today reminded us of our national responsibilities for workers.

President Johnson reminds us that 50 million workers in interstate commerce are now employed under health and safety laws some of which are 30 years old. Many workers are simply not covered by any kind of health or safety law,

and I agree wholeheartedly with the President that this must be corrected.

Our Government today supports medical and health services for many groups of Americans—mothers and children, old people, people with heart disease, stroke, cancer, and mental problems, and the poor and unemployed. I think it is high time, as President Johnson has said, that we do more to protect the largest group of Americans who keep our country strong, productive, and free—the American worker.

I salute the President for this new effort to protect and help the men and women whose hearts and hands keep our prosperity strong. And I also urge every Congressman to respond with a strong yes to the Johnson program for jobs for the hard-core unemployed.

**SAVINGS AND LOAN HOLDING COMPANY AMENDMENTS OF 1967**

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1032 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1032

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8696) to amend section 408 of the National Housing Act, as amended, to provide for the regulation of savings and loan holding companies and subsidiary companies. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the substitute amendment recommended by the Committee on Banking and Currency now in the bill and such substitute for the purpose of amendment shall be considered under the five-minute rule as an original bill. At the conclusion of such consideration the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any of the amendments adopted in the Committee of the Whole to the bill or committee substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. After the passage of H.R. 8696, the Committee on Banking and Currency shall be discharged from the further consideration of the bill S. 1542, and it shall then be in order in the House to move to strike out all after the enacting clause of said Senate bill and insert in lieu thereof the provisions contained in H.R. 8696 as passed by the House.

The SPEAKER pro tempore. The gentleman from California [Mr. SISK] is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. SMITH] pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 1032 provides an open rule with 2 hours of general debate for consideration of H.R. 8696 to amend section 408 of the National Housing Act, as amended, to provide for

the regulation of savings and loan holding companies and subsidiary companies. The resolution also provides that it shall be in order to consider the committee substitute as an original bill for the purpose of amendment; that, after passage of H.R. 8696, the Committee on Banking and Currency shall be discharged from further consideration of S. 1542, and it shall be in order to move to strike out all after the enacting clause and amend the Senate bill with the House-passed language.

The purpose of H.R. 8696 is to provide a comprehensive statutory framework for the registration, examination, and regulation of holding companies controlling one or more savings and loan associations, the accounts of which are insured by an agency of the Federal Government, the Federal Savings and Loan Insurance Corporation.

Holding companies controlling more than one insured association may not commence nor continue after 2 years, or for more than 180 days after becoming a savings and loan holding company, whichever is later, any activity not specified in the act unless permitted by the Corporation by specific approval or by general regulation. Thus, holding company interests involving unrelated activities must be divested within the time allotted in the act.

Prohibition against purchases or guarantees of holding company securities by insured subsidiaries is continued.

The present freeze on expansion of holding companies would be removed. The act contains specific statutory standards applicable to agency approval of acquisitions, however.

Acquisitions involving interstate holding company acquisitions are prohibited where the result would otherwise be a multiple savings and loan holding company. However, existing multiple holding companies would be permitted to retain their out-of-State insured associations.

The prohibitions against unrelated activities by holding companies, the limitations upon acquisitions of insured associations, and the limitations on holding company debt structure would not apply to holding companies acquiring control of an insured institution or of a savings and loan holding company, pursuant to a pledge or hypothecation to secure a loan. However, such control may not be retained for more than 1 year without Corporation approval. Extensions up to an additional 3 years may be permitted.

With respect to holding company debt structure, prior written approval of the Corporation is required with respect to the incurrence or renewal of holding company debt except with respect to diversified savings and loan holding companies, or debt aggregating along with outstanding indebtedness not more than 15 percent of the holding company's consolidated net worth.

The purpose of the debt control provisions is to avert a topheavy holding company debt structure causing pressure upon insured associations to maximize earnings and dividends to meet the parent's debt service.

Mr. Speaker, I urge the adoption of House Resolution 1032 in order that H.R. 8696 may be considered.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of the bill is to further regulate the operations of the holding companies which control capital stock savings and loan associations. Any savings and loan association whose accounts are insured by the Federal Savings and Loan Insurance Corporation is covered by the proposed legislation.

Current law makes it unlawful for any holding company to "acquire control of more than one insured institution or to acquire control of an insured institution when it holds the control of any other insured institution."

The bill will tighten up and further restrict holding company acquisitions and require divestiture of some unrelated but legal business activities.

Under H.R. 8696, a holding company controlling more than one insured association may not continue for more than 2 additional years, nor commence any activity not specified in the act unless granted specific permission by the Federal Savings and Loan Insurance Corporation. This will actually be a forced divestiture within the 2-year period of activities which until passage of the act were permitted. Any unrelated activities will have to be sold or terminated; only those which are incident to the operation of savings and loan association will be permitted.

The bill continues the prohibition against further expansion of existing holding companies or the creation of new ones.

Limitations are placed upon the incurring or renewing of holding company debt structure. Prior written approval by the Federal Savings and Loan Insurance Corporation is required to incur or renew company debt above 15 percent of the holding company's consolidated net worth. This provision has been inserted to avert a heavy holding company debt structure causing pressure upon its savings and loan association to maximize earnings to meet its parent's debt requirements.

The bill provides criminal penalties:

First. For a company, any violation may result in a fine of up to \$1,000 per day as long as the violation continues; and

Second. For an individual, a violation can result in a fine of up to \$10,000, 1 year imprisonment, or both.

Judicial review is provided, as usual, not to the merits of any administrative decision, but only to its procedural correctness.

Minority views have been filed by 12 members. They generally support the aims of the bill but point to several sections which they want amended.

They point out that the definition of debt in the bill will give the Federal Savings and Loan Insurance Corporation very broad powers—too broad, they believe—over corporate-management decisions. This control factor is only to become effective when debt exceeds 15

percent of the consolidated net worth of the holding company—a fact the proponents of the legislation believe provides an effective exemption for most companies.

The issue of forced divestiture is also raised by these members. They believe it is wrong to force a divestiture upon a company by what amounts to an ex post facto law. They suggest that a grandfather clause should be added.

The bill as reported by the committee is a substitute for the original bill, the rule reflects this fact by providing for the substitute to be considered as an original bill for amendment.

There is no statement of any additional cost, nor are any agency views included in the report.

Mr. Speaker, I urge adoption of the rule.

Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. Latta].

Mr. Latta. Mr. Speaker, I do not intend to oppose the adoption of this rule to H.R. 8696. I do want to bring up a couple of matters that have come to my attention since this bill was considered before the Committee on Rules.

I am wondering whether or not H.R. 8696 as it stands and, perhaps, as it might be amended in this body, would bring about the recommendations made by the President of the United States on January 26, 1967.

The President in his Economic Report of January 26, 1967, renewed the recommendations made in his 1966 Economic Report for stronger regulations for savings and loan holding companies.

Mr. Speaker, the question that I raise—and the question which I hope will be debated during the time this bill is being considered today—is whether or not this bill will accomplish better regulation of savings and loan holding companies, especially if the amendments that I understand are going to be proposed are adopted.

Several weakening or liberalizing amendments have already been adopted. Six major amendments were adopted in the other body including, first, savings and loan holding companies would be permitted to acquire additional insured associations with prior approval of the FSLIC; second, the control percentage figure would be increased from more than 10 percent to more than 25 percent of the voting shares of an insured association; third, limited duration family-type trusts would be exempted from coverage as savings and loan holding companies. House Banking and Currency Committee exempting only such family-type trusts as are in existence on June 26, 1967, or are testamentary trusts created after that date; fourth, savings and loan holding companies owning only one insured association will be exempted from the prohibitions against unrelated activities; fifth, existing interstate holding companies would be permitted to retain out-of-State subsidiary insured associations acquired prior to the enactment of the bill; sixth, savings and loan holding companies engaged predominantly in nonsavings and loan business would be exempted from the debt limitations of subsection (g) of the bill.

Mr. Speaker, additional major amendments were adopted by the House Committee on Banking and Currency, to wit, the requirement that any company—not a savings and loan holding company—obtain prior approval of the FSLIC before acquiring control of one or more insured associations would be amended to exclude situations where, first, control is changed under the terms of a testamentary trust exempt from coverage as a savings and loan holding company, or (b) control is vested in a newly formed holding company established by an existing control group which would remain in control of the holding company. Second, the ceiling on holding company debt that could be incurred without FSLIC approval would be increased from 5 percent to 15 percent of consolidated net worth.

Mr. Speaker, I would like to read a couple of telegrams which I have just received, one from Mr. Raymond P. Day, superintendent, Division of Building and Loan Association of the State of Ohio, which reads as follows:

COLUMBUS, OHIO,  
January 22, 1968.

HON. DELBERT L. LATTA,  
House of Representatives,  
Washington, D.C.:

As supervisor of Savings and Loan Associations in Ohio I am gratified that H.R. 8696 Savings and Loan Holding Company Bill is now before the House and urge its support as reported by the committee and I urge also rejection on amendments that would curtail the Federal Home Loan Bank Board's authority to cope with the problem of excessive holding company debt.

RAYMOND P. DAY.

Also, I would like to read another telegram which I have just received from Mr. Hylas A. Hilliard, secretary to the board; and from Mr. William S. Guthrie, chairman of the board and president of the Buckeye Federal Savings & Loan Association, which reads as follows:

COLUMBUS, OHIO,  
January 23, 1968.

HON. DELBERT L. LATTA,  
House of Representatives,  
Washington, D.C.:

Strongly urge that you oppose any amendment to H.R. 8696 Savings and Loan Holding Company bill that would further weaken this important legislation. Particularly urge your vigorous opposition to the proposed amendment that would narrow the board's authority to cope with the problem of excessive holding company debt. We both therefore urge your support of section (G) as reported by the full committee.

HYLAS A. HILLIARD,  
WILLIAM S. GUTHRIE.

Mr. Speaker, I have another telegram from a long list of signers, the list which I shall not read, but the context of the telegram is as follows:

CINCINNATI, OHIO,  
January 22, 1968.

HON. DELBERT L. LATTA,  
House of Representatives,  
Washington, D.C.:

As members of the Board of Directors of the Federal Home Loan Bank of Cincinnati, and thus to a large degree responsible for the soundness of the Savings and Loan Associations of this district, we are grateful that H.R. 8696, the savings and loan holding company bill, will be before the House on Tuesday, January 23. We strongly urge its passage without any weakening amend-

ments. We especially urge your strong opposition to the proposed amendment that would narrow the ability of the Federal Home Loan Bank Board to cope with the problem of excessive Holding Company Debt. Thus, we make the plea that you support section (g) as reported by the House Banking and Currency Committee.

Thomas P. Ballou, Executive Vice President, First Federal Savings & Loan Association, Tullahoma, Tenn.; Clarence P. Bryan, President, the Cuyahoga Savings Association, Cleveland, Ohio; Ovid Corsates, President, Cleveland Federal Savings & Loan Association of Cuyahoga County, Cleveland, Ohio; Richard E. Guggenheim, Vice President, U.S. Shoe Corp., Cincinnati, Ohio; George W. Gartha, President, the Citizens Home & Savings Association of Lorain, Ohio; William M. Laufenburg, President, Greater Louisville First Federal Savings & Loan Association, Louisville, Ky.; Dr. Athens C. Pullias, President, David Lipscomb College, Nashville, Tenn.; William S. Guthrie, President, Buckeye Federal Savings & Loan Association, Columbus, Ohio; Charles B. Hazlett, President, Evans Savings Association, Akron, Ohio; Roger J. McGurk, Executive Vice President, First Federal Savings & Loan Association, Lexington, Ky.; Otwell C. Rankin, Rouse, Rankin, Branel & Mellott, Covington, Ky.; Charles R. Sherman, President, Leader Federal Savings & Loan Association, Memphis, Tenn.; Charles W. Reusing, President, Cincinnati Federal Savings & Loan Association, Cincinnati, Ohio.

Mr. SISK. Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama [Mr. ANDREWS].

Mr. ANDREWS of Alabama. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

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

There was no objection.

Mr. ANDREWS of Alabama. Mr. Speaker, I rise in support of this rule, and in support of the bill.

Mr. Speaker, the Honorable John E. Horne, Chairman of the Federal Home Loan Bank Board, is a constituent of mine, and is one of the best Government officials that I know of.

I am supporting this bill—H.R. 8696—and would like to read a letter, dated January 19, 1968, which I received from Mr. Horne, explaining this bill:

FEDERAL HOME LOAN BANK BOARD,  
Washington, D.C., January 19, 1968.

HON. GEORGE W. ANDREWS,  
House of Representatives,  
Washington, D.C.

DEAR CONGRESSMAN: Yesterday the House Rules Committee by voice vote granted a rule for the consideration of H.R. 8696, the savings and loan holding company bill. It is expected that the bill will be taken up on the Floor on Tuesday, January 23, 1968.

By a 30 to 1 vote the House Banking and Currency Committee reported the bill last November 27th, just a few days before Congress adjourned. And it will interest you to know that a similar but stronger bill (S. 1542) was reported unanimously by the Senate Banking and Currency Committee on June 23, 1967, and passed the Senate by voice vote on June 26, 1967.

As the proposed legislation and Congressional action pertaining thereto make clear, there is no intention to prevent the proper functioning of savings and loan holding com-

panies. The legislation is intended to prevent those unsound practices that jeopardize not only subsidiary associations of the holding companies but the industry as a whole.

Understandably members of the House Banking and Currency Committee and of the Rules Committee have already been supplied certain information in their consideration of the proposed legislation. With the thought that it would be helpful to the other Members to have information on the bill, I am forwarding the following enclosures:

A—List of the States in which holding companies are located.

Even though holding companies operate in only eleven (11) States, unsound operations in that sector of the industry adversely affect the remainder of the industry everywhere.

B—Some facts about the operations of many savings and loan holding companies that show the undue risks they are imposing on the Federal Savings and Loan Insurance Corporation (the Agency that insures accounts in savings and loan associations) with resultant jeopardy to the welfare of the public and to the industry itself.

C—A contrast between the overwhelming support for H.R. 8696 and the group, small in number but powerful in resources, that oppose it.

D—Some recent editorials and articles that point up the growing concern of the public about the unsound practices of savings and loan holding companies.

Despite the broadly based support behind H.R. 8696 in the form worked out in Committee, and the unmistakable signs that the need for remedial legislation is already pressing, it appears that a few holding companies may strive to undermine some portions of the bill by having offered on the Floor certain amendments rejected in Committee. In particular, amendments may be offered to narrow the reach of the sections dealing with the problem of excessive holding company debt—section (g)—and to absolve all existing multiple holding companies from the ban on engaging in unrelated and possibly conflicting activities that is contained in section (c).

Both the Senate and the House Banking and Currency Committee, after detailed presentation of the nature of these problems and their consequences, concluded that the sections referred to were needed and desirable safeguards. The Board believes that to dilute further the protection that the bill would afford to the interests of the millions of small savers in insured associations would be most unwise, and urges that any such special amendments on behalf of individual holding companies be defeated.

Consequently I respectfully urge that you oppose such amendments if offered, and any others that would weaken the bill and thus permit holding companies to operate in a manner injurious to the remaining 88 percent of the industry.

Finally, I want to assure you that it is the Board's sincere and carefully arrived-at conclusion that legislation such as that embodied in H.R. 8696 is imperative if the public interest and indeed the savings and loan industry itself is to be given adequate protection.

Respectfully,

JOHN E. HORNE,  
Chairman.

Mr. SISK. Mr. Speaker, I have no further requests for time.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

Mr. PATMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration

of the bill (H.R. 8696) to amend section 408 of the National Housing Act, as amended, to provide for the regulation of savings and loan holding companies and subsidiary companies.

The SPEAKER pro tempore (Mr. HAYS). The question is on the motion offered by the gentleman from Texas [Mr. PATMAN].

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 8696, with Mr. RODINO in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas [Mr. PATMAN], will be recognized for 1 hour, and the gentleman from New Jersey [Mr. WIDNALL] will be recognized for 1 hour.

The Chairman recognizes the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bill, H.R. 8696, the Savings and Loan Holding Company Amendment of 1967, has been carefully considered by your committee, and I can truthfully say—and I believe every member of our committee can truthfully say—that this bill was very carefully considered.

Every amendment that was suggested was debated as long as members wanted to debate it, and then we not only had a vote, but we had a record vote on every major amendment.

It required days, in fact, the executive session went into weeks. I believe that we have done as well as our committee can do on a bill of this type. I believe we have done as well as any committee of the Congress could do, because careful consideration was given on every point and every figure.

So, Mr. Chairman, I am very proud of the fact that the bill was reported out by a vote of 30 to 1—and, incidentally, I do not believe that member will vote against this bill.

This is a good bill. It is in the public interest. It is intended to help people who want to own homes and the homeowners, the thrifty and the savers.

The Government has an interest in the savings and loan associations. The Congress created them way back in the early part of the depression. They have done a wonderful job. They have caused millions of people to invest their savings and receive a fair interest rate for their savings and these savings were invested and were used for the purchase of homes on long terms and low rates of interest.

We would not have a situation as favorable—although it is not too favorable—on the homes today that can be occupied by families were it not for the fine services rendered by the savings and loan associations. They are locally owned. They are locally owned by small people. They are administered in the public interest. Their institutions are looked upon with great favor by the local communities and we are all very proud of them.

In comparison with other financial institutions they are at somewhat of a disadvantage. Notwithstanding these disadvantages and the hardships caused by these disadvantages they have gone forward and helped to build America.

You know out in California they have done a magnificent job in particular. Were it not for the fact that you had a savings and loans out there, California in my opinion would not be the largest in population today and it would not be the great State that it is.

The savings and loans have done as much in the way of contributing to the growth and welfare of that State and all the Nation as any other financial institution. We are not aiming this bill at California. It is true that some of the holding companies that are affected by it are domiciled in the great State of California. But we do not have in mind doing anything against California at all. We have in mind promoting the general welfare, serving the public interest, and making sure that the investors are adequately protected—and making sure that the Federal Home Loan Bank Board has authority and jurisdiction to properly and adequately supervise the hundreds and thousands of savings and loans that have about \$150 billion in the money of savers.

One can hardly conceive of a financial institution going so far so fast and so rapidly and serving the public interest in a more genuine helpful and constructive way than the savings and loans have during the last 25 or 30 years.

The bill was reported to the House, as I stated, by a vote of 30 yeas and 1 nay on November 27, 1967.

After hearings in August, and extended consideration thereafter, the bill, S. 1542, for which we hope to have our bill substituted, all after the enacting clause thereof, so it can go back to the Senate and so that there will be no unusual delay.

It is the Senate counterpart bill to this one and also has been the subject of extensive testimony in the Senate where 3 days' hearings were held in June 1967. The bill, S. 1542, passed the Senate practically without objection—if there was an objection—and I doubt that there was—by voice vote on June 26, 1967.

The rapid growth of holding companies in the fifties resulted in the enactment in 1959 of the Spence Act, which is the existing law on savings and loans and holding companies.

The stated purpose of the act is to promote and preserve local management of savings and loan associations and by protecting them against encroachment by holding companies.

The act prohibits the expansion of holding companies by the acquisition of additional insured associations although new holding companies may be formed to control one association.

It also prohibits certain transactions between subsidiary insured associations and the parent holding company or its other subsidiaries which are unduly likely to be detrimental to the association.

Essentially these prohibited transac-

tions involved the purchase by an insured association of a security or evidence of indebtedness of its parent company or other subsidiary of such parent or the extension of credit to the holding company or its other subsidiaries.

The Federal Savings and Loan Insurance Corporation provides for the insurance of all the investments made in savings and loans. Contrary to the way it is done in commercial banks, commercial banks receive deposits. Savings and loans do not receive deposits. They receive investments, and on these investments a person making the investment gets a return for his money.

On a Federal Savings and Loan Insurance Corporation investment account up to \$15,000 is insured by the Federal Savings and Loan Insurance Corporation in the same way and manner that the deposit accounts in commercial banks are insured up to \$15,000 by the FDIC, the Federal Deposit Insurance Corporation. Each one is amply secured by reserves. In fact, I will say here what I said way back when we first had the FDIC measure before the Congress. At one time when the Congress was about to close many of us felt very strongly about the FDIC. We wanted to guarantee bank deposits. So many of us signed a petition here at the end of the session demanding that we pass the FDIC bill, or at least a temporary measure, and we postponed the adjournment of Congress and passed that temporary measure.

There was a strong feeling for it. People wanted it done. It was in the public interest.

From that, of course, the Federal Savings and Loan came along, a separate financial organization and association entirely, but patterned after the FDIC, and the investment accounts in the savings and loans were likewise guaranteed.

What I am about to say I do not think has been said much. But I would like to point out that the fund is ample for the reason that the banks have a right to call on the Treasury for \$3 billion in the event of trouble and use that \$3 billion for the purpose of making the banks in a more solvent condition and remove the trouble. If the Treasury is called upon for that \$3 billion, the Treasury cannot refuse. The Treasury can only talk terms of repayment and the interest payment. It cannot refuse the call for \$3 billion.

The Federal Savings and Loan Insurance Corporation has a similar draw on the Treasury but in a far lesser amount. The truth is that the Government of the United States is morally obligated to support these promises. That is my belief, and I was here when each one of those measures was started, when it was discussed, and when it was finally enacted into law. I know that other people who were there at that time hold that firm belief now. So if you have your deposit insured in a savings and loan, you are just as secure as if you had your deposit secured in a commercial bank. There is no difference. One is just as safe as the other.

Without taking too much of your time—I know we have had a lot in the RECORD lately about this bill—I will invite your attention to the report filed by

the Committee on Banking and Currency on December 6.

That report goes into the background of the legislation, it goes into the amendments that were proposed by the minority, and discusses them fully and freely.

#### HISTORY OF THE LEGISLATION

The rapid growth of holding companies in the 1950's resulted in the enactment in 1959 of the Spence Act, the existing law on savings and loan holding companies. The stated purpose of the act is to promote and preserve local management of savings and loan associations by protecting them against encroachment by holding companies. The act prohibits the expansion of holding companies by the acquisition of additional insured associations, although new holding companies may be formed to control one association. It also prohibits certain transactions, between a subsidiary insured association and the parent holding company or its other subsidiaries, which are unduly likely to be detrimental to the association. Essentially, these prohibited transactions involve the purchase by an insured association of a security or evidence of indebtedness of its parent company or other subsidiaries of such parent, or the extension of credit to the holding company or its other subsidiaries.

The Spence Act was regarded as, in some respects, a temporary measure until the Congress could evolve a permanent policy on savings and loan holding companies. The legislation directed the Federal Home Loan Bank Board to conduct a survey of all savings and loan holding companies and to report to the Congress on the need for and feasibility of additional legislation in the holding company area. The Board subsequently reported to the Congress and made a number of legislative recommendations.

The President, in his Economic Report for 1966 and 1967, urged the enactment of stronger regulation of savings and loan holding companies. Early in the last session, Federal Home Loan Bank Board Chairman John E. Horne transmitted a draft bill with advice from the Bureau of the Budget that enactment of the proposed legislation would be in accord with the program of the President. The bill, which I introduced as H.R. 8696, embodies the recommendations of the administration for enactment of a comprehensive statutory framework for holding companies as contemplated by the Spence Act.

#### NEED FOR THE LEGISLATION

Although the Spence Act placed some restraint upon the growth of a holding company once formed, in that it could not acquire additional insured associations, it can hardly be said to have succeeded in preventing further encroachment by holding companies in the savings and loan field. In fact, the rate of growth of holding company control during the past 8 years has been rapid. During that period, the number of insured associations controlled by holding companies increased by 44 percent and the percentage of total savings and loan assets held by holding company controlled associations increased from 7 percent to over 12 percent of the assets of the entire industry. In dollar terms, the assets of holding company associations

increased from \$4.25 billion to over \$16 billion. It is important to note here that as the holding companies have grown in assets so have the problems in connection with their operations and the Board's lack of authority to supervise them. If for no other reason, such an important segment of the Nation's financial structure warrants attention and careful regulation—not to prevent sound growth and development, but better to insure attainment of the twin industry goals of encouraging thrift and providing a sound and economical source of residential financing.

From Chairman Horne's testimony and supplemental data furnished to the committee by the Board, it is evident that the Board has reached the conclusion that holding company operations have come to pose an undue risk to the safety and soundness of the savings and loan industry. Chairman Horne testified that at the end of 1966, there were 28 associations with \$2.3 billion in assets that the Board ranked in the category of the more serious problem cases. Holding company controlled associations, although possessing only 12½ percent of the assets of the industry as a whole, accounted for more than 63 percent of the assets of the most serious problem group.

Another significant measure of the nature of holding company operation is reflected by various performance indicators. Information supplied by the Board discloses that in 1966 holding company associations had a level of assets of substandard quality almost three times as high as the rest of the industry, had significantly lower levels of liquidity, and had a foreclosure rate over three times as high as the rest of the industry.

Chairman Horne also cited a number of instances where holding companies have caused subsidiary associations to engage in transactions which are not in their own best interest or that of the savings account holders. Public policy might be indifferent to the holding company's manner of operation if the subsidiary associations were not vested with a public purpose. Savings and loan associations represent a vital element in our economy; they provide a safe and sound method for millions of our citizens, and they provide a greatly needed source of funds for the mortgage market. The Federal Savings and Loan Insurance Corporation becomes immediately liable to pay account holders whenever a savings and loan association becomes insolvent and goes into receivership. The committee is informed that there exist today several holding company systems, whose combined association assets exceed the funds in the Insurance Corporation, which are so strained by operating losses and excessive debt that their long-run existence and viability are put in question. The potential risk to the insurance funds resulting from holding company operations has assumed such dimensions that the public interest requires that the regulatory authority embodied in H.R. 8696 be promptly enacted.

#### WHAT THE BILL WOULD DO

Mr. Chairman, for the benefit of the Members I will summarize briefly the principal provisions of the bill.

H.R. 8696, as amended by the commit-

tee, would provide a comprehensive statutory framework for the registration, examination and regulation of savings and loan holding companies controlling one or more insured institutions. Control would be deemed to exist whenever a company owns or controls more than 25 percent of the voting shares of an insured association, or whenever the Insurance Corporation determines that actual control exists as a matter of fact. Your committee adopted an amendment which would include general partnerships within the definition of "company." However, personal trusts of limited duration would be excluded from coverage as savings and loan holding companies if the trust is in existence on June 26, 1967, the date S. 1542 passed the Senate, or is a so-called family type testamentary trust created after that date.

Holding companies would be required to register with the Insurance Corporation, file periodic reports and to be subject to examination by the Corporation.

The bill would require multiple holding companies which control more than one insured association to divest themselves of activities unrelated to the savings and loan business. This provision is similar to the policy expressed in the Bank Holding Company Act, namely that a holding company should not be permitted to extend its banking interests while simultaneously carrying on other businesses under common management and control. The self-interest of the holding company may not always be identical to the best interest or financial well-being of a single subsidiary. If the nonsavings and loan segment of a holding company's operation were to suffer financial reverses, this could cause—and experience has shown that it has caused—the parent holding company to exert greater pressures on the savings and loan to undertake riskier loans in the hopes of increased earnings and higher dividends. The premise of the ban on unrelated activities is that if a savings and loan holding company is that and that alone, then the interests of its savings and loan subsidiary will be paramount in the holding company's decisions. Therefore, your committee recommends that the potential growth of such conflicts of interest be checked by requiring all multiple holding companies to divest themselves of unrelated activities.

The bill would also tighten up several loopholes in the Spence Act prohibitions on "self-dealing" transactions between a controlled savings and loan association and its parent holding company or its affiliates. However, most nonlending transactions would require Corporation approval only where the aggregate consideration involved in any 12-month period exceeds the lesser of \$100,000 or one-tenth of 1 percent of the association's total assets at the end of the preceding fiscal year. These provisions are intended to limit the opportunity for "self-dealing" to the detriment of the association while, at the same time, allowing for a variety of minor transactions between the subsidiary associations and their holding companies and affiliates, before the approval requirements come into play.

The Spence Act "freeze" on expansion

of holding companies would be removed. H.R. 8696, as introduced, would have continued the flat prohibition against further expansion of existing holding companies or the creation of new multiple holding companies through acquisitions or mergers. However, your committee believes that the additional safeguards provided by the bill, including the requirement that holding companies register with and be subject to examination by the Insurance Corporation, justifies removing this absolute ban. However, acquisitions through either purchase or merger would require prior Corporation approval. The Corporation would apply the identical standards in passing upon such acquisitions or mergers as are contained in the Bank Holding Company Act and the Bank Merger Act.

Under S. 1542, prior Corporation approval would be required as a condition for the acquisition of control of one or more insured institutions by any company. Your committee would amend this provision so that such approval would not be required where control would change under the terms of a testamentary trust which is exempt from coverage as a savings and loan holding company, or where control is vested in a company established by an existing control group which will remain in control of the company following the reorganization in form.

Acquisitions involving the creation of new interstate holding companies are prohibited. However, existing interstate holding companies would be permitted to retain their out of principal State insured associations.

The bill also provides for advance notification to the Insurance Corporation of the payment of a dividend by the subsidiary association to its parent. If the association's condition should be impaired or the payment of the dividend unsound, the notice would enable the Insurance Corporation to take steps to prevent the payment and to protect the association from the demands of its parent.

Finally, the bill provides the Insurance Corporation with authority to exercise control over holding company debt. S. 1542 prohibits the incurrence or renewal of any holding company debt without the prior approval of the Corporation, except with respect to holding companies engaged primarily in nonsavings and loan activities—"diversified" holding companies—and short-term debt aggregating not more than 5 percent of consolidated net worth. Your committee recommends, however, that no distinction be made between long- and short-term debt, and that Corporation approval be required only when holding company system debt aggregates more than 15 percent of holding company consolidated net worth.

While exempt from direct control over debt structure, diversified holding companies must pass an earnings test. So long as the income from its nonsavings and loan activities is at least twice the amount needed to service the holding company's debt, the diversified holding company would be exempt from any re-

strictions. Otherwise, the diversified holding company could not take dividends from a subsidiary insured institution that were objected to by the Corporation as a capital depletion that was injurious to the association in the light of its financial condition.

The purpose of the debt control provision is, of course, to avert a top-heavy pressure upon insured associations to take imprudent risks in an attempt to obtain the required earnings and dividends to meet the parents' debt service needs. Chairman John Horne testified that holding company debt has in certain cases caused such a course to be followed with resulting damage to the insured association.

In recommending legislation to provide additional control over holding companies, the committee does not mean to imply that holding companies in the savings and loan field are necessarily evil in themselves. Indeed, there are holding companies that by any reasonable standards are clearly prudently run and ably managed. Nevertheless, the committee is convinced that experience has demonstrated the need for and desirability of additional regulatory authority in this field. I believe your committee, after hearing all points of view and making a number of accommodations and changes, has recommended to the Members a reasonable and constructive bill which would provide the Board with the authority it needs to safeguard this rapidly growing form of corporate ownership. At the same time, it provides the industry with the flexibility it needs to continue to serve the needs of the American public. I believe this is a reasonable bill and urge that it be adopted by the House.

Mr. Chairman, I will not take further time, because other Members are going to take some time, but I reserve the balance of my time at this point and yield now to the gentleman from New Jersey [Mr. WIDNALL].

The CHAIRMAN. The gentleman from Texas consumed 13 minutes.

The gentleman from New Jersey [Mr. WIDNALL] is recognized.

Mr. WIDNALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, existing savings and loan holding company law is essentially a stopgap measure. It imposes a freeze on holding company expansion and prohibits upstream and cross-stream lending operations between underlying association affiliates and the holding company. It does not prohibit formation of a holding company providing it controls only one savings and loan association.

The pending bill takes a different approach to that of existing law. The bill would require savings and loan holding companies to register with the Board, submit reports, and be supervised by the Board. It also prohibits upstream financial transactions between the underlying association and the holding company, and the Board would be given dividend control authority over payment to the holding companies. Holding companies would be permitted to expand with the approval of the Home Loan Bank Board. There is general agreement on these provisions of the pending bill.

However, in the control provisions which the Board seeks, the Board was not modest in the authorities requested. It applied the principle of legislative overkill in the powers it sought. It is these proposals which have brought controversy into the legislation.

One of the most controversial of these legislative overkill provisions is the authority the Board sought to control holding company indebtedness. The original Board proposal was so broad as to constitute virtual Board control over holding company indebtedness. The Senate in acting on the measure modified that provision of the bill and further modification is made in the House reported bill. Under the bill, as reported, Board approval is not required for holding company debt that does not exceed 15 percent of the consolidated net worth of the holding company. However, the power is far broader than appears to be the case.

This broadened power comes through the definition of debt security which is found in subsection (g)(5) of the bill. Here is the text of that paragraph:

(5) As used in this subsection, the term "debt security" includes any note, draft, bond, debenture, certificate of indebtedness, or any other instrument commonly used as evidence of indebtedness or any contract or agreement under the terms of which any party becomes, or may become, primarily or contingently liable for the payment of money, either in the present or at a future date.

The first half of that definition—namely, that the term "debt security" includes any note, draft, bond, debenture, certificate of indebtedness, or any other instrument commonly used as evidence of indebtedness—is indeed a broad definition of a "debt security." Particularly would this be true if the word "commonly" was omitted from the phrase "or any other instrument commonly used as evidence of indebtedness." There then would be provided an all-embracing definition of the term "debt security" which would arm the Board with all the authority it would need, or should have, if in fact debt control was what the Board was actually seeking.

But look at the last half of the definition of "debt security." This makes the term "debt security" also include "any contract or agreement under the terms of which any party becomes, or may become, primarily or contingently liable for payment of money, either in the present or at a future date."

Including any contract for the payment of money in the definition of "debt security," of course, covers the whole gamut of operating contracts that a holding company might use in carrying on its business. These would include management salary contracts, lease of a building, advertising contracts, hazard insurance contracts, audit contract expenses, contracted property management expenses, and all other operating expenses subject to contract.

In short, if the Board chose to do so, this broad, "debt security" definition would enable the Board to usurp the functions of management and actually control operating expenses, including—and this is extremely important—officer salaries, of a savings and loan holding company.

When the bill is read for amendment I propose to strike out that paragraph and amend it to read as follows:

(5) As used in this subsection, the term "debt security" includes any note, draft, bond, debenture, certificate of indebtedness, or any instrument used as evidence of indebtedness.

Subsection (g) of the bill is entitled "Holding Company Indebtedness" and as previously noted it gives the Board authority to control holding company indebtedness above 15 percent of consolidated net worth. The definition of debt security should be amended as I have suggested to make the definition consistent with the debt control the Board sought. The basic characteristic of debt is that it requires repayment. This is not true of "every contract for the payment of money" where such contracts call for payment of money for services. It tortures the concept of debt to include within the definition of debt security, contracts for the payment of services under which it was never intended that there be any repayment and none will ever be made.

Promises from the Home Loan Bank Board, the committee report, or uttered on the floor of the House to the contrary that contract operating expenses will be excluded from debt-security control by Board regulations, further lend support to my contention that the "debt security" definition should be amended. The principle involved is far too basic to hope that legislative history alone somehow will negate a clearly expressed grant of authority in the proposed law.

Mr. PATMAN. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Chairman, the bill now before us, to provide some reasonable regulation of those savings and loan holding companies whose subsidiaries are insured by the Federal Savings and Loan Insurance Corporation grew out of the efforts of the Missouri Savings and Loan League to alert Congress several years ago to the danger to our entire savings and loan industry as a result of excesses by some of the unregulated holding companies in the field.

MISSOURI SAVINGS AND LOAN LEAGUE INITIATED THIS LEGISLATION

As a result of the warnings and research of the Missouri Savings and Loan League, I introduced a bill nearly 4 years ago, H.R. 10189 of the 89th Congress, which became the stimulus for study and action by the Federal Home Loan Bank Board leading to the preparation of the administration bill now before us. While H.R. 8696 does not go as far in all particulars as the legislation I introduced in the 89th Congress and in this Congress also, nevertheless it is, I believe, an acceptable bill and one which will accomplish the purpose I sought to achieve 4 years ago in first submitting legislation on this subject.

The Missouri Savings and Loan League deserves the thanks of everyone in this country sincerely interested in the homebuilding and savings and loan industry, including most of all the depositors in our federally insured savings and

loan institutions, for writing this legislation. Its purpose is to protect the integrity of the FSLIC insurance fund and thus to protect all depositors in all insured savings and loans.

This legislation is necessary because, without it, we face a continued danger to the savings and loan insurance fund from insured institutions owned by unregulated holding companies which have milked their savings and loans of valuable assets and otherwise put them in jeopardy.

"INSIDER DEALS" JEOPARDIZE STABILITY OF INSURED SAVINGS & LOAN'S OWNED BY HOLDING COMPANIES

One figure alone is sufficient to dramatize the importance of this legislation in safeguarding the Federal Savings and Loan Insurance Corporation from claims arising out of the mismanagement or abuse of insured savings and loans owned by holding companies. It is this:

Although only 12.5 percent of all of the assets of the entire insured savings and loan industry are owned by holding companies, the holding company-owned insured savings and loans represent, in asset terms, more than 60 percent of the serious problem cases confronting the Federal Home Loan Bank Board.

This is not intended to say, or to convey the impression, that the millions of Americans who have invested part or all of their savings in federally insured savings and loans are in imminent danger of losing their investments. But we dare not permit a situation to continue which can lead to large claims against the insurance fund arising out of the activities, or machinations, of privately owned, privately controlled, unregulated holding companies which count among their assets, and seek to manipulate, insured savings and loans in which innocent investors have placed their hard-earned money.

Insured savings and loans are subject to Federal regulation by the Home Loan Bank Board, but when they are privately owned by holding companies, as they are in some cases, instead of being owned mutually by their own depositors, there are many ways in which the assets of the savings institution can be manipulated or used for insider deals. Yet the holding companies operate free from any Federal regulation or supervision. They do not even have to register with the Federal Home Loan Bank Board or provide any information to the Board.

Chairman PATMAN, of the Committee on Banking and Currency, has fully explained to the House the details of H.R. 8696, and reported on the actions of the committee on this legislation after extensive hearings and considerations. The bill contains some Committee amendments which, I feel, lean over backward to accommodate the privately owned savings and loan people, and I strongly feel we should not weaken this bill any further.

PUBLIC DOES NOT DIFFERENTIATE BETWEEN PRIVATELY OWNED AND MEMBER-OWNED SAVINGS AND LOANS

Most savings and loans insured by the Federal Savings and Loan Insurance Corporation are member-owned institutions, operated in a democratic manner by a board of directors elected by the members who have entrusted their savings to the

institution in share accounts, or who have borrowed from the institution for purchase of a home—usually, a member of an insured, federally chartered savings and loan is both a borrower and a depositor. But the FSLIC, like the Federal Deposit Insurance Corporation which insures bank deposits, will insure any institution in its field of jurisdiction which can qualify for such insurance, and that includes the privately owned savings and loans, too.

The average citizen, however, does not differentiate between the two types of savings and loans; that is, the federally chartered, member-owned ones and the privately owned stock companies. All the investor tends to notice about a particular institution is whether it is federally insured, and, if it is, he feels confident about depositing his savings in such an institution.

If, therefore, because of loopholes in the law, holding companies which control State-chartered, profitmaking savings and loans can milk them of their assets or compromise them through self-serving intercorporate loans, all depositors in all savings and loans can be adversely affected by excessive drains on the FSLIC insurance fund. That is why this legislation must be passed.

For if some of these holding-company-owned savings and loans go down, because of mismanagement or predatory practices by those who control them for profit, confidence will be shaken in all savings and loans, including the bulk of mutually owned federally chartered institutions which are so closely supervised by the Federal Home Loan Bank Board.

At the present time, as I said, the Board cannot exercise any supervision or control over the holding companies controlling insured savings and loans.

Many of us remember that a few years ago, a scandal among State-chartered savings and loans in Maryland, growing out of very loose State laws and regulations, led to a collapse in that industry which hurt every savings and loan in the State and in nearby areas, even though those firms which went under were not even federally insured. Imagine what the consequences would have been to confidence in savings and loans if federally insured institutions in Maryland had been among those which went under so spectacularly amid charges of corruption and self-dealing.

I am proud of the farsighted and public-spirited work of the Missouri Savings & Loan League and its officers in digging into the savings and loan holding company problem 4 years ago and alerting me, as a member of the Committee on Banking and Currency, to the need for new legislation. To the extent that this bill now before us resolves the problems the Missouri League first uncovered and called to my attention, it is a bill for which savings and loan leaders of my State deserve high praise and the thanks of every depositor in an insured savings and loan institution.

Mr. Chairman, I support this bill and urge its enactment.

Mr. PATMAN. Mr. Chairman, I ask unanimous consent that the gentleman from California [Mr. HOLIFIELD] may ex-

tend his remarks at this point in the RECORD.

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

There was no objection.

Mr. HOLIFIELD. Mr. Chairman, I support the bill H.R. 8696, as reported by the Committee on Banking and Currency.

Mr. Chairman, I believe that this measure represents the best consensus which could be worked out at this time. It is a consensus which takes into account the phenomenal growth of the thrift industry in recent years, and its great importance to my home State of California. It is a consensus which recognizes that such growth is a result of competition properly supervised.

Finally, it is a consensus which recognizes that the development of the holding company has introduced a new factor into the original concept of the community savings and loan: if properly administered and properly regulated by the Home Loan Bank Board the holding company can have a strengthening effect on that part of the industry which it serves; if not administered under safeguarding regulations which prohibit such abuse, it can have a detrimental effect on the industry.

In the last few years we have seen this industry change rapidly as it grew. The holding company has been instrumental in the process of growth, and new patterns of supervision must now be found to assure that the public interest is served through mechanisms appropriate for the task. To have the Home Loan Bank Board become unresponsive to these dramatic facts of growth would in short order be detrimental to the industry and to the hundreds of thousands of homeowners in my State and other States who depend on our savings institutions for home financing.

The Home Loan Bank Board is in a sense the product of an earlier era; it was designed to meet the problems of that era, and there is no question in my mind that the legislation before us today is one way to modernize the tools of the Board and thereby make its effect on the industry more constructive. This is a step forward in the direction of the right kind of relation between a growing and innovative industry and the necessary degree of guidance which the Board can and should provide.

Mr. Chairman, H.R. 8696 provides through compromise two main areas in which holding companies will be permitted to compete: The first of these involves diversification and acquisition for new formations and expansions; the second involves new supervisory authority for the Board to insure that holding companies do not fall into the "serious problem" category to which Chairman Horne has referred. I join my colleague, the gentleman from California [Mr. HANNA] in stressing that I view the holding company as a positive competitive instrument in the thrift industry, not as the "neighborhood bully" which some witnesses before the committee sought to conjure up for the press and public.

This act will require continuous and

careful scrutiny in order to see if the restrictions and allowances, as regards the matters of diversification and acquisition, are appropriate as presently formulated in the committee bill. This will take some time and experience to determine. In the coming months I will follow closely its implementation into law.

Mr. Chairman, may I conclude by noting that the compromise which has been reached in bringing this bill to the floor today has brought about one very hopeful development: a better working relationship between the Board and the industry. I look to this as productive for the future.

Mr. WIDNALL. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DEL CLAWSON].

Mr. DEL CLAWSON. Mr. Chairman, during the course of the hearings and committee debate on H.R. 8696, the legislation before us, disparaging statements about savings and loan associations located in California and associations owned by holding companies in California and elsewhere were made, and some informational data have been inserted in the CONGRESSIONAL RECORD. The remarks would lead one to believe that the savings and loan business in California is shaky. I submit that these are highly inaccurate statements. I would certainly not represent that every single association in California, or, for that matter, in every other State of the Union, is in perfect shape. The test to be applied is whether or not their condition is one which will result in insolvency and whether or not the supervisory authorities are able to cope with the situation as they find it.

In the aggregate, the savings and loan associations in California are in as strong a position as they ever have been. Their reserves are high, their liquidity is high, and they are continuing to provide the great bulk of the mortgage funds to finance homeownership and other real estate in California. There have been some losses taken with a write-down of assets by charging reserves, but still the reserves of associations are 50 percent higher than is the minimum required.

There seems to be an insinuation that, because of the condition of the savings and loan business in California, or perhaps more specifically among associations owned by holding companies in California, the rest of the insured savings and loan associations of the Nation are bearing an unequal burden through the Federal Savings and Loan Insurance Corporation. Each savings and loan association pays premiums to the Federal Savings and Loan Insurance Corporation for its insurance of accounts up to \$15,000. Associations in California have contributed \$400 million in premiums to the present reserves of the FSLIC. According to my information, in the last 5 years the FSLIC has paid out only \$5¼ million to assist two different mergers involving one independent State-chartered association and one federally chartered association. No association owned by a holding company in California has caused the Insurance Corporation any loss. Furthermore, I have a newspaper article in which the California savings and loan commissioner is quoted as saying:

The State authority has the tools to handle the problems and we are not loath to use them.

It is likewise true that the foreclosure rate in California is higher than the rest of the country, in the aggregate, but this is a California problem and not one which is caused by either the associations owned by holding companies or by the federally chartered associations. As a matter of fact, I was gratified to see a statement which Mr. John Horne, chairman of the Federal Home Loan Bank Board, made in a speech in New York recently in which he said:

Well, I think the Federal Home Loan Bank System was perhaps too liberal in making expansion advances in the early sixties and, thus, contributed somewhat to overbuilding in some areas of the country.

The foreclosures which took place in California were, for the most part, on houses or apartments that were never occupied because of the overbuilding which was created in part by the surplus of mortgage money available in our State. The important thing to remember, however, is that only slightly over 1 percent of the loans outstanding in California associations have been subject to foreclosure in any of the last 2 or 3 years. This is certainly not a condition which would create panic.

From the above and from information which has been supplied to the Banking and Currency Committee about losses to the FSLIC and about associations which are considered supervisory cases by the Federal Home Loan Bank Board, problems involving California associations and associations owned by holding companies are minimal and are under control.

All but three savings and loan associations in California are members of the California Savings and Loan League which supports the legislation and also supports several of the amendments that are being offered today. The record of the savings and loan business in California in support of this legislation is very clear in that in 1964 the league sponsored the savings and loan company bill which was approved by the California State Legislature.

Mr. Chairman, I support H.R. 8696 and am firmly convinced that the holding company bill is necessary. However, I find no evidence to support the contention that any punitive provisions need be provided. It is with this in mind that several amendments will be offered to make this legislation fair and equitable to both savings and loan institutions and the holding companies. I urge members of the committee to support appropriate amendments when they are offered.

Mr. PATMAN. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. MINISH].

Mr. MINISH. Mr. Chairman, the savings and loan holding company legislation that is under consideration here today cannot be looked upon as sudden and drastic legislation. It is neither sudden nor is it drastic.

Stop-gap legislation was enacted in 1959 and, following a 1960 agency study, a permanent comprehensive holding company bill has been introduced in

every Congress since I came to the House. Finally, the other body acted first and referred S. 1542 to the House after adopting several important liberalizing amendments in committee. Now we in the House have an opportunity to pass a bill which will result in a permanent law after nearly 10 years of stop-gap legislation which has proved itself inadequate.

Furthermore, it has been a dozen years since the Bank Holding Company Act was enacted. So this legislation, which in fact closely parallels the Bank Holding Company Act, is nothing new.

Neither is the measure before us drastic. There is nothing—I repeat—nothing in this bill which will in any way curb or unduly restrict proper and prudent savings and loan holding company activities. In fact, insofar as acquisitions of additional associations are concerned, H.R. 8696 is more liberal than the 1959 act in that the new bill permits acquisitions not detrimental to the public interest while, under the present law, expansion of existing holding companies has been prohibited absolutely. So, in this respect, H.R. 8696 is certainly more flexible.

This bill represents a further improvement over present law in that it limits the amount of debt structure a holding company may incur. A topheavy debt structure is dangerous for any corporation, and particularly a corporation whose earnings substantially depend upon the mortgage and money markets. However, where no danger appears from exceeding the debt limit of 15 percent of the company's net worth, the supervisors will approve a debt structure even in excess of 15 percent. Here again, the bill offers flexibility.

The bill further provides that a holding company with more than one insured subsidiary association must, within 2 years, divest itself of all unrelated activities, just as is provided in the Bank Holding Company Act. Yet, the legislation specifically provides that there is no objection to a holding company's engaging in:

(a) furnishing or performing management services for a subsidiary insured institution, (b) conducting an insurance agency or an escrow business, (c) holding or managing or liquidating assets owned by or acquired from a subsidiary insured institution, (d) holding or managing properties used or occupied by a subsidiary insured institution, (e) acting as trustee under deed of trust, or (f) furnishing or performing such other services or engaging in such other activities as the Corporation may approve or may prescribe by regulation as being a proper incident to the operations of insured institutions and not detrimental to the interests of savings account holders therein.

Here again there is great flexibility.

Members will also observe that this bill does not provide a ban upon transactions between holding company insured subsidiary associations and their affiliates. Maybe further experience will prove that a flat ban on self-dealing transactions is necessary, but the present bill provides a free pass for all such transactions which in any 12-month period do not exceed the lesser of \$100,000 or one-tenth of 1 percent of each association's assets.

But that is not all with the prior written approval of the supervisory agency, these limitations can be exceeded wher-

ever and whenever it is determined that such payment would not be detrimental to the interests of the savings account holders or to the Federal insurance fund. Here again we find flexibility in full measure.

So, Mr. Chairman, in every single one of the important improvements in present law proposed in this bill—acquisitions, debt limitations, divestiture of unrelated activities, and self-dealing transactions—flexibility is the keynote. Substantial leeway is granted holding companies as a matter of right. But, in addition to these free passes which your committee recommends as a matter of legislative grace—I say legislative grace because a good case can be made for a complete ban on acquisitions, on unrelated activities, on debt and on self-dealing—we have gone much further than that and are directing the responsible agency to permit holding companies to engage in activities without regard to the specific limitations contained in the bill if not contrary to the public interest.

In sum, this bill will get the job done without unduly restricting the industry. It is a model of flexibility. There is no legitimate reason for further liberalizing amendments. To do so would weaken the bill, with the result that it would be utterly impossible for the general public to have any real confidence in savings and loan associations controlled by holding companies.

Mr. PATMAN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. REES].

Mr. REES. Mr. Chairman, I would like to ask the gentleman from Texas [Mr. PATMAN], the chairman of the committee, a question.

Mr. PATMAN. You may proceed, sir, and I will be very glad to try to answer it.

Mr. REES. Mr. Chairman, inasmuch as the bill imposes restrictions on multiple savings and loan holding companies which are not imposed on unitary companies, does the gentleman expect that the Federal Home Loan Bank Board will encourage mergers between insured institutions which are now subsidiaries of the same savings and loan holding company, in order that such holding company may obtain equal treatment with unitary companies?

Mr. PATMAN. Yes. It would seem to me that a unitary company, which may previously have been a multiple company, must be treated as a unitary company, if that in fact is what it is, by the Federal Home Loan Bank Board.

Mr. REES. Thank you, Mr. Chairman.

Mr. Chairman, I would like to support this legislation. I have been on the subcommittee that has been looking at the bill now for the past year. I believe this present version represents a reasonable compromise between the Home Loan Bank Board, which is the supervisory agent of this industry, and the industry.

I am from California. We have had special problems in the savings and loan industry because of the tightness of the money market and perhaps because of overexpansion.

In discussing this measure with responsible members of the industry, I find

that there is a general consensus that this is a good bill which will give us reasonable supervision of holding companies.

Another improvement is that this act supersedes the Spence Act. The Spence Act presently prohibits mergers between holding companies and associations unless that association is in, or in danger of, bankruptcy.

The bill has reasonable regulation and reasonable criteria concerning mergers between associations and holding companies.

With this bill the Home Loan Bank Board has everything it needs to supervise the industry. With the passage of this bill they no longer can claim that they lack adequate laws to supervise this industry.

Two years ago we passed a very strong supervisory bill and this bill before us would give the Board regulations to regulate the holding companies.

I hope the Board will be very conscientious about their new-found duties and responsibilities toward both the public and the industry.

I would ask for a "yea" vote on the bill, without amendments.

Mr. WIDNALL. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. STANTON].

Mr. STANTON. Mr. Chairman, I rise in support of H.R. 8696, the savings and loan holding company bill.

The primary purpose of this legislation, in my mind, is to give to the Home Loan Bank Board the necessary authority to deal adequately with problems of holding companies. It further protects the public interest of depositors in these institutions and the welfare of the \$140 billion savings and loan industry in general.

The need for this legislation can be specified in one sentence. Holding companies control one-eighth of the total assets of the savings and loan industry, but account for five-eighths of the institutions in most serious financial jeopardy.

In addition to the above fact, the tendency toward higher risk operations of associations controlled by holding companies far exceeds that of the remainder of the industry. For example, holding company associations: First, have a foreclosure rate over three times as high as the rest of the industry; and second, have a level of substandard assets almost three times the rest of the industry.

Nearly 10 percent of holding company associations—and also 10 percent of holding company associations' assets—are in the serious problem case category. But as regards mutual associations—which comprise about 78 percent of the savings and loan business—only eight-tenths of 1 percent of associations—and only six-tenths of 1 percent of association assets—are in the serious problem book.

The assets of serious problem associations—\$1.6 billion—controlled by holding companies just about equal the liquid assets—\$1.7 billion—of the Insurance Corporation. This poses an unwarranted risk to the safety of the insurance system.

Mr. Chairman, I am proud that the

Ohio Savings & Loan League endorses this legislation. The State of Ohio, with 14 holding companies ranks second in the Nation in the number of holding companies within a State.

The Ohio Savings & Loan League, while endorsing this legislation, has stated to its congressional delegation that the league finds itself in a great measure in agreement with the minority views as it relates to debt control being sound. The league believes the definition of "debt security" should be amended to make it clear that "debt security" does not include contracts for the payment of money for rendering of services to the insured institution which would be ordinarily incurred in the operation of the business. Examples are cited at the top of page 30 of the report.

Second in importance to the league's thinking is the divestiture provision. The minority proposes two alternatives to the present language. One is to postpone forced divestiture until such time as tax relief is provided. This is the same procedure as was adopted in the Bank Holding Company Act. The second proposal was to "grandfather" the continued operation of nonrelated activities. While both suggestions have merit, they find themselves in more agreement with the first named above.

The third view expressed by the league relates to subsection (d) paragraph (6). The paragraph provides some exemption from the list of prohibited transactions expressed in the first part of the subsection. They see no great danger to the stability of the insured association to permit such transactions to an amount not in excess of \$250,000 or two-tenths of 1 percent of the insured association's assets, whichever is the lesser.

Mr. Chairman, it is my hope that this legislation will receive favorable consideration from the Members of this great body.

Mr. WIDNALL. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. TAFT].

Mr. TAFT. Mr. Chairman, the legislation before us, I believe, has been very carefully studied, as the learned members of the Committee have already demonstrated in their comments pertinent to it.

As my colleague from Ohio has just explained, the Ohio Savings & Loan League has taken a position in favor of this legislation, although it has some questions about certain portions of it still on which I would like to comment on and to quote.

At the outset, I would like to say, that Ohio, and particularly the part of Ohio that I represent, has long been a center of the savings and loan industry. We regard with warmth the tradition of the German Bovereins from which this form of institution originally sprang. As far as I know, the activities of the holding companies in Ohio, be they multiple or diversified, have not resulted in the picture painted by others as to other areas which resulted in a milking of the assets of the individual savings and loan institutions.

However, I do think that the views of the Savings & Loan League of Ohio, in

view of their members fine record, are pertinent and should be brought to the attention of the House.

In part, as expressed to me in a letter dated January 16, they read as follows:

The savings and loan business in Ohio speaking through the League has always been in favor of adequate control of holding companies to protect the insured savings and loan subsidiaries. It is our position that H.R. 8696 provides the Federal Home Loan Bank Board with adequate authority to accomplish this objective.

However, we find ourselves in a great measure of agreement with the minority views as set forth on pages 29-32, inclusive of Report No. 997.

We believe the minority view as it relates to debt control is sound. We believe the definition of "debt security" should be amended to make it clear that "debt security" does not include contracts for the payment of money for rendering of services to the insured institutions which would be ordinarily incurred in the operation of the business. Examples are cited at the top of page 30 of the report.

I might mention one example, which is not cited, but I believe it would be covered by the present definition, and I would ask the ranking minority member of the committee, the gentleman from New Jersey, to affirm whether or not I am correct on this.

As I understand it, supply contracts would also be covered and, for instance, in the case of one diversified company which I know of in Ohio, which is in the milk business, even a long term—or a short term, for that matter—milk supply contract under which there was an obligation to continue to pay certain sums, would be covered under the present terms of the definition in the bill. Then we find the FSLIC in the regulation of milk contracts—something which is already plenty regulated in this country.

Mr. WIDNALL. Mr. Chairman, I believe the gentleman is correct.

Mr. TAFT. Mr. Chairman, I thank the gentleman from New Jersey.

I hope, therefore, in connection with that provision, when the amendment is presented to the House, we will use some good sense in bringing the definition of "debt security" within the commonly accepted or commonly understood category for such a debt security.

Continuing with the letter of the Ohio Savings & Loan League, I quote as follows:

Second in importance in our thinking is the divestiture provision. The minority proposes two alternatives to the present language. One is to postpone forced divestiture until such time as tax relief is provided. This is the same procedure as was adopted in the Bank Holding Company Act. The second proposal was to "grandfather" the continued operation of non-related activities. While both suggestions have merit, we find ourselves in more agreement with the first named above.

The third view expressed relates to subsection (d) paragraph (6). The paragraph provides some exemption from the list of prohibited transactions expressed in the first part of the subsection. We see no great danger to the stability of the insured association to permit such transactions to an amount not in excess of \$250,000 or 2/10 of 1% of the insured association's assets, whichever is the lesser.

Those are the views of the Ohio Savings & Loan Association upon this legislation, and I think they merit the attention of the House.

There is one further question I would like to raise with regard to the legislation, which perhaps we cannot correct here today. I understand it was not discussed by the committee, but I think it is something to which we should turn our attention, not only in this legislation, but also in other legislation which this body considers. This relates to the whole question of judicial review.

I recognize we have in the bill as it is before us a provision related to judicial review, to be found in subsection (k) on page 42 of the bill. However, I would like to point out to the House as I understand it—and I would like to be corrected if I am wrong—there still is no provision under which that judicial review would have a provision for evidentiary hearings in which those affected could present evidence. There is no provision in which even on appeal—there is a right of appeal to the court, as I understand it, but there is no provision under which this can be taken care of.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

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

Mr. REUSS. Mr. Chairman, I am sensitive to the point the gentleman from Ohio is raising. It is my impression that the Federal Home Loan Bank Board does recognize the right to hearings as one that would accrue from the Administrative Procedure Act. That is my understanding of the purport of the bill, if that understanding is correct, and I have no reason to believe it is not.

As I was saying, I think—and the legislative history here being made does indicate—that an evidentiary hearing would be required under the Administrative Procedure Act.

Mr. TAFT. But there are provisions which are presently in the legislation, as I read it, which would mean not only would such material, if such a hearing was held, be put before a court on appeal, but also other material not brought in in that manner, but upon which the board based its determination, would also be a part of the record on appeal, to which the court of appeals, might refer, but which would not have been offered as regular evidence.

Mr. REUSS. On that point I cannot pronounce, but it does seem to me the hearing would be required and that would be a good thing.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield?

Mr. TAFT. I am glad to yield to the gentleman from Missouri.

Mrs. SULLIVAN. Going back to when the gentleman mentioned the letter he read from the Ohio Savings & Loan League, is it not true that both the Ohio savings and loan commissioner and the Federal Home Loan Bank Board of Cincinnati have gone on record opposing amendments which are to be proposed to this bill by the minority?

Mr. TAFT. I am sorry, but I did not hear the last words.

Mrs. SULLIVAN. Are not both the Ohio

savings and loan commissioner and the Federal Home Loan Bank Board of Cincinnati opposed to the amendments? Have they not gone on record as opposing the amendments which are to be offered by the minority?

Mr. TAFT. Not to my knowledge. The gentlewoman may have such information, but not to my knowledge. I merely repeated the position of the Ohio Savings & Loan League with respect to these amendments, and what my own position was.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. WIDNALL. Mr. Chairman, I yield the gentleman 1 additional minute.

Will the gentleman yield?

Mr. TAFT. I am glad to yield to the gentleman from New Jersey.

Mr. WIDNALL. Yes; they have indicated opposition. In fact, I received a telegram from them asking me to oppose my own amendment.

Mrs. SULLIVAN. Mr. Chairman, will the gentleman yield further?

Mr. TAFT. I am glad to yield.

Mrs. SULLIVAN. I believe the gentleman from Ohio [Mr. Latta] read a telegram in that regard.

Mr. TAFT. I thank the gentlewoman.

Mr. WIDNALL. Mr. Chairman, I yield 3 minutes to the gentleman from Washington [Mr. Pelly].

Mr. PELY. Mr. Chairman, I rise in support of H.R. 8696, to provide for the regulation of savings and loan holding companies and their subsidiary companies, but only after sharing the apprehension of my constituents who are officials of savings and loan associations.

Concern was raised as to the effect the Senate-passed bill might have upon the marketability of guaranty stock of stock savings and loan associations; also to a provision to allow the Federal Savings and Loan Insurance Corporation to examine the books of any holding company and to examine activities other than those directly relating to their owning a savings and loan; and also it was felt 60 days was sufficient time the Federal Savings and Loan Insurance Corporation could take before approving or rejecting the proposed acquisition of one association by another.

I have studied the bill carefully, and as far as I can see the House Banking Committee has overcome or reduced the causes of such concern in the original bill. As the bill comes to us today, its good features, I feel, outweigh its bad ones. I have come to such a conclusion after discussing the matter with savings and loan association people. However, I do want to express the hope that the House conferees will stand firm in conference committee with the Senate. I believe the House should reject the Senate version of H.R. 8696.

Mr. BINGHAM. Mr. Chairman, I rise in support of H.R. 8696, the Savings and Loan Holding Company Amendments of 1967.

The amendments we are considering today are principally concerned with insuring the integrity and continued stability of our network of savings and loan institutions. They will provide the statutory framework for regulation of

holding companies which control one or more savings and loan associations, when the accounts of those associations are insured by the Federal Savings and Loan Insurance Corporation.

This legislation, which has been extensively considered by the Banking and Currency Committee under the knowledgeable leadership of Chairman PATMAN, is largely the outgrowth of a survey which Congress directed the Federal Home Loan Bank Board to conduct on the extent to which savings and loan holding companies have become injurious or detrimental to free competition in the field of home mortgage lending. At that time, back in 1959, it was feared that the holding company device would cause undue concentration of economic control and would operate to destroy the traditions of independent, locally managed savings and loan associations which were responsive to the financial needs of their surrounding communities.

The increasing activity of holding companies in the savings and loan field has borne out Congress early anxiety. Since 1959, despite the congressional ban on holding companies which control more than one insured association, the actual number of such companies has increased by 44 percent. But even more significantly, the assets of associations controlled by holding companies jumped during the 1959-1966 period from \$4¼ billion to over \$16 billion—an increase of almost 300 percent. Finally, the Federal Home Loan Bank Board reported that, of those institutions which had presented it with serious supervisory problems, holding company associations accounted in asset terms for 63 percent of those serious problems although they possessed only 12.5 percent of the assets of the entire industry. Some of my own New York constituents complained to me that they were being forced to pay higher FSLIC insurance premiums because the FSLIC had to assume the obligations of those savings and loan holding companies which were in financial difficulty or bankrupt.

In short, since 1959, the statistics seem to me quite conclusive that not only were holding companies enormously increasing their influence in the field of savings and loan associations but were also presenting troublesome regulatory problems. I share the conclusion which the Banking and Currency Committee reached in its report:

Certainly, if for no other reason, such an important segment of the Nation's financial structure warrants additional supervision—not to hinder future growth and development, but rather to better insure attainment of the twin industry goals of encouraging thrift and providing a main source of residential financing.

H.R. 8696 will provide a comprehensive regulatory statute under which all holding companies which control one or more savings and loan associations must register, file periodic reports, and hold themselves open to examination and supervision by the Federal Savings and Loan Insurance Corporation. FSLIC insures their accounts and bears the ultimate financial responsibility for the stability and security of the savings and

loan industry. In order to insure that savings and loan associations adhere to the particular public purposes for which they were formed—namely, to foster thrift and economical home financing—H.R. 8696 requires that savings and loan holding companies divest themselves of unrelated activities within 2 years unless specifically approved by the FSLIC, forbids future interstate holding company acquisitions which would create multiple savings and loan holding companies, and would give FSLIC the necessary supervisory power over debt structure and business transactions between subsidiaries and their holding companies in order to minimize any opportunities for self-dealing or strawman arrangements.

I feel sure that these amendments will serve to improve and strengthen the financial foundation of the savings and loan industry. As the largest source of financing for our country's huge residential construction industry, it is imperative that the operation of savings and loan associations be above any suspicion and that their soundness be unquestioned. The amendments we are voting on today will, by strengthening public confidence and reliance upon the savings and loans, further insure the future prosperity of this industry.

Mr. SELDEN. Mr. Chairman, even though I am not a member of the House Banking and Currency Committee, I have kept somewhat abreast with developments of H.R. 8696, the bill now before the House, through newspaper articles that have been written about the need for the legislation and contacts from savings and loan associations in my home State, Alabama.

Alabama associations would have preferred a stronger bill than that now before us. However, they recognize that major legislation is usually a compromise and that the bill does contain many good provisions needed to protect the welfare of the industry as a whole. But they strongly oppose any further amendments that will undermine any part of the bill as reported by the House Banking and Currency Committee and that is now before the House.

I agree wholeheartedly that we should reject any such amendments. Our primary concern should be to protect the public and to protect the 40 million savers in America who rely on the insurance of their accounts as they place their money in federally insured associations. It would seem extremely impractical and unfair to permit any sector of the industry as a whole to act in a manner that impairs and brings discredit to the remainder of the industry. And, this is exactly what H.R. 8696 is aiming at avoiding.

I am proud of the savings and loan industry in my State. In fact, this great industry has contributed greatly toward homeownership and improved economic conditions not only in Alabama but throughout the Nation. And from what I can learn, practically the entire industry, except for a few holding companies, supports the bill in the form now before us, although most of them would like to have had a stronger measure.

I also support the bill before us and I

shall vote against any amendment that would weaken its contents.

Mr. HANNA. Mr. Speaker, the savings and loan holding company bill reported by the Banking and Currency Committee is a good piece of legislation. The bill before us today represents a combination of qualities which will provide the Home Loan Bank Board with adequate supervisory power to appropriately regulate savings and loan holding companies. At the same time the bill provides a needed "shot in the arm" to the Nation's stock companies.

The past couple of years have found the savings and loan industry working from a disadvantaged competitive position. Tight money and a restricted mortgage market have strained this important industry to the limits. The need to make available resources that have traditionally been available to the mortgage market has become increasingly evident.

The Banking and Currency Committee, noting the realities of the present mortgage market and the circumstances facing the savings and loan industry, has successfully designed a bill which will assist this segment of our economy in achieving additional strength and liquidity. Our committee recognized that the holding company device, when properly supervised, can provide a source of strength to the savings industry, and therefore the bill discards an outdated policy that prevented the holding company from becoming a truly competitive instrument.

By making this legislation a measure which will assist in constructively aiding the savings and loans the committee placed the issue in its proper perspective. As originally conceived H.R. 8696 was a narrowly constructed piece of legislation designed primarily to be punitive in its effect.

After careful deliberations including some examination of the present position of the savings industry it became clear that positive action was necessary. The end result is the bill we are considering today. Although far from perfect, H.R. 8696 as amended, is an encouraging step in the right direction.

The bill will permit the unitary holding company to develop new resources. By permitting these companies to diversify their operations and become affiliated with nonrelated industries new sources of strength for the savings industry may develop. Certainly diversification is becoming an increasingly important competitive factor in American business. Perhaps by providing the framework by which the holding company device, properly regulated, can achieve its full competitive potential the affiliated savings and loans will find themselves in a more reasonable position to continue servicing their customers even during periods of tight money. This certainly is the hope and intention of those who have been seeking the means to bring the savings industry more into the mainstream of the times.

Another major feature of the bill will permit the nondiversified company to acquire additional savings institutions.

The Board, of course, must approve these acquisitions, but the criteria approval established under the acquisitions section of the bill should go a long way in insuring approval under circumstances which will be beneficial to the community and institutions involved.

The bill extends adequate supervisory authority to the Bank Board. Holding companies will be required to register and file up-to-date reports about their respective activities. Self-dealing transactions which could result in possible conflicts of interest detrimental to the interests of savings account holders are either prohibited or carefully regulated. And although the bill may be too stringent in the ceilings it imposes upon various transactions between a parent company and subsidiary we anticipate that transactions conducted in the normal course of business will be largely exempt from burdening supervision.

It is our firm hope and expectation that the Bank Board will administer this important legislation in the spirit with which the Congress views the situation. Every consideration must and should be given to encourage and strengthen the savings industry. If not overburdened with cumbersome supervision, the holding company device should prove an asset in this strengthening process.

We have every reason to believe that the bill will provide the necessary authority to meet those problems that now exist. On the whole, while these are evident soft areas as there are in every business, almost all presently operating holding companies are in a strong position and are providing their many customers and communities within which they operate the highest quality of service.

We are hopeful that the committee-amended bill will receive overwhelming House support, and that our colleagues in the Senate will see fit to adopt our version.

Mr. WIDNALL. Mr. Chairman, I have no further requests for time.

Mr. PATMAN. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the substitute committee amendment printed in the reported bill as an original bill for the purpose of amendment.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Savings and Loan Holding Company Amendments of 1967".*

SEC. 2. Section 408 of the National Housing Act, as amended (12 U.S.C. 1730a), is hereby amended to read as follows:

"REGULATION OF HOLDING COMPANIES

"SEC. 408. (a) DEFINITIONS. (1) As used in this section, unless the context otherwise requires—

"(A) 'insured institution' means a Federal savings and loan association, a building and loan, savings and loan, or homestead association or a cooperative bank, the accounts of which are insured by the Federal Savings and Loan Insurance Corporation;

"(B) 'uninsured institution' means any association or bank referred to in subparagraph (A) hereof, the accounts of which are not insured by the Federal Savings and Loan Insurance Corporation;

"(C) 'company' means any corporation, partnership, trust, joint-stock company, or similar organization, but does not include the Federal Savings and Loan Insurance Corporation, any Federal home loan bank, or any company the majority of the shares of which is owned by the United States or any State, or by an officer of the United States or any State in his official capacity, or by an instrumentality of the United States or any State;

"(D) 'savings and loan holding company' means any company which directly or indirectly controls an insured institution or controls any other company which is a savings and loan holding company by virtue of this subsection;

"(E) 'multiple savings and loan holding company' means any savings and loan holding company which directly or indirectly controls two or more insured institutions;

"(F) 'diversified savings and loan holding company' means any savings and loan holding company whose subsidiary insured institution and related activities as permitted under paragraph (2) of subsection (c) of this section represented, on either an actual or a pro forma basis, less than 50 per centum of its consolidated net worth at the close of its preceding fiscal year and of its consolidated net earnings for such fiscal year, as determined in accordance with regulations issued by the Corporation;

"(G) 'person' means an individual or company;

"(H) 'subsidiary' of a person means any company which is controlled by such person, or by a company which is a subsidiary of such person by virtue of this subsection;

"(I) 'affiliate' of a specified insured institution means any person or company which controls, is controlled by, or is under common control with, such insured institution; and

"(J) 'State' includes the District of Columbia and the Commonwealth of Puerto Rico.

"(2) For purposes of this section, a person shall be deemed to have control of—

"(A) an insured institution if the person directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, or holds with power to vote, or holds proxies representing, more than 25 per centum of the voting shares of such insured institution, or controls in any manner the election of a majority of the directors of such institution;

"(B) any other company if the person directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, or holds with power to vote, or holds proxies representing, more than 25 per centum of the voting shares or rights of such other company, or controls in any manner the election or appointment of a majority of the directors or trustees of such other company, or is a general partner in or has contributed more than 25 per centum of the capital of such other company;

"(C) a trust if the person is a trustee thereof; or

"(D) an insured institution or any other company if the Corporation determines, after reasonable notice and opportunity for hearing, that such person directly or indirectly exercises a controlling influence over the management or policies of such institution or other company.

"(3) Notwithstanding any other provision of this subsection, the term 'savings and loan holding company' does not include—

"(A) any company by virtue of its ownership or control of voting shares of an insured institution or a savings and loan holding company acquired in connection with the underwriting of securities if such shares are held only for such period of time (not exceeding one hundred and twenty days unless extended by the Corporation)

as will permit the sale thereof on a reasonable basis; and

"(B) any trust (other than a pension, profit-sharing, shareholders', voting, or business trust) which controls an insured institution or a savings and loan holding company if such trust by its terms must terminate within twenty-five years or not later than twenty-one years and ten months after the death of individuals living on the effective date of the trust, and is (i) in existence on June 26, 1967, or (ii) a testamentary trust created on or after June 26, 1967.

"(b) REGISTRATION AND EXAMINATION.—(1) Within one hundred and eighty days after the enactment of the Savings and Loan Holding Company Amendments of 1967, or within ninety days after becoming a savings and loan holding company, whichever is later, each savings and loan holding company shall register with the Corporation on forms prescribed by the Corporation, which shall include such information, under oath or otherwise, with respect to the financial condition, ownership, operations, management, and intercompany relationships of such holding company and its subsidiaries, and related matters, as the Corporation may deem necessary or appropriate to carry out the purposes of this section. Upon application, the Corporation may extend the time within which a savings and loan holding company shall register and file the requisite information.

"(2) Each savings and loan holding company and each subsidiary thereof, other than an insured institution, shall file with the Corporation, and the Federal home loan bank of the district in which its principal office is located, such reports as may be required by the Corporation. Such reports shall be made under oath or otherwise, and shall be in such form and for such periods, as the Corporation may prescribe. Each report shall contain such information concerning the operations of such savings and loan holding company and its subsidiaries as the Corporation may require.

"(3) Each savings and loan holding company shall maintain such books and records as may be prescribed by the Corporation.

"(4) Each savings and loan holding company and each subsidiary thereof shall be subject to such examinations as the Corporation may prescribe. The cost of such examinations shall be assessed against and paid by such holding company. Examination and other reports may be furnished by the Corporation to the appropriate State supervisory authority. The Corporation shall, to the extent deemed feasible, use for the purposes of this subsection reports filed with or examinations made by other Federal agencies or the appropriate State supervisory authority.

"(5) The Corporation shall have power to require any savings and loan holding company, or persons connected therewith if it is not a corporation, to execute and file a prescribed form of irrevocable appointment of agent for service of process.

"(6) The Corporation may at any time, upon its own motion or upon application, release a registered savings and loan holding company from any registration theretofore made by such company, if the Corporation shall determine that such company no longer has control of any insured institution.

"(c) HOLDING COMPANY ACTIVITIES.—Except as otherwise provided in this subsection—

"(1) no savings and loan holding company or subsidiary thereof which is not an insured institution shall, for or on behalf of a subsidiary insured institution, engage in any activity or render any services for the purpose or with the effect of evading law or regulation applicable to such insured institution; and

"(2) no multiple savings and loan holding company or subsidiary thereof which is not an insured institution shall commence, or continue for more than two years after the

enactment of this amendment or for more than one hundred and eighty days after becoming a savings and loan holding company or subsidiary thereof (whichever is later), any business activity other than (A) furnishing or performing management services for a subsidiary insured institution, (B) conducting an insurance agency or an escrow business, (C) holding or managing or liquidating assets owned by or acquired from a subsidiary insured institution, (D) holding or managing properties used or occupied by a subsidiary insured institution, (E) acting as trustee under deed of trust, or (F) furnishing or performing such other services or engaging in such other activities as the Corporation may approve or may prescribe by regulation as being a proper incident to the operations of insured institutions and not detrimental to the interests of savings account holders therein. The Corporation may, upon a showing of good cause, extend such time from year to year, for an additional period not exceeding three years, if the Corporation finds such extension would not be detrimental to the public interest.

"(d) PROHIBITED TRANSACTIONS.—No savings and loan holding company's subsidiary insured institution shall—

"(1) invest any of its funds in the stock, bonds, debentures, notes, or other obligations of any affiliate (other than a service corporation as authorized by law);

"(2) accept the stock, bonds, debentures, notes, or other obligations of any affiliate as collateral security for any loan or extension of credit made by such institution;

"(3) purchase securities or other assets or obligations under repurchase agreement from any affiliate;

"(4) make any loan, discount, or extension of credit to (A) any affiliate, except in a transaction authorized by subparagraph (A) of paragraph (6) of this subsection, or (B) any third party on the security of any property acquired from any affiliate, or with knowledge that the proceeds of any such loan, discount, or extension of credit, or any part thereof, are to be paid over to or utilized for the benefit of any affiliate;

"(5) guarantee the repayment of or maintain any compensating balance for any loan or extension of credit granted to any affiliate by any third party;

"(6) except with the prior written approval of the Corporation—

"(A) engage in any transaction with any affiliate involving the purchase, sale, or lease of property or assets (other than participating interests in mortgage loans to the extent authorized by regulations of the Corporation) in any case where the amount of the consideration involved when added to the aggregate amount of the consideration given or received by such institution for all such transactions during the preceding twelve-month period exceeds the lesser of \$100,000 or 0.1 per centum of the institution's total assets at the end of the preceding fiscal year; or

"(B) enter into any agreement or understanding, either in writing or orally, with any affiliate under which such affiliate is to (i) render management or advertising services for the institution, (ii) serve as a consultant, adviser, or agent for any phase of the operations of the institution, or (iii) render services of any other nature for the institution, other than those which may be exempted by regulation or order of the Corporation, unless the aggregate amount of the consideration required to be paid by such institution in the future under all such existing agreements or understandings cannot exceed the lesser of \$100,000 or 0.1 per centum of the institution's total assets at the end of the preceding fiscal year; or

"(C) make any payment to any affiliate under any agreement or understanding hereinabove referred to in subparagraph (B)

where the institution has previously paid to affiliates during the preceding twelve-month period, pursuant to any such agreements or understandings, an amount aggregating in excess of the lesser of \$100,000 or 0.1 per centum of the institution's total assets at the end of the preceding fiscal year.

The Corporation shall grant approval under this paragraph (6) if, in the opinion of the Corporation, the terms of any such transaction, agreement, or understanding, or any such payment by such institution, would not be detrimental to the interests of its savings account holders or to the insurance risk of the Corporation with respect to such institution.

"(e) ACQUISITIONS.—(1) It shall be unlawful for—

"(A) any savings and loan holding company directly or indirectly, or through one or more subsidiaries or through one or more transactions—

"(i) to acquire, except with the prior written approval of the Corporation, the control of an insured institution or a savings and loan holding company, or to retain the control of such an institution or holding company acquired or retained in violation of this section as heretofore or hereafter in effect;

"(ii) to acquire, except with the prior written approval of the Corporation, by the process of merger, consolidation, or purchase of assets, another insured or uninsured institution or a savings and loan holding company, or all or substantially all of the assets of any such institution or holding company;

"(iii) to acquire by purchase or otherwise, or to retain for more than one year after the enactment of this amendment, any of the voting shares of an insured institution not a subsidiary, or of a savings and loan holding company not a subsidiary, or, in the case of a multiple savings and loan holding company, to so acquire or retain more than 5 per centum of the voting shares of any company not a subsidiary which is engaged in any business activity other than those specified in paragraph (2) of subsection (c) of this section; or

"(iv) to acquire the control of an uninsured institution, or to retain for more than one year after the effective date of this amendment or from the date on which such control was acquired, whichever is later, the control of any such institution;

"(B) any other company, without the prior written approval of the Corporation, directly or indirectly, or through one or more subsidiaries or through one or more transactions, to acquire the control of one or more insured institutions, except that such approval shall not be required in connection with the control of an insured institution (i) acquired by devise under the terms of a will creating a trust which is excluded from the definition of 'savings and loan holding company' under subsection (a) of this section, or (ii) acquired in connection with a reorganization in which a person or group of persons, having had control of an insured institution for more than three years, vests control of that institution in a newly formed holding company subject to the control of the same person or group of persons. The Corporation shall approve an acquisition of an insured institution under this subparagraph unless it finds the financial and managerial resources and future prospects of the company and institution involved to be such that the acquisition would be detrimental to the institution or the insurance risk of the Corporation, and shall render its decision within ninety days after submission to the Board of the complete record on the application.

"(2) The Corporation shall not approve any acquisition under subparagraphs (A) (i) or (A) (ii), or of more than one insured institution under subparagraph (B), of paragraph (1) of this subsection except in accordance with this paragraph. In every case,

the Corporation shall take into consideration the financial and managerial resources and future prospects of the company and institution involved, and the convenience and needs of the community to be served, and shall render its decision within ninety days after submission to the Board of the complete record on the application. Before approving any such acquisition, the Corporation shall request from the Attorney General and consider any report rendered within thirty days on the competitive factors involved. The Corporation shall not approve any proposed acquisition—

"(A) which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the savings and loan business in any part of the United States, or

"(B) the effect of which in any section of the country may be substantially to lessen competition, or tend to create a monopoly, or which in any other manner would be in restraint of trade, unless it finds that the anti-competitive effects of the proposed acquisition are clearly outweighed in the public interest by the probable effect of the acquisition in meeting the convenience and needs of the community to be served.

"(3) No acquisition shall be approved by the Corporation under this subsection which will—

"(A) result in the formation by any company, through one or more subsidiaries or through one or more transactions, of a multiple savings and loan holding company controlling insured institutions in more than one State; or

"(B) enable an existing multiple savings and loan holding company to acquire an insured institution the principal office of which is located in a State other than the State which such savings and loan holding company shall designate, by writing filed with the Corporation within sixty days after its registration hereunder, as the State in which the principal savings and loan business of such holding company is conducted.

"(4) The provisions of this subsection and of subsections (c) (2) and (g) of this section shall not apply to any savings and loan holding company which acquired the control of an insured institution or of a savings and loan holding company pursuant to a pledge or hypothecation to secure a loan, or in connection with the liquidation of a loan, made in the ordinary course of business, but it shall be unlawful for any such company to retain such control for more than one year after the enactment of this amendment or from the date on which such control was acquired, whichever is later, except that the Corporation may upon application by such company extend such one-year period from year to year, for an additional period not exceeding three years, if the Corporation finds such extension is warranted and would not be detrimental to the public interest.

"(f) **DECLARATION OF DIVIDEND.**—Every subsidiary insured institution of a savings and loan holding company shall give the Corporation not less than thirty days' advance notice of the proposed declaration by its directors of any dividend on its guaranty, permanent, or other nonwithdrawable stock. Such notice period shall commence to run from the date of receipt of such notice by the Corporation. Any such dividend declared within such period, or without the giving of such notice to the Corporation, shall be invalid and shall confer no rights or benefits upon the holder of any such stock.

"(g) **HOLDING COMPANY INDEBTEDNESS.**—(1) No savings and loan holding company or any subsidiary thereof which is not an insured institution shall issue, sell, renew, or guarantee any debt security of such company or subsidiary, or assume any debt, without the prior written approval of the Corporation.

"(2) The provisions of paragraph (1) of this subsection shall not apply to—

"(A) a diversified savings and loan holding company or any subsidiary thereof; or

"(B) the issuance, sale, renewal, or guaranty of any debt security, or the assumption of any debt, by any other savings and loan holding company or any subsidiary thereof, if such security or debt aggregates, together with all such other securities or debt then outstanding as to which such holding company or subsidiary is primarily or contingently liable, not more than 15 per centum of the consolidated net worth of such holding company or subsidiary at the end of the preceding fiscal year.

"(3) The Corporation shall, upon application, approve any act or transaction not exempted from the application of paragraph (1) of this subsection if the Corporation finds that—

"(A) the proceeds of any such act or transaction will be used for (i) the purchase of permanent, guaranty, or other nonwithdrawable stock to be issued by a subsidiary insured institution, or (ii) the purpose of making a capital contribution to a subsidiary insured institution; or

"(B) such act or transaction is required for the purpose of refunding, extending, exchanging, or discharging an outstanding debt security, or for other necessary or urgent corporate needs, and would not impose an unreasonable or imprudent financial burden on the applicant.

The Corporation may also approve any application under this paragraph if it finds that the act or transaction would not be injurious to the operation of any subsidiary insured institution in the light of its financial condition and prospects.

"Applications filed with the Corporation pursuant to this subsection shall be in such form and contain such information as the Corporation may prescribe.

"(4) If a State authority or any other agency of the United States, having jurisdiction of any act or transaction within the scope of paragraph (1) of this subsection, shall inform the Corporation, upon request by the Corporation for an opinion or otherwise, that State or Federal laws applicable thereto have not been complied with, the Corporation shall not approve such act or transaction until and unless the Corporation is satisfied that such compliance has been effected.

"(5) As used in this subsection, the term 'debt security' includes any note, draft, bond, debenture, certificate of indebtedness, or any other instrument commonly used as evidence of indebtedness, or any contract or agreement under the terms of which any party becomes, or may become, primarily or contingently liable for the payment of money, either in the present or at a future date.

"(6) (A) If the Corporation finds that a diversified savings and loan holding company does not meet the test prescribed in subparagraph (B) of this paragraph, such holding company or any subsidiary thereof may not accept, use, or receive the benefit of any dividend on stock from a subsidiary insured institution, and such institution may not declare or pay any dividend on its stock to such holding company or subsidiary, unless the Corporation fails to object, within thirty days of receipt of notification under subsection (f) of this section, to such dividend as being injurious to the insured institution in the light of its financial condition and prospects.

"(B) The prohibition of subparagraph (A) of this paragraph shall not apply to a diversified savings and loan holding company or any subsidiary thereof if, excluding its subsidiary insured institution, its consolidated net income available for interest for its preceding fiscal year was twice its consolidated debt service requirements for the twelve-month period next succeeding such fiscal year, as determined in accordance with regulations issued by the Corporation.

"(h) **ADMINISTRATION AND ENFORCEMENT.**—

(1) The Corporation is authorized to issue such rules, regulations, and orders as it deems necessary or appropriate to enable it to administer and carry out the purposes of this section, and to require compliance therewith and prevent evasions thereof.

"(2) The Corporation may make such investigations as it deems necessary or appropriate to determine whether the provisions of this section, and rules, regulations, and orders thereunder, are being and have been complied with by savings and loan holding companies and subsidiaries and affiliates thereof. For the purpose of any investigation under this section, the Corporation or its designated representatives shall have power to administer oaths and affirmations, to issue subpoenas and subpoenas duces tecum, to take evidence, and to require the production of any books, papers, correspondence, memorandums, or other records which may be relevant or material to the inquiry. The attendance of witnesses and the production of any such records may be required from any place in any State or in any territory. The Corporation may apply to the United States district court for the judicial district or the United States court in any territory in which any witness or company subpoenaed resides or carries on business, for enforcement of any subpoena or subpoena duces tecum issued pursuant to this paragraph, and such courts shall have jurisdiction and power to order and require compliance therewith.

"(3) (A) In the course of or in connection with any proceeding under subsection (a) (2) (D) of this section, the Corporation or its designated representatives, including any person designated to conduct any hearing under said subsection, shall have power to administer oaths and affirmations, to take or cause to be taken depositions, and to issue, revoke, quash, or modify subpoenas and subpoenas duces tecum; and the Corporation is empowered to make rules and regulations with respect to any such proceedings. The attendance of witnesses and the production of documents provided for in this paragraph may be required from any place in any State or in any territory at any designated place where such proceeding is being conducted. Any party to such proceedings may apply to the United States District Court for the District of Columbia, or the United States district court for the judicial district or the United States court in any territory in which such proceeding is being conducted, or where the witness resides or carries on business, for enforcement of any subpoena or subpoena duces tecum issued pursuant to this paragraph, and such courts shall have jurisdiction and power to order and require compliance therewith. Witnesses subpoenaed under this section shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States.

(B) Any hearing provided for in subsection (a) (2) (D) of this section shall be held in the Federal judicial district or in the territory in which the principal office of the institution or other company is located unless the party afforded the hearing consents to another place, and shall be conducted in accordance with the provisions of chapter 5 of title 5 of the United States Code.

"(4) Whenever it shall appear to the Corporation that any person is engaged or has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this section or of any rule, regulation, or order thereunder, the Corporation may in its discretion bring an action in the proper United States district court, or the United States court of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, to enforce compliance with this section or any rule, regulation, or order thereunder, or to require the divestiture of any acquisition in violation of this

section, or for any combination of the foregoing, and such courts shall have jurisdiction of such actions, and upon a proper showing an injunction, decree, restraining order, order of divestiture, or other appropriate order shall be granted without bond.

"(5) All expenses of the Federal Home Loan Bank Board or of the Corporation under this section shall be considered as nonadministrative expenses.

"(1) PROHIBITED ACTS.—It shall be unlawful for—

"(1) any savings and loan holding company or subsidiary thereof, or any director, officer, employee, or person owning, controlling, or holding with power to vote, or holding proxies representing, more than 25 per centum of the voting shares, of such holding company or subsidiary, to hold, solicit, or exercise any proxies in respect of any voting rights in an insured institution which is a mutual institution;

"(2) any director or officer of a savings and loan holding company, or any person owning, controlling, or holding with power to vote, or holding proxies representing, more than 25 per centum of the voting shares of such holding company (A), except with the prior approval of the Corporation, to serve at the same time as a director, officer, or employee of an insured institution or another savings and loan holding company, not a subsidiary of such holding company, or (B) to acquire control, or to retain control for more than two years after the enactment of this subsection, of any insured institution not a subsidiary of such holding company; or

"(3) any individual, except with the prior approval of the Corporation, to serve or act as a director, officer, or trustee of, or become a partner in, any savings and loan holding company after having been convicted of any criminal offense involving dishonesty or breach of trust.

"(J) PENALTIES.—(1) Any company which willfully violates any provision of this section, or any rule, regulation, or order thereunder, shall upon conviction be fined not more than \$1,000 for each day during which the violation continues.

"(2) Any individual who willfully violates or participates in a violation of any provision of this section, or any rule, regulation, or order thereunder, shall upon conviction be fined not more than \$10,000 or imprisoned not more than one year, or both.

"(3) Every director, officer, partner, trustee, agent, or employee of a savings and loan holding company shall be subject to the same penalties for false entries in any book, report, or statement of such savings and loan holding company as are applicable to officers, agents, and employees of an institution the accounts of which are insured by the Corporation for false entries in any books, reports, or statements of such institution under section 1006 of title 18 of the United States Code.

"(K) JUDICIAL REVIEW.—Any party aggrieved by an order of the Corporation under this section may obtain a review of such order by filing in the court of appeals of the United States for the circuit in which the principal office of such party is located, or in the United States Court of Appeals for the District of Columbia Circuit, within thirty days after the date of service of such order, a written petition praying that the order of the Corporation be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Corporation, and thereupon the Corporation shall file in the court the record in the proceeding, as provided in section 2112 of title 28 of the United States Code. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the Corpora-

tion. Review of such proceedings shall be had as provided in chapter 7 of title 5 of the United States Code. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari as provided in section 1254 of title 28 of the United States Code.

"(I) SAVING CLAUSE.—Nothing contained in this section, other than mergers or acquisitions approved under section 408(e)(2), shall be interpreted or construed as approving any act, action, or conduct which is or has been or may be in violation of existing law, nor shall anything herein contained constitute a defense to any action, suit, or proceeding pending or hereafter instituted on account of any act, action, or conduct in violation of the antitrust laws."

Mr. PATMAN (during the reading). Mr. Chairman, the bill and report are available; I ask unanimous consent that the substitute committee amendment be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas? There was no objection.

AMENDMENT OFFERED BY MR. DEL CLAWSON  
Mr. DEL CLAWSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DEL CLAWSON: On page 25, strike line 18 and all that follows through page 26, line 9, and insert:

"(A) furnishing or performing management services for a subsidiary insured institution,

"(B) conducting an insurance agency or an escrow business,

"(C) holding or managing or liquidating assets owned by or acquired from a subsidiary insured institution,

"(D) holding or managing properties used or occupied by a subsidiary insured institution,

"(E) acting as trustee under deed of trust, or

"(F) furnishing or performing such other services or engaging in such other activities as the corporation may approve or may prescribe by regulation as being a proper incident to the operations of insured institutions and not detrimental to the interests of savings account holders therein;

except that any company which, on the effective date of this amendment, is a multiple savings and loan holding company or subsidiary thereof may continue to conduct any business activity in which it is then engaged, and any company which after the effective date of this amendment acquires control, in accordance with the provisions of this section, of a multiple savings and loan holding company may conduct any business activity which such holding company or any subsidiary thereof could lawfully continue to conduct under the provisions of this paragraph."

Mr. Chairman, this amendment deals entirely with section (c) in connection with the divestiture provisions of the bill. The new language in the amendment, of course, begins with the words "with the exception" that was read for inclusion on page 26. Section (c) of the bill covers authorized holding company activities and provides that multiple savings and loan holding companies that control two or more savings and loan associations would be required to divest within a period of a comparatively short time even though these present activities and their holdings are legal at this time.

They would then become illegal under the act unless we make this necessary change.

Mr. Chairman, there is a precedent for this action under the Bank Holding Company Act where bank holding companies were forced to divest themselves of nonbanking activities. That act recognized that there was unfairness in enforced divestiture unless appropriate tax relief was provided for the tax consequences of the enforced divestiture.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. DEL CLAWSON. I will be happy to yield to the chairman.

Mr. PATMAN. We have dealt with a lot of cases similar to this concerning divestiture. I believe it is somewhat traditional that we pass the law first. Then, after it is passed, the Committee on Ways and Means have the exclusive tax jurisdiction over it and they can take it up, and invariably they do grant appropriate relief. I never knew of a case where it was not granted.

Mr. DEL CLAWSON. Mr. Chairman, I question that that was the case in the Bank Holding Act. The Committee on Ways and Means moved expeditiously; however final action by the Congress was unduly delayed.

Mr. PATMAN. We just have to be working together on it. I know it is special, but in other cases, even in recent years, we have gone ahead and ordered divestiture. Then after it was passed we took it up with the Committee on Ways and Means ourselves and asked them to pass it.

Mr. DEL CLAWSON. Yes; we did take it up with the Committee on Ways and Means. You have indicated in this situation there should be something done in connection with the tax liability in the present instance, and the inequities of forced divestiture be corrected.

Mr. PATMAN. If the gentleman will bear with me briefly further, they have 2 years which may be extended by the Federal Home Loan Bank Board to 3 additional years, which is a total of 5 years.

Mr. DEL CLAWSON. Under the Federal Home Loan Bank Board they have 3 additional years following the initial 2-year period.

Mr. PATMAN. Yes. They have 5 years.

Mr. DEL CLAWSON. But it still does not provide tax relief for these people who are forced to divest themselves of their investments and does not provide for any consideration of the inequities that result from forced divestitures. I believe, Mr. Chairman, in the interest of fairness and equity, that we should consider these holding companies and the problems that would be involved if we compel divestiture of these holdings where there are more than one such association in a multiple savings and loan category. I know of no sacrosanct position as far as those who own only one association. They are not compelled to comply with this provision of the bill. When the subcommittee was considering the bill an amendment was offered for a grandfather clause, as the chairman used the term, for these associations who are engaging in their present activities. There are only two alternatives, as I see it, to provide protection from this en-

forced divestiture. One would be to provide for an amendment delaying compliance until such time as appropriate tax legislation has been enacted. The other would be what I propose in this amendment, that existing activities will be acceptable under the act and they can continue as they are now conducting their business. And, in my opinion, because of the methods that have been used in the Bank Holding Company Act, and because of the inability to obtain prompt tax legislation in both the House of Representatives and the other body, it would be better to consider a grandfather clause and permit these associations to continue present legal and authorized activities. Only very few companies are involved and they do not present any difficulty insofar as the supervisory functions of the Federal Home Loan Bank Board are concerned.

Frankly, it is my opinion that the grandfather provision is a good one.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. REUSS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I wish to look at what this proposed law seeks to do. Among the most important provisions of this bill is the provision that a multiple savings and loan conglomerate should get out of businesses unrelated to savings and loan operations. This is where much of the trouble started.

Mr. Chairman, savings and loan conglomerates have involved themselves in racetrack operations, in gambling operations of all kinds, as well as all kinds of real estate speculation.

It is the purpose of this bill to prevent that type of operation and to stop it. If anything, the bill that comes to the floor of the House today for your consideration is too generous and relaxed in that respect, because, if adopted, it would give the holding companies 2 years to proceed with any divestiture, and that period of time might be extended by the FSLIC for as much as an additional 3 years.

Now, Mr. Chairman, it is suggested by this amendment that there be a grandfather clause. I am all for old granddad. But, really, if you are going to have a grandfather clause and say you can keep on doing the prohibited acts which this legislation would prevent, you are, in effect, enacting a regulatory bill that does not regulate.

So, Mr. Chairman, I hope that the Clawson amendment will be voted down so that the regulatory agencies will have the power to enforce the divestiture of these activities which are at the root of the trouble.

Mr. DEL CLAWSON. Mr. Chairman, will the gentleman yield?

Mr. REUSS. Of course, I yield to my distinguished colleague.

Mr. DEL CLAWSON. Is this not true? With the Supervisory Act of 1966, under the authority provided in that bill, the Federal Home Loan Bank Board can certainly compel any institution, whether it is held by a diversified savings and loan association or a multiple savings and loan association company and, actually, exercise its authority with reference to

any action which might endanger the savings insurance provision, or any other act that might endanger the investors of such groups?

Mr. REUSS. It is true that they would have that authority to move in, but that is not the root or the nub of the problem. We want to set up a better system than one which brings into play the power of the regulatory agencies only when they have caught someone redhanded violating the law. We want a situation whereby these unrelated activities, particularly these types of activities to which reference has previously been made, must be shucked off, and in my opinion we have been mighty generous to give them up to 5 years to shuck them off and to let them go home free. In other words, a savings and loan conglomerate which happens to have in its portfolio these types of activities at the time this legislation is signed into law, should be required to divest.

Mr. DEL CLAWSON. Mr. Chairman, if the gentleman will yield further, since they are not unlawful acts or prohibited acts—and since we have testimony in evidence before us to the effect that they are not unlawful acts, does the gentleman believe it is fair and equitable to penalize these organizations, without any consideration whatever of the tax inequities that result from their divestiture action?

Mr. REUSS. Mr. Chairman, in response to the interrogation by the gentleman from California, it is my opinion that the distinguished Committee on Ways and Means will do justice to these divesting savings and loan associations, as it has done justly in the past with all of the other spin-offs, whether it is a Du Pont operation or a bank holding company involved.

In other words, I do not think we should prejudice the work and the ultimate action of the Committee on Ways and Means with reference to this particular problem.

Mr. DEL CLAWSON. In the Bank Holding Company Act, while our Committee on Ways and Means did recommend tax relief changes, they were unduly delayed because the other body failed to act expeditiously.

Mr. REUSS. Yes, unfortunately protocol and etiquette keeps us from commenting on the other body, and sometimes they do not move as quickly as we would like, but the point is that putting the grandfather clause in this bill is to pass a law that simply does not regulate, and I do hope, with all due respect to the gentleman from California, that his amendment will be voted down.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I would be glad to yield to the gentleman from Louisiana.

Mr. WILLIS. To what extent does this or would this bill authorize savings and loan associations to engage in commercial banking?

Mr. REUSS. To no extent whatever. The separation between commercial banking and savings and loans is preserved.

Mr. PATMAN. That is correct.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. PATMAN) there were—ayes 18, noes 29.

Mr. DEL CLAWSON. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. GERALD R. FORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. GERALD R. FORD. The Chair stated that there were 18 Members who rose in favor of tellers, and that that was not a sufficient number. I would ask the Chairman, is that not a sufficient number of the Members on the floor?

The CHAIRMAN. The Chair will state that 20 Members are required in order that tellers be ordered.

Mr. GERALD R. FORD. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. GERALD R. FORD. Mr. Chairman, is that 20 Members, regardless of the number of Members on the floor?

The CHAIRMAN. The Chair will state that the number required is one-fifth of a quorum in the Committee of the Whole. This would then represent 20 Members, since 100 Members constitute a quorum. Therefore, tellers are refused.

Mr. HALL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. HALL. Mr. Chairman, I withdraw my point of order of no quorum.

The CHAIRMAN. The gentleman from Missouri [Mr. HALL], withdraws his point of order that a quorum is not present.

#### AMENDMENT OFFERED BY MR. DEL CLAWSON

Mr. DEL CLAWSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DEL CLAWSON: On page 25, line 14, immediately after "after the enactment of" insert: "an amendment to the Internal Revenue Code of 1954 directly related to this paragraph".

Mr. DEL CLAWSON. Mr. Chairman, anticipating that we might not be successful in the first amendment, on the grandfather proposal, this amendment is simple and I would hope that the chairman would accept it because there has been an indication that he feels there are some inequities so far as the tax situation of the holding companies that are forced to divest themselves are concerned.

This amendment provides that divestiture proceedings will not be required nor forced upon those institutions until such time as an amendment to the Internal Revenue Code of 1954 directly related to this paragraph and this section is adopted.

I think this is fair and equitable and it certainly would go along with the idea, if we are to be consistent in this, with the holding company act, and then we

can wait until such time as the tax legislation is passed before the forced divestiture take place.

That is the whole context and thrust of this proposal.

Mr. REUSS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment is really another attempt at grandfathering or at least a grandfathering for an indefinite period.

I think the same objections that were offered to the previous amendment apply to this amendment.

In this connection, I would like to call the attention of the Committee to the letter of January 18, 1968, from Chairman John E. Horne of the Federal Home Loan Bank Board to the chairman of the House Committee on Banking and Currency, in which Chairman Horne sets forth his view that the imminent passage of pending tax relief legislation would constitute good cause for the Federal Home Loan Bank Board to grant extensions of up to an additional 3 years after the additional 2-year period as authorized under subsection (c).

This means that the total period would be 5 years, which gives a complete opportunity to the tax-writing committees of the House and of the other body to act on the question of tax relief, following the same principle as that contained in the bank holding act.

Accordingly, I hope that the amendment will be voted down.

Mr. WILLIS. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman.

Mr. WILLIS. Just a moment ago I asked whether this was the bill which would in a way permit savings and loan associations to enter commercial banking and the answer was that it was not.

Is there not such a bill pending before the gentleman's committee?

Mr. REUSS. There is a bill which has been reported out of the House Committee on Banking and Currency last December. I forget the number of the bill. The bill provides for a new hybrid form of association called the Federal Savings Association.

Mr. WILLIS. May I ask the gentleman this question?

I am told in my State of Louisiana throughout its history, we have never had a statute regulating or creating savings banks. Trust companies, yes, but not savings banks. It is my information, and I ask the gentleman to confirm it or to deny it, that there are 38 States in the Union where there are no local laws to establish and create savings banks. Is that not correct?

Mr. REUSS. I think the actual number is 32, but the gentleman is pretty close to being right.

Mr. WILLIS. It is 42?

Mr. REUSS. It is 32.

Mr. WILLIS. That was the bill to which I was addressing myself. So we now understand each other; do we not?

Mr. REUSS. Will the gentleman repeat his question?

Mr. WILLIS. I said I was referring to that bill where you say 32 States have no laws on the subject of savings banks.

Mr. REUSS. That is the Federal savings association bill. I now have the number—it is H.R. 13718. The gentleman is quite right. That is not the bill before us this afternoon.

Mr. WILLIS. It is my understanding that, generally speaking, the commercial banks are fearful of and are opposed to the particular bill we have just talked about. Is that correct?

Mr. REUSS. I believe they are quite unanimously opposed to it.

Mr. WILLIS. I understand, if the gentleman does not object to my asking him, the gentleman would be opposed to it also?

Mr. REUSS. I happen personally to have been opposed to it for another reason—not because the banks were almost unanimously opposed to it—but because I believe it would hurt the housing industry. But that is a problem which will be argued fully on the floor.

Mr. WILLIS. May I say to the gentleman that when the bill comes up, he will have company in the name of myself.

Mr. DEL CLAWSON. Mr. Chairman, will the gentleman yield?

Mr. REUSS. I yield to the gentleman from California.

Mr. DEL CLAWSON. The gentleman has indicated that there would be a period of 2 years and an extension of 1 year at a time up to 3 years in the authority of the Federal home loan bank to provide for a divestiture of these associations under the present act.

Mr. REUSS. That is correct.

Mr. DEL CLAWSON. Is it your feelings that we will not be able to get an appropriate tax bill through this House within 5 years?

Mr. REUSS. No; my feeling is that the Ways and Means Committee will move expeditiously following the passage of this legislation, but because as a single legislator I cannot guarantee the whole legislative process, and particularly because I cannot speak for the other body, as the gentleman from California well knows, I hope we will not clutter up the basic bill before us by any postponements other than those contained in the bill before us.

Mr. WIDNALL. Mr. Chairman, I rise in support of the amendment. I feel in all fairness and in equity that there should be this postponement until favorable action is taken through the Ways and Means Committee. There is no reason at all, with the passage of this bill with the amendment, why the Ways and Means Committee cannot act promptly so that no harm is done in connection with this matter, as might be alleged by some others. The bill itself will be on record with the provision that the Ways and Means Committee action would provide the relief which is fair and equitable relief as sought by the holding companies.

Mr. DEL CLAWSON. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from California.

Mr. DEL CLAWSON. It is rather obvious under this amendment that we are giving the Ways and Means Committee and the Congress of the United States, 3 years in order to enact tax legislation,

because this provides that they will go ahead and divest themselves of these unrelated activities within 2 years after the enactment of an appropriate tax law, which would provide some relief for these people under the compulsory provisions of the present bill.

I believe within 3 years we should certainly be able to get a bill through the Congress. It seems to me we could very well adopt this procedure as a protective measure for the savings and loan holding associations, which by force of law must divest themselves of activities which they have legally engaged in during the course of time up to the present. I believe the amendment is a good amendment. It is fair and equitable to all concerned and will not in any way be a grandfathering provision, because as soon as the tax legislation is passed, then they have to proceed within 2 years. I think the amendment should be adopted. I thank the gentleman.

Mr. PATMAN. Mr. Chairman, I rise in opposition to the amendment. I believe that this is the only time an attempt like this has been made to hold up legislation until the Ways and Means Committee passes adequate tax legislation taking care of divestiture.

Mr. DEL CLAWSON. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from California.

Mr. DEL CLAWSON. We are not holding up the legislation. We are merely providing for relief under the divestiture provision of this legislation. I am in favor of the legislation.

Mr. PATMAN. It holds up that part of it, and it is really an attack upon the Ways and Means Committee. They have always acted promptly. It is an attack on the Congress. Do you think that Congress will fail to do its duty? Of course it will not. It has always done its duty with regard to divestiture cases. No one has complained about it. I think it is very unreasonable to think about holding it up.

Mr. DEL CLAWSON. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from California.

Mr. DEL CLAWSON. Mr. Chairman, this is no attack on our Ways and Means Committee or on this House, because in the Bank Holding Company Act, we acted promptly and the House acted promptly. I respect them for doing that. However, tax relief under the Bank Holding Company Act was delayed for too long a time. We should not take that same risk today.

Mr. PATMAN. Mr. Chairman, why should their people expect a special consideration, a special dispensation in this case? Others have not been injured by it, and Congress has always performed its duty, and particularly in the Ways and Means Committee, and the gentleman has nothing to fear. So I hope the amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DEL CLAWSON].

The question was taken; and on a division (demanded by Mr. DEL CLAWSON) there were—ayes 31, noes 46.

So the amendment was rejected.

## AMENDMENT OFFERED BY MR. ASHLEY

Mr. ASHLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHLEY: In subsection F of section 408(a)(1) between the words "fiscal year" on line 16 of page 20 and the words "as determined" on line 17, strike the comma and add "(or, during the first year's operation of the section, at such time as the holding company so qualifies)".

Mr. ASHLEY. Mr. Chairman, this amendment deals with subsection (f) of section 408 of H.R. 8696, which we find on page 20, lines 9 through 18, which defines a "diversified savings and loan holding company."

The section provides that, if the assets of the holding company's subsidiary savings and loan associations are less than 50 percent of the company's consolidated net worth and net earnings, then the holding company is classified as a diversified savings and loan holding company. It further provided that this percentage of the company's consolidated net worth and net earnings is determined as of the close of the holding company's preceding fiscal year.

This amendment deals wholly and solely with the date of determination of this percentage. At the outset it should be noted that this date, now the last day of the company's preceding fiscal year, predates the effective date of this legislation and, therefore, in a sense is retroactive.

The amendment merely provides that during the first year following the effective date of this act—and during the first year only—a holding company will be classified diversified at any time that it qualified as such under the provisions of the bill.

I offer this amendment because it is obvious that as the section now reads some holding companies now actually diversified may not have quite met the less-than-50-percent test at the close of their last fiscal year. Most such years ended on June 30 or September 30, 1967. Therefore, without this amendment some companies will be classified by the Board as nondiversified which now or in the next few months are in fact diversified.

The purpose of this bill is to subject nondiversified savings and loan holding companies to necessary additional regulation. It is not the purpose of the bill to subject diversified holding companies to the same regulation and the amendment I offer will help assure that this does not result.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the chairman of the committee, the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, may I say to the gentleman we had an awful time getting out this bill, as the gentleman realizes. He is one of the senior members of the committee on the majority side. We finally got the bill out, and we were determined to pass the bill if possible without any amendment on the floor of the House, and we have been working to that end.

The gentleman has presented an

amendment—it is not of earth-shaking importance, but it is natural, in a way. In view of the fact that the gentleman has worked on this with us in the past, and I feel he will work with us on it in the future, I am constrained to accept the amendment for the majority members. As far as we are concerned, we will accept the amendment.

Mr. ASHLEY. Mr. Chairman, I appreciate the statement of the chairman.

Mr. DEL CLAWSON. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I am happy to yield to the gentleman from California.

Mr. DEL CLAWSON. I thank the gentleman for yielding.

It had been my intention to offer an amendment on this same section, to make a little more liberal the tightness of the present language of the bill. I believe the gentleman has directed his amendment at the very provisions of the bill I wanted to correct, and I shall withhold my amendment in favor of the gentleman's amendment.

Mr. ASHLEY. I thank the gentleman.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I am glad to yield to the gentleman from New Jersey.

Mr. WIDNALL. The minority will be pleased to accept the amendment offered by the gentleman.

Mr. ASHLEY. I appreciate that statement by the gentleman from New Jersey.

Mr. TAFT. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to my colleague from Ohio.

Mr. TAFT. I should like to associate myself with the remarks of the gentleman in support of the amendment. It is very needed and very fair, and it is a workable amendment.

Mr. ASHLEY. I appreciate the cooperation of my colleague from Ohio.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ASHLEY].

The amendment was agreed to.

## AMENDMENT OFFERED BY MR. WIDNALL

Mr. WIDNALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIDNALL: On Page 36, strike lines 3 through 9 and insert:

"(5) As used in this subsection, the term 'debt security' includes any note, draft, bond, debenture, certificate of indebtedness, or any other instrument used as evidence of indebtedness."

Mr. WIDNALL. Mr. Chairman, I spoke about this proposed amendment at the time of the general debate. At that time I said we had substantial agreement within the committee with respect to the purposes and provisions of this bill but there was a controversial provision in the scope of the action that will be called for.

This has to do with the authority the Board sought to control holding company indebtedness. The original proposal sought by the Board was modified by the Senate, and we further modified it within the House Committee on Banking and Currency. However, the minority still

feel that the power which is to be granted under this bill goes too far.

In this respect, as set up in the bill, section 5 is:

As used in this subsection, the term "debt security" includes any note, draft, bond, debenture, certificate of indebtedness, or any other instrument commonly used as evidence of indebtedness, or any contract or agreement under the terms of which any party becomes, or may become, primarily or contingently liable for the payment of money, either in the present or at a future date.

My amendment would retain the first part of that section, would eliminate the one word "commonly," and would also eliminate "or any contract or agreement under the terms of which any party becomes, or may become, primarily or contingently liable for the payment of money, either in the present or at a future date."

This includes any contract, as we see it, in the definition of "debt security," which would cover the whole gamut of operating contracts that a holding company might use in carrying on its business.

I would like to point out particularly management salary contracts, lease of building, advertising contracts, hazard insurance contracts, audit contract expenses, contract management expenses, and all other operating expenses subject to contract.

This would enable the board to usurp the functions of management and actually control operating expenses, including officers' salaries of a savings and loan holding company.

We can go one step further, if this is enacted, and provide the same thing for all of the savings and loan associations throughout the country and provide the same type of control over officers' salaries and so forth in the company.

I believe, despite what might be said or the promise that might be indicated in connection with the hearings, it is necessary to write this into the law to make sure that the debt security provision is amply understood by the Board in its operation. It is far too basic to hope that legislative history alone will somehow negate the clearly expressed authority in the proposed law.

Mr. Chairman, I urge the adoption of this amendment.

Mr. REES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, one of the very difficult parts of this bill was to figure out an adequate debt control provision. The problem is that some holding company would assume a dangerous amount of debt. The debt assumed by the holding company would keep drawing away from the assets of the savings and loan company, putting the savings and loan company in jeopardy. Therefore, it was reasoned that if we are to control holding companies, we should do something about the ability of a holding company to create new debt, debt which might hurt the actual operation of the subsidiary savings and loan company.

When the original bill was introduced, the Home Loan Bank Board wanted complete control.

In the Senate, 5 percent of the consolidated net worth short term debt ex-

emption was adopted. Many of us in the committee did not think that this was enough. After a great deal of haggling with the Board, we reached what we felt was a reasonable compromise on debt. That reasonable compromise appears on page 34 of the bill which states, "not more than 15 percent of the consolidated net worth of such holding company." So that the holding company can go up to 15 percent on debt without going to the Home Loan Bank Board for approval. It means that the gentleman from New Jersey's amendment on page 36, where contracts are eliminated, is no longer necessary. An association would not have to go to the Home Loan Bank Board every time they signed a long-term contract as this can be managed within the 15-percent ceiling. An association would go to the board for major long-term debt approval and would manage his short-term debt under that 15-percent blanket. This was the compromise finally approved in the full committee.

Everything you owe is debt. If contracts or agreements are exempted, a major area of real debt can be exempted. I understand already the Home Loan Bank Board, in looking at this bill, discussing regulations which would exempt routine short-term contracts—for example, to hire an attorney on contract, to lease typewriters or data processing equipment—they do need the definitions in the bill to reach what they consider debt.

To help the holding companies, so that they can operate without having their prerogatives of management usurped, we inserted in the 15-percent umbrella. Mr. Chairman, I think we should be able to live with this 15-percent limitation and adequately regulate holding company debt.

Therefore, Mr. Chairman, I ask for a "no" vote on the amendment.

Mr. WYLIE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment. As a matter of fact, I offered this particular amendment in committee. When it is not adopted, I cast the lone negative vote on reporting the bill.

Generally, Mr. Chairman, the bill is desirable legislation and needed legislation. I felt that the best way in which to express my disapproval of the fact that this debt control provision was not adopted, was to vote in the negative and speak to an amendment such as this, such as the one which has been offered just now by Mr. WIDNALL.

Mr. Chairman, the Senate bill had a 5-percent limitation, as the previous gentleman who spoke, the gentleman from California [Mr. REES], has just stated, on debt security.

Mr. Chairman, most of the industry felt, and many of us believed, that this was too restrictive a limitation, that 5 percent would not provide for enough leeway.

It was pointed out that bank holding companies have no limitation on debt security. But the Senate limitation of 5 percent did not apply to contingent liabilities for salaries and for liabilities in carrying out the day-to-day operations.

Mr. Chairman, the Subcommittee on

Domestic Finance removed the debt limitation provision altogether. Then, what appeared to be a compromise was offered, to wit, the one found in this bill. I say "what appeared to be a compromise," because as has been stated, this provision on debt control, debt security, says and includes "any contract or agreement under the terms of which any party becomes, or may become, primarily or contingently liable for payment of money, either in the present or at a future date."

This, as has been pointed out, could include salary contracts, contracts for equipment and other items related to the day-to-day costs of doing business.

Mr. Chairman, in my opinion, the main point involved here is that "debt" implies repayment and it does not include or imply payment for services.

Mr. Chairman, Mr. Horne, the Chairman of the Federal Home Loan Bank Board has assured me and other members of the committee that this language was in no way intended to include employment contracts, leases, or purchase arrangements of the usual sort. Then, why not say that in the law?

This point I make is: Why not put in the law the intent not to include service contracts, and so forth? I have no doubt that Mr. Horne and his Board will administer the law as he says. But I have had experience as a member of the Ohio General Assembly where an administrator said the law would be administered in one way and where a succeeding administrator, who was not a party to the agreement, administered the law literally and contrary to what was understood.

Mr. Chairman, this language, without the amendment which has been offered by the distinguished gentleman from New Jersey [Mr. WIDNALL], could be used to project the staff of the Federal Home Loan Bank Board into the day-to-day operation of the savings and loan holding company and, indeed, into the actual management of such a company.

Mr. Chairman, a little earlier a telegram was referred to from the Savings and Loan League of Ohio supporting this bill. I received such a telegram too asking that this bill be enacted, without amendments.

I spoke to one of the persons who signed that telegram, and he said that he did not want the Federal Home Loan Bank Board fixing salaries. I told him they could have that power if this amendment is not adopted, but he said that he felt this was not likely to happen. As far as he was concerned, he was anxious to have the bill passed, and he did not want to get it mixed up with amendments which might jeopardize its passage.

Now, that is not sufficient reason, in my judgment, not to support amendments to this bill. I would further say that the members of the board have testified that a major area of concern is excessive or unmanageable debt by a holding company. To include any contract for the payment of money could restrict normal operating contracts of a holding company so as to result in a stagnation of the underlying associations.

Mr. Chairman, I therefore urge adoption of this amendment.

Mr. BLACKBURN. Mr. Chairman, I

move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, the gentlemen who are not intimately acquainted with this bill may have some problem understanding the issue presented by this amendment. The issue is the degree to which we are going to permit Federal regulation of the day-to-day management of private business. It is very easy for the people in my district to urge me to vote for this bill, and to vote against the amendment, because their ox is not now being gored. This type of regulatory power, if we allow it to remain in this legislation, can easily creep into other legislation which will more directly affect businesses in our own districts.

I do not like this sort of language in legislation. I believe it is a dangerous precedent. If we are going to restrict the right of management in this industry to exercise management prerogative, we have got to adopt the proposal of the gentleman from New Jersey. Therefore, Mr. Chairman, I urge the Members of the House to support the Widnall amendment.

Mr. MINISH. Mr. Chairman, will the gentleman yield?

Mr. BLACKBURN. I yield to the gentleman from New Jersey.

Mr. MINISH. The gentleman is referring to this as private business. We are talking about public money. This is a public business.

Mr. BLACKBURN. The holding companies are private business concerns.

Mr. MINISH. Yes.

Mr. BLACKBURN. They are stock companies.

Mr. MINISH. But the money that is involved is the Federal savings and loan insurance fund which is paid for by the people of my State and all the States in the Union. There is a vital public question involved here.

Mr. BLACKBURN. I am saying there is no reason for regulation to this degree of the management of these private businesses.

Mr. PATMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, may I suggest that in our committee report there is a statement bearing on this subject of the amendments. I am reading now on page 4 of the committee report:

The committee expects the Corporation to approve by regulation obligations incurred in the ordinary course of business, such as employment contracts, leases or purchases, which would not be expected to result in a burdensome debt structure.

Mr. Chairman, I have a letter from Mr. Horne, the Chairman of the Federal Home Loan Bank Board, in which he states that the Board is already considering that, and in which he states that that can be regulated without the least trouble in the world, and without doing anybody any harm, and being completely fair to all the holding companies and savings and loan companies involved.

Mr. Chairman, may I suggest that self-dealing transactions of any sort are always suspect, and properly so. I believe in flexibility, but I do not believe that a loophole should be written into this good

law in this manner. I consider that this would be a loophole. This deals with conflict of interest. The law as written would protect the people and the investors and others against an excessive holding company debt burden.

Mr. WYLIE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman.

Mr. WYLIE. I would respectfully ask the chairman of the Committee on Banking and Currency if this language was included in the report as you suggested and if Mr. Horne has suggested that the Board will adopt regulations which will incorporate such language, what possible objection could there be to including it in the law while we are now here considering it?

Mr. PATMAN. Why would you want to take people out from under supervision that other people are in? Why should you build up a special case to let other people have special benefits and get special rights and privileges over other people? Why not let them all be governed by the same Board? The Board is fair. We assume, and I believe, that it is fair; but if they act arbitrarily or in a way that is against the public interest, we can bring them up and find out and get them back to doing their duty in the right and proper way.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. WIDNALL].

The question was taken; and on a division (demanded by Mr. WIDNALL), there were—ayes 52, noes 56.

Mr. WIDNALL. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. WIDNALL and Mrs. SULLIVAN.

The Committee again divided, and the tellers reported that there were—ayes 76, noes 73.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. ASHLEY

Mr. ASHLEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHLEY: On page 28, line 25, amend paragraph (6) of subsection (d) by adding the following sentence at the end of said paragraph: "Subject to regulations of the Corporation, any such transaction, agreement, understanding or payment which is at an established market price or rate for like property or services shall not be subject to the provisions of this paragraph (6)."

The CHAIRMAN. The gentleman from Ohio is recognized for 5 minutes in support of his amendment.

Mr. ASHLEY. Mr. Chairman, section 408(d) prohibits absolutely five types of transactions between a savings and loan association and an affiliate. Subparagraph (6) permits limited forms of affiliate transactions but requires the prior written approval of agreements as to these limited transactions above \$100,000 or 0.1 percent of assets per year in respect to services or advice as to any phase of the operations of any institution. It also requires approval for all payments in excess of \$100,000 or 0.1 percent of assets per year as to such transactions.

Mr. Chairman, everyone agrees that there are perfectly legitimate dealings owned by an association and an affiliate owned by a holding company. Chairman Horne recognized this in his testimony before the committee, from which I quote as follows:

On the other hand, we recognize that they do involve an area where dealings with the parent company may be not only legitimate but helpful to the association, and indeed may form part of the discharge by the parent of the responsibilities that go with its control.

As an example, an affiliate of an association may own a building in which it rents space for a branch office of an association and charges rent. Or an affiliate may be engaged in the advertising business with which the association contracts to buy advertising services. There may be other purely routine services which an affiliate may furnish an association. However, if the total of any of these services for any 12-month period exceeds \$100,000 or 0.1 percent of the association's total assets, each transaction, whether for \$10 or \$100,000, above that standard, would require prior approval by the Federal Savings and Loan Insurance Corporation. There could be hundreds or even thousands of approvals required. The committee in its report attempted to meet this problem by the following statement which appears on page 3:

The Corporation can by regulation confer blanket approval on those types of transactions which do not seem to require individual scrutiny, and the committee anticipates that such an approach will be utilized by the Corporation.

The purpose of my amendment would implement, in the bill, the directive which the committee seeks to give in its report. It would do this by adding the following sentence at the end of paragraph (6):

Subject to regulations of the Corporation, any such transaction, agreement, understanding, or payment which is at an established market price or rate for like property or services shall not be subject to the provisions of this paragraph (6).

This amendment would specifically direct the FSLIC to promulgate regulations exempting payments which are made by an institution to an affiliate for services at nondiscriminatory rates or prices; in other words at rates or prices which the association would have to pay if it purchased the services on the market. Therefore, it could not conceivably open the door to any "milking" of the association for the benefit of the holding company or other affiliates. Let me emphasize, too, that it would not apply to those transactions which are specifically prohibited under the bill.

The committee has recognized this cumbersome problem and attempted to clarify the bill by language in the report. I see no reason why this should not be incorporated in the bill itself and I hope the amendment will be acceptable as carrying out the intent of the committee.

Mr. DEL CLAWSON. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield to the gentleman from California.

Mr. DEL CLAWSON. Mr. Chairman, I

join with the gentleman. This is another of those amendments I had intended to offer. I believe the amendment certainly does clear up some of the problems in the bill, making it a little more easy for these concerns and holding companies to deal with their matters in a manner to protect the public interests, and it still gives the concerns some flexibility in their own organization.

Mr. ASHLEY. Mr. Chairman, I know the gentleman has worked on an amendment. I appreciate his courtesy and the thrust of his statement. The purpose of his amendment and mine is not to allow in a blanket form acceptance by the corporation otherwise of any transaction between the association or its affiliates, but there is nothing sacred about the \$100,000 figure.

Mr. DEL CLAWSON. Nothing at all. Mr. ASHLEY. And with the market price provision in there, I believe this accomplishes the purpose the legislation had in mind.

Mr. DEL CLAWSON. I believe so, too, and we complement each other.

Mr. REES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment has to do with section (d), "Prohibited transactions." This involves the problem of dealings between a holding company and a subsidiary.

One of the advantages of having a holding company is that it can provide many services; such as advertising, or management for the subsidiary company.

We found in the hearings before the committee that one of the problems some holding companies were offering services to their subsidiaries which the subsidiaries either did not need or which were overpriced. This was one method of holding company milking of assets of a subsidiary company.

This section affects the assets of savings and loan institutions, institutions where people have their savings.

What did we do in dealing with this problem?

The committee did two things.

First, the committee said that there could be legitimate self-dealing, the providing of services between a holding company and a subsidiary in terms of the lesser of \$100,000 or one-tenth of 1 percent of the institution's total assets.

The other we find on page 28, at the bottom of the page. This is the language:

The Corporation shall grant approval under this paragraph (6) if, in the opinion of the Corporation, the terms of any such transaction, agreement, or understanding, or any such payment by such institution, would not be detrimental to the interests of its savings account holders or to the insurance risk of the Corporation with respect to such institution.

What the bill does is to say that the Home Loan Bank Board shall make regulations to decide what is essentially for the benefit of those individuals who have their savings in a savings and loan institution and what is for the benefit of the taxpayers of the United States who support the FSLIC, the insurance institution which insures the savings accounts of the savings account holders of this country.

I believe the language in the bill is

sufficient. It states that the Bank Board shall draft regulations, that the Bank Board cannot prohibit of transactions which are for the benefit of the saver.

The amendment would have the burden of proof no longer on the holding company but on the Home Loan Bank Board. I believe we would be going a long way backward in protecting the individuals whose savings are in these institutions.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Ohio.

Mr. ASHLEY. The gentleman will acknowledge, I am sure, that the types of transactions we are talking about here are of a much different order from the types of specifically prohibited transactions appearing earlier in the bill. Is that not so? In other words, these are transactions which are in the normal course of business, are they not?

Mr. REES. I would say yes and no. If I could read from the bill, I will point out the transactions:

The purchase, sale, or lease of property or assets.

The rendering of management or advertising services.

Service as a consultant, advisor, or agent for any phase of the operations.

All these services are important services, which have been outlined.

Mr. ASHLEY. The point I make is that the bill does specifically and absolutely prohibit five different types of transactions between savings and loan holding companies and affiliates. The types of transactions we are talking about here are not prohibited in any sense. On the contrary, they are approvable by the Board. There is no Board control whatsoever, under the language of the bill, under \$100,000. Where that figure came from I am sure I do not know.

The Board does specifically recognize these types of transactions as being in the normal course of business. Would the gentleman agree?

Mr. REES. This is why the bill provides on page 28 that the corporation shall grant approval under this paragraph if in the opinion of the corporation these transactions and agreements will not be detrimental to the interests of the savings account holders.

Mr. REUSS. Mr. Chairman, I rise in opposition to the Ashley amendment. I shall not take my 5 minutes, but I do want to rise to say that I think this is a very bad amendment, not with bad intentions but with bad results. What it does, as I read it, is to say that self-dealing between a holding company and its subsidiary—the very thing that is sought to be prevented by this bill—is to be permitted where in addition to the self-dealing the parties are compounding the outrage by fixing prices in violation of the Sherman and Clayton Acts. The amendment talks about an “established market price.” If some sharp operators get in and can establish a price for a commodity, apparently they go home free. Not only can they deal with themselves, but they can violate the Sherman and Clayton Acts in the bargain.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. REUSS. In just a moment. The act itself, without the amendment, has an excellent provision which says that the regulatory authority shall OK a self-dealing transaction if—and here I am quoting—“it would not be detrimental to the interests of its savings account holders or the insurance risks of the corporation with respect to such institutions.”

That is exactly the right kind of control. If somebody is not stealing somebody else blind, of course, the transaction should be approved, but it is unwise to substitute for that salutary provision the idea that all you have to do is to rig the market so as to violate the Clayton and Sherman Acts and establish a market price, and then you are home free. That seems to be not only to vitiate the whole bill that we are operating on today, but to also violate the Clayton and Sherman Acts.

Now I yield to my good friend from Ohio.

Mr. ASHLEY. I appreciate the gentleman's yielding.

I cannot believe he is serious when he says that this amendment suggests a possible violation of their price-fixing statutes. He himself has said that the board or the supervisory body will scrutinize transactions between the savings and loan and its affiliate to see that the transaction does not have the result of milking the association.

Mr. REUSS. Without the gentleman's amendment.

Mr. ASHLEY. How does the gentleman suppose this can be done unless the supervisory body determines whether or not the price of the particular service performed is within the general market range of what those services are? That is all that I am getting at, and I think the gentleman understands that.

Mr. REUSS. The gentleman chose words which do not establish his meaning, because there is nothing said in his amendment about a general range of prices. It says “which is at an established market price or rate.” There is no option there.

I hope that the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ASHLEY].

The question was taken; and on a division (demanded by Mr. ASHLEY) there were—ayes 40, noes 54.

So the amendment was rejected.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. RODINO, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 8696) to amend section 408 of the National Housing Act, as amended, to provide for the regulation of savings and loan building companies and subsidiary

companies, pursuant to House Resolution 1032, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment adopted in the Committee of the Whole?

Mr. PATMAN. Mr. Speaker, I demand a separate vote on the so-called Widnall amendment which begins on page 36 of the bill, which would strike lines 3 through 9 and insert a new paragraph (5).

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 36, strike lines 3 through 9 and insert:

“(5) As used in this subsection, the term ‘debt security’ includes any note, draft, bond, debenture, certificate of indebtedness, or any other instrument used as evidence of indebtedness.”

The SPEAKER. The question is on the amendment to the committee amendment.

The question was taken; and on a division (demanded by Mr. WIDNALL) there were—ayes 74, noes 70.

Mr. PATMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—ayes 156, noes 198, answered “present” 1, not voting 76, as follows:

[Roll No. 4]  
YEAS—156

Adair	Derwinski	Lloyd
Anderson, Ill.	Devine	Lukens
Andrews,	Dickinson	McClosky
N. Dak.	Dowdy	McDade
Arends	Duncan	McDonald,
Ashbrook	Dwyer	Mich.
Ayres	Edwards, Ala.	McEwen
Bates	Erlenborn	MacGregor
Battin	Esch	Mailliard
Belcher	Eshleman	Martin
Bell	Everett	Mathias, Calif.
Betts	Findley	May
Bieber	Fino	Mayne
Blackburn	Ford, Gerald R.	Meskill
Bolton	Frelinghuysen	Michel
Brock	Fulton, Pa.	Miller, Ohio
Brotzman	Gardner	Minshall
Brown, Mich.	Gathings	Moore
Broyhill, Va.	Goodling	Morse, Mass.
Buchanan	Gross	Morton
Burke, Fla.	Grover	Mosher
Burleson	Gubser	Myers
Bush	Gude	Nelsen
Button	Gurney	Ottinger
Byrnes, Wis.	Hall	Pelly
Carter	Halpern	Pettis
Clausen,	Hansen, Idaho	Pirnie
Don H.	Harrison	Poff
Clawson, Del.	Harsha	Pollock
Cleveland	Heckler, Mass.	Price, Tex.
Coller	Horton	Quie
Conable	Hosmer	Quillen
Conte	Hunt	Rallsback
Corbett	Hutchinson	Reid, Ill.
Cowger	Johnson, Pa.	Reid, N.Y.
Cramer	Jonas	Reifel
Cunningham	King, N.Y.	Reinecke
Curtis	Kuykendall	Rhodes, Ariz.
Davis, Wis.	Kyl	Riegle
Dellenback	Laird	Robison
Denney	Langen	

Roth  
Roudebush  
Rumsfeld  
Sandsman  
Saylor  
Scherle  
Schweiker  
Schwengel  
Scott  
Skubitz  
Smith, N.Y.  
Snyder

Springer  
Stanton  
Steiger, Ariz.  
Steiger, Wis.  
Taft  
Teague, Calif.  
Thompson, Ga.  
Thomson, Wis.  
Utt  
Vander Jagt  
Wampler  
Watkins

Whalen  
Whalley  
Widnall  
Wiggins  
Williams  
Wilson, Bob  
Winn  
Wyatt  
Wylie  
Wyman  
Zion  
Zwach

Nichols  
O'Konski  
Pepper  
Pool  
Price, Ill.  
Pryor  
Rarick  
Resnick

Ruppe  
St. Onge  
Schadeberg  
Schneebeil  
Shriver  
Smith, Okla.  
Stafford  
Steed

Talcott  
Teague, Tex.  
Watson  
White  
Wilson,  
Charles H.  
Wolf  
Wydler

So the amendment to the committee amendment was rejected.

The Clerk announced the following pairs:

Mr. Hébert with Mr. McCulloch.  
Mr. King of California with Mr. Bow.  
Mr. Moss with Mr. Berry.  
Mr. Blatnik with Mr. Brown of Ohio.  
Mr. Dorn with Mr. Kupperman.  
Mr. Flood with Mr. Cahill.  
Mr. Glaimo with Mr. Goodell.  
Mr. Hollifield with Mr. Cederberg.  
Mr. Hathaway with Mr. McClure.  
Mr. Charles H. Wilson with Mr. Bray.  
Mr. Wolff with Mr. Chamberlain.  
Mr. Jones of North Carolina with Mr. Harvey.  
Mr. Macdonald of Massachusetts with Mr. Broomfield.  
Mr. Jones of Alabama with Mr. Halleck.  
Mr. Carey with Mr. Keith.  
Mr. St. Onge with Mr. Clancy.  
Mr. Pryor with Mr. Stafford.  
Mr. Cabell with Mr. Dole.  
Mr. Nichols with Mr. Watson.  
Mr. Foley with Mr. Kleppe.  
Mr. Hicks with Mr. Talcott.  
Mr. Hanna with Mr. Burton of Utah.  
Mr. Gray with Mr. Wydler.  
Mr. Pepper with Mr. Shriver.  
Mr. Edmondson with Mr. Ruppe.  
Mr. Baring with Mr. O'Konski.  
Mr. Teague of Texas with Mr. Schadeberg.  
Mr. Gibbons with Mr. Mathias of Maryland.  
Mr. Steed with Mr. Schneebeil.  
Mr. Abbitt with Mr. Brinkley.  
Mrs. Hansen of Washington with Mr. Conyers.  
Mr. Mahon with Mr. Smith of Oklahoma.  
Mrs. Mink with Mr. Rarick.  
Mr. Resnick with Mr. Meeds.  
Mr. Machen with Mr. White.  
Mr. Evans of Colorado with Mr. Fraser.  
Mr. Hagan with Mr. Price of Illinois.  
Mr. Pool with Mr. Long of Maryland.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

The SPEAKER. Pursuant to the provisions of House Resolution 1032, the Committee on Banking and Currency is discharged from further consideration of the bill S. 1542.

MOTION OFFERED BY MR. PATMAN

Mr. PATMAN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Motion offered by Mr. PATMAN: strike out all after the enacting clause of S. 1542 and insert in lieu thereof the provisions contained in H.R. 8696 as passed as follows:

"That this Act may be cited as the 'Savings and Loan Holding Company Amendments of 1967'.

"SEC. 2. Section 408 of the National Housing Act, as amended (12 U.S.C. 1730a), is hereby amended to read as follows:

"REGULATION OF HOLDING COMPANIES

"SEC. 408. (a) DEFINITIONS. (1) As used in this section, unless the context otherwise requires—

"(A) 'insured institution' means a Federal savings and loan association, a building and loan, savings and loan, or homestead association or a cooperative bank, the accounts of which are insured by the Federal Savings and Loan Insurance Corporation;

"(B) 'uninsured institution' means any association or bank referred to in subparagraph (A) hereof, the accounts of which are not insured by the Federal Savings and Loan Insurance Corporation;

"(C) 'company' means any corporation, partnership, trust, joint-stock company, or similar organization, but does not include the Federal Savings and Loan Insurance Corporation, any Federal home loan bank, or any company the majority of the shares of which is owned by the United States or any State, or by an officer of the United States or any State in his official capacity, or by an instrumentality of the United States or any State;

"(D) 'savings and loan holding company' means any company which directly or indirectly controls an insured institution or controls any other company which is a savings and loan holding company by virtue of this subsection;

"(E) 'multiple savings and loan holding company' means any savings and loan holding company which directly or indirectly controls two or more insured institutions;

"(F) 'diversified savings and loan holding company' means any savings and loan holding company whose subsidiary insured institution and related activities as permitted under paragraph (2) of subsection (c) of this section represented, on either an actual or a pro forma basis, less than 50 per centum of its consolidated net worth at the close of its preceding fiscal year and of its consolidated net earnings for such fiscal year (or, during the first year's operation of the section, at such time as the holding company so qualifies), as determined in accordance with regulations issued by the Corporation;

"(G) 'person' means an individual or company;

"(H) 'subsidiary' of a person means any company which is controlled by such person, or by a company which is a subsidiary of such person by virtue of this subsection;

"(I) 'affiliate' of a specified insured institution means any person or company which controls, is controlled by, or is under common control with, such insured institution; and

"(J) 'State' includes the District of Columbia and the Commonwealth of Puerto Rico.

"(2) For purposes of this section, a person shall be deemed to have control of—

"(A) an insured institution if the person directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, or holds with power to vote, or holds proxies representing, more than 25 per centum of the voting shares of such insured institution, or controls in any manner the election of a majority of the directors of such institution;

"(B) any other company if the person directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, or holds with power to vote, or holds proxies representing, more than 25 per centum of the voting shares or rights of such other company, or controls in any manner the election or appointment of a majority of the directors or trustees of such other company, or

NAYS—198

Abernethy  
Adams  
Addabbo  
Albert  
Anderson, Tenn.  
Andrews, Ala.  
Annunzio  
Ashley  
Ashmore  
Aspinall  
Barrett  
Bennett  
Bevill  
Bingham  
Blanton  
Boggs  
Boland  
Bolling  
Brademas  
Brasco  
Brooks  
Brown, Calif.  
Broyhill, N.C.  
Burke, Mass.  
Burton, Calif.  
Byrne, Pa.  
Casey  
Celler  
Clark  
Cohelan  
Colmer  
Corman  
Culver  
Daddario  
Daniels  
Davis, Ga.  
Dawson  
de la Garza  
Delaney  
Dent  
Diggs  
Dingell  
Donohue  
Dow  
Downing  
Dulski  
Eckhardt  
Edwards, Calif.  
Edwards, La.  
Eilberg  
Evins, Tenn.  
Fallon  
Farbstein  
Fascell  
Feighan  
Fisher  
Flynt  
Ford,  
William D.  
Fountain  
Friedel  
Fulton, Tenn.  
Fuqua  
Gallifanakis  
Gallagher  
Garmatz

Gettys  
Gilbert  
Gonzalez  
Green, Oreg.  
Green, Pa.  
Griffiths  
Haley  
Hamilton  
Hammer-  
schmidt  
Hanley  
Hardy  
Hawkins  
Rees  
Hechler, W. Va.  
Helstoski  
Henderson  
Herlong  
Holland  
Howard  
Hull  
Hungate  
Ichord  
Irwin  
Jacobs  
Jarman  
Joelson  
Johnson, Calif.  
Jones, Mo.  
Karsten  
Karth  
Kastenmeier  
Kazen  
Kee  
Kelly  
Kirwan  
Kluczynski  
Kornegay  
Kyros  
Landrum  
Latta  
Leggett  
Lennon  
Long, La.  
McCarthy  
McFall  
McMillan  
Madden  
Marsh  
Matsunaga  
Miller, Calif.  
Mills  
Minish  
Mize  
Monagan  
Montgomery  
Moorhead  
Morgan  
Morris, N. Mex.  
Murphy, Ill.  
Murphy, N.Y.  
Natcher  
Nedzi  
Nix  
O'Hara, Ill.  
O'Hara, Mich.  
Olsen

O'Neal, Ga.  
O'Neill, Mass.  
Passman  
Patman  
Patten  
Perkins  
Philbin  
Pickle  
Pike  
Poage  
Pucinski  
Purcell  
Randall  
Reuss  
Rhodes, Pa.  
Rivers  
Roberts  
Rodino  
Rogers, Colo.  
Rogers, Fla.  
Ronan  
Rooney, N.Y.  
Rooney, Pa.  
Rosenthal  
Rostenkowski  
Roush  
Roybal  
Ryan  
St Germain  
Satterfield  
Scheuer  
Selden  
Shibley  
Sikes  
Sisk  
Slack  
Smith, Calif.  
Smith, Iowa  
Staggers  
Stephens  
Stratton  
Stubblefield  
Stuckey  
Sullivan  
Taylor  
Tenzer  
Thompson, N.J.  
Tiernan  
Tuck  
Tunney  
Udall  
Ullman  
Van Deerlin  
Vanik  
Vigorito  
Waggonner  
Waldie  
Walker  
Watts  
Whitener  
Whitten  
Willis  
Wright  
Yates  
Young  
Zablocki

ANSWERED "PRESENT"—1

Lipscomb

NOT VOTING—76

Abbitt  
Baring  
Berry  
Blatnik  
Bow  
Bray  
Brinkley  
Broomfield  
Brown, Ohio  
Burton, Utah  
Cabell  
Cahill  
Carey  
Cederberg  
Chamberlain  
Clancy  
Conyers  
Dole

Dorn  
Edmondson  
Evans, Colo.  
Flood  
Foley  
Fraser  
Gaimo  
Gibbons  
Goodell  
Gray  
Hagan  
Halleck  
Hanna  
Hansen, Wash.  
Harvey  
Hathaway  
Hébert  
Hicks

Hollifield  
Jones, Ala.  
Jones, N.C.  
Keith  
King, Calif.  
Kleppe  
Kupferman  
Long, Md.  
McClure  
McCulloch  
Macdonald,  
Mass.  
Machen  
Mahon  
Mathias, Md.  
Meeds  
Mink  
Moss

is a general partner in or has contributed more than 25 per centum of the capital of such other company;

“(C) a trust if the person is a trustee thereof; or

“(D) an insured institution or any other company if the Corporation determines, after reasonable notice and opportunity for hearing, that such person directly or indirectly exercises a controlling influence over the management or policies of such institution or other company.

“(3) Notwithstanding any other provision of this subsection, the term “savings and loan holding company” does not include—

“(A) any company by virtue of its ownership or control of voting shares of an insured institution or a savings and loan holding company acquired in connection with the underwriting of securities if such shares are held only for such period of time (not exceeding one hundred and twenty days unless extended by the Corporation) as will permit the sale thereof on a reasonable basis; and

“(B) any trust (other than a pension, profit-sharing, shareholders', voting, or business trust) which controls an insured institution or a savings and loan holding company if such trust by its terms must terminate within twenty-five years or not later than twenty-one years and ten months after the death of individuals living on the effective date of the trust, and is (i) in existence on June 26, 1967, or (ii) a testamentary trust created on or after June 26, 1967.

“(b) REGISTRATION AND EXAMINATIONS.—

(1) Within one hundred and eighty days after the enactment of the Savings and Loan Holding Company Amendments of 1967, or within ninety days after becoming a savings and loan holding company, whichever is later, each savings and loan holding company shall register with the Corporation on forms prescribed by the Corporation, which shall include such information, under oath or otherwise, with respect to the financial condition, ownership, operations, management, and intercompany relationships of such holding company and its subsidiaries, and related matters, as the Corporation may deem necessary or appropriate to carry out the purposes of this section. Upon application, the Corporation may extend the time within which a savings and loan holding company shall register and file the requisite information.

“(2) Each savings and loan holding company and each subsidiary thereof, other than an insured institution, shall file with the Corporation, and the Federal home loan bank of the district in which its principal office is located, such reports as may be required by the Corporation. Such reports shall be made under oath or otherwise, and shall be in such form and for such periods, as the Corporation may prescribe. Each report shall contain such information concerning the operations of such savings and loan holding company and its subsidiaries as the Corporation may require.

“(3) Each savings and loan holding company shall maintain such books and records as may be prescribed by the Corporation.

“(4) Each savings and loan holding company and each subsidiary thereof shall be subject to such examinations as the Corporation may prescribe. The cost of such examinations shall be assessed against and paid by such holding company. Examination and other reports may be furnished by the Corporation to the appropriate State supervisory authority. The Corporation shall, to the extent deemed feasible, use for the purposes of this subsection reports filed with or examinations made by other Federal agencies or the appropriate State supervisory authority.

“(5) The Corporation shall have power to require any savings and loan holding company, or persons connected therewith if it is not a corporation, to execute and file

a prescribed form of irrevocable appointment of agent for service of process.

“(6) The Corporation may at any time, upon its own motion or upon application, release a registered savings and loan holding company from any registration theretofore made by such company, if the Corporation shall determine that such company no longer has control of any insured institution.

“(c) HOLDING COMPANY ACTIVITIES.—Except as otherwise provided in this subsection—

“(1) no savings and loan holding company or subsidiary thereof which is not an insured institution shall, for or on behalf of a subsidiary insured institution, engage in any activity or render any services for the purpose or with the effect of evading law or regulation applicable to such insured institution; and

“(2) no multiple savings and loan holding company or subsidiary thereof which is not an insured institution shall commence, or continue for more than two years after the enactment of this amendment or for more than one hundred and eighty days after becoming a savings and loan holding company or subsidiary thereof (whichever is later), any business activity other than (A) furnishing or performing management services for a subsidiary insured institution, (B) conducting an insurance agency or an escrow business, (C) holding or managing or liquidating assets owned by or acquired from a subsidiary insured institution, (D) holding or managing properties used or occupied by a subsidiary insured institution, (E) acting as trustee under deed of trust, or (F) furnishing or performing such other services or engaging in such other activities as the Corporation may approve or may prescribe by regulation as being a proper incident to the operations of insured institutions and not detrimental to the interests of savings account holders therein. The Corporation may, upon a showing of good cause, extend such time from year to year, for an additional period not exceeding three years, if the Corporation finds such extension would not be detrimental to the public interest.

“(d) PROHIBITED TRANSACTIONS.—No savings and loan holding company's subsidiary insured institution shall—

“(1) invest any of its funds in the stock, bonds, debentures, notes, or other obligations of any affiliate (other than a service corporation as authorized by law);

“(2) accept the stock, bonds, debentures, notes, or other obligations of any affiliate as collateral security for any loan or extension of credit made by such institution;

“(3) purchase securities or other assets or obligations under repurchase agreement from any affiliate;

“(4) make any loan, discount, or extension of credit to (A) any affiliate, except in a transaction authorized by subparagraph (A) of paragraph (6) of this subsection, or (B) any third party on the security of any property acquired from any affiliate, or with knowledge that the proceeds of any such loan, discount, or extension of credit, or any part thereof, are to be paid over to or utilized for the benefit of any affiliate;

“(5) guarantee the repayment of or maintain any compensating balance for any loan or extension of credit granted to any affiliate by any third party;

“(6) except with the prior written approval of the Corporation—

“(A) engage in any transaction with any affiliate involving the purchase, sale, or lease of property or assets (other than participating interests in mortgage loans to the extent authorized by regulations of the Corporation) in any case where the amount of the consideration involved when added to the aggregate amount of the consideration given or received by such institution for all such transactions during the preceding twelve-month period exceeds the lesser of

\$100,000 or 0.1 per centum of the institution's total assets at the end of the preceding fiscal year; or

“(B) enter into any agreement or understanding, either in writing or orally, with any affiliate under which such affiliate is to (i) render management or advertising services for the institution, (ii) serve as a consultant, adviser, or agent for any phase of the operations of the institution, or (iii) render services of any other nature for the institution, other than those which may be exempted by regulation or order of the Corporation, unless the aggregate amount of the consideration required to be paid by such institution in the future under all such existing agreements or understandings cannot exceed the lesser of \$100,000 or 0.1 per centum of the institution's total assets at the end of the preceding fiscal year; or

“(C) make any payment to any affiliate under any agreement or understanding hereinabove referred to in subparagraph (B) where the institution has previously paid to affiliates during the preceding twelve-month period, pursuant to any such agreements or understandings, an amount aggregating in excess of the lesser of \$100,000 or 0.1 per centum of the institution's total assets at the end of the preceding fiscal year.

The Corporation shall grant approval under this paragraph (6) if, in the opinion of the Corporation, the terms of any such transaction, agreement, or understanding, or any such payment by such institution, would not be detrimental to the interests of its savings account holders or to the insurance risk of the Corporation with respect to such institution.

“(e) ACQUISITIONS.—(1) It shall be unlawful for—

“(A) any savings and loan holding company directly or indirectly, or through one or more subsidiaries or through one or more transactions—

“(i) to acquire, except with the prior written approval of the Corporation, the control of an insured institution or a savings and loan holding company, or to retain the control of such an institution or holding company acquired or retained in violation of this section as heretofore or hereafter in effect;

“(ii) to acquire, except with the prior written approval of the Corporation, by the process of merger, consolidation, or purchase of assets, another insured or uninsured institution or a savings and loan holding company, or all or substantially all of the assets of any such institution or holding company;

“(iii) to acquire by purchase or otherwise, or to retain for more than one year after the enactment of this amendment, any of the voting shares of an insured institution not a subsidiary, or of a savings and loan holding company not a subsidiary, or, in the case of a multiple savings and loan holding company, to so acquire or retain more than 5 per centum of the voting shares of any company not a subsidiary which is engaged in any business activity other than those specified in paragraph (2) of subsection (c) of this section; or

“(iv) to acquire the control of an uninsured institution, or to retain for more than one year after the effective date of this amendment or from the date on which such control was acquired, whichever is later, the control of any such institution;

“(B) any other company, without the prior written approval of the Corporation, directly or indirectly, or through one or more subsidiaries or through one or more transactions, to acquire the control of one or more insured institutions, except that such approval shall not be required in connection with the control of an insured institution (i) acquired by devise under the terms of a will creating a trust which is excluded from the definition of “Savings and loan holding company” under subsection (a) of this section, or (ii) acquired in connection with a reor-

ganization in which a person or group of persons, having had control of an insured institution for more than three years, vests control of that institution in a newly formed holding company subject to the control of the same person or group of persons. The Corporation shall approve an acquisition of an insured institution under this subparagraph unless it finds the financial and managerial resources and future prospects of the company and institution involved to be such that the acquisition would be detrimental to the institution or the insurance risk of the Corporation, and shall render its decision within ninety days after submission to the Board of the complete record on the application.

"(2) The Corporation shall not approve any acquisition under subparagraphs (A) (1) or (A) (II), or of more than one insured institution under subparagraph (B), of paragraph (1) of this subsection except in accordance with this paragraph. In every case, the Corporation shall take into consideration the financial and managerial resources and future prospects of the company and institution involved, and the convenience and needs of the community to be served, and shall render its decision within ninety days after submission to the Board of the complete record on the application. Before approving any such acquisition, the Corporation shall request from the Attorney General and consider any report rendered within thirty days on the competitive factors involved. The Corporation shall not approve any proposed acquisition—

"(A) which would result in a monopoly, or which would be in furtherance of any combination or conspiracy to monopolize or to attempt to monopolize the savings and loan business in any part of the United States; or

"(B) the effect of which in any section of the country may be substantially to lessen competition, or tend to create a monopoly, or which in any other manner would be in restraint of trade, unless it finds that the anticompetitive effects of the proposed acquisition are clearly outweighed in the public interest by the probable effect of the acquisition in meeting the convenience and needs of the community to be served.

"(3) No acquisition shall be approved by the Corporation under this subsection which will—

"(A) result in the formation by any company, through one or more subsidiaries or through one or more transactions, of a multiple savings and loan holding company controlling insured institutions in more than one State; or

"(B) enable an existing multiple savings and loan holding company to acquire an insured institution the principal office of which is located in a State other than the State which such savings and loan holding company shall designate, by writing filed with the Corporation within sixty days after its registration hereunder, as the State in which the principal savings and loan business of such holding company is conducted.

"(4) The provisions of this subsection and of subsections (c) (2) and (g) of this section shall not apply to any savings and loan holding company which acquired the control of an insured institution or of a savings and loan holding company pursuant to a pledge or hypothecation to secure a loan, or in connection with the liquidation of a loan, made in the ordinary course of business, but it shall be unlawful for any such company to retain such control for more than one year after the enactment of this amendment or from the date on which such control was acquired, whichever is later, except that the Corporation may upon application by such company extend such one-year period from year to year, for an additional period not exceeding three years, if the Corporation finds such extension is war-

ranted and would not be detrimental to the public interest.

"(f) DECLARATION OF DIVIDEND.—Every subsidiary insured institution of a savings and loan holding company shall give the Corporation not less than thirty days' advance notice of the proposed declaration by its directors of any dividend on its guaranty, permanent, or other nonwithdrawable stock. Such notice period shall commence to run from the date of receipt of such notice by the Corporation. Any such dividend declared within such period, or without the giving of such notice to the Corporation, shall be invalid and shall confer no right or benefits upon the holder of any such stock.

"(g) HOLDING COMPANY INDEBTEDNESS.—(1) No savings and loan holding company or any subsidiary thereof which is not an insured institution shall issue, sell, renew, or guarantee any debt security of such company or subsidiary, or assume any debt, without the prior written approval of the Corporation.

"(2) The provisions of paragraph (1) of this subsection shall not apply to—

"(A) a diversified savings and loan holding company or any subsidiary thereof; or

"(B) the issuance, sale, renewal, or guaranty of any debt security, or the assumption of any debt, by any other savings and loan holding company or any subsidiary thereof, if such security or debt aggregates, together with all such other securities or debt then outstanding as to which such holding company or subsidiary is primarily or contingently liable, not more than 15 per centum of the consolidated net worth of such holding company or subsidiary at the end of the preceding fiscal year.

"(3) The Corporation shall, upon application, approve any act or transaction not exempted from the application of paragraph (1) of this subsection if the Corporation finds that—

"(A) the proceeds of any such act or transaction will be used for (i) the purchase of permanent, guaranty, or other nonwithdrawable stock to be issued by a subsidiary insured institution, or (ii) the purpose of making a capital contribution to a subsidiary insured institution; or

"(B) such act or transaction is required for the purpose of refunding, extending, exchanging, or discharging an outstanding debt security, or for other necessary or urgent corporate needs, and would not impose an unreasonable or imprudent financial burden on the applicant.

The Corporation may also approve any application under this paragraph if it finds that the act or transaction would not be injurious to the operation of any subsidiary insured institution in the light of its financial condition and prospects.

"Applications filed with the Corporation pursuant to this subsection shall be in such form and contain such information as the Corporation may prescribe.

"(4) If a State authority or any other agency of the United States, having jurisdiction of any act or transaction within the scope of paragraph (1) of this subsection, shall inform the Corporation, upon request by the Corporation for an opinion or otherwise, that State or Federal laws applicable thereto have not been complied with, the Corporation shall not approve such act or transaction until and unless the Corporation is satisfied that such compliance has been effected.

"(5) As used in this subsection, the term "debt security" includes any note, draft, bond, debenture, certificate of indebtedness, or any other instrument commonly used as evidence of indebtedness, or any contract or agreement under the terms of which any party becomes, or may become, primarily or contingently liable for the payment of money, either in the present or at a future date.

"(6) (A) If the Corporation finds that a diversified savings and loan holding company does not meet the test prescribed in subparagraph (B) of this paragraph, such holding company or any subsidiary thereof may not accept, use, or receive the benefit of any dividend on stock from a subsidiary insured institution, and such institution may not declare or pay any dividend on its stock to such holding company or subsidiary, unless the Corporation fails to object, within thirty days of receipt of notification under subsection (f) of this section, to such dividend as being injurious to the insured institution in the light of its financial condition and prospects.

"(B) The prohibition of subparagraph (A) of this paragraph shall not apply to a diversified savings and loan holding company or any subsidiary thereof if, excluding its subsidiary insured institution, its consolidated net income available for interest for its preceding fiscal year was twice its consolidated debt service requirements for the twelve-month period next succeeding such fiscal year, as determined in accordance with regulations issued by the Corporation.

"(h) ADMINISTRATION AND ENFORCEMENT.—(1) The Corporation is authorized to issue such rules, regulations, and orders as it deems necessary or appropriate to enable it to administer and carry out the purposes of this section, and to require compliance therewith and prevent evasions thereof.

"(2) The Corporation may make such investigations as it deems necessary or appropriate to determine whether the provisions of this section, and rules, regulations, and orders thereunder, are being and have been complied with by savings and loan holding companies and subsidiaries and affiliates thereof. For the purpose of any investigation under this section, the Corporation or its designated representatives shall have power to administer oaths and affirmations, to issue subpoenas and subpoenas duces tecum, to take evidence and to require the production of any books, papers, correspondence, memorandums, or other records which may be relevant or material to the inquiry. The attendance of witnesses and the production of any such records may be required from any place in any State or in any territory. The Corporation may apply to the United States district court for the judicial district or the United States court in any territory in which any witness or company subpoenaed resides or carries on business, for enforcement of any subpoena or subpoena duces tecum issued pursuant to this paragraph, and such courts shall have jurisdiction and power to order and require compliance therewith.

"(3) (A) In the course of or in connection with any proceeding under subsection (a) (2) (D) of this section, the Corporation or its designated representatives, including any person designated to conduct any hearing under said subsection, shall have power to administer oaths and affirmations, to take or cause to be taken depositions, and to issue, revoke, quash, or modify subpoenas and subpoenas duces tecum; and the Corporation is empowered to make rules and regulations with respect to any such proceedings. The attendance of witnesses and the production of documents provided for in this paragraph may be required from any place in any State or in any territory at any designated place where such proceeding is being conducted. Any party to such proceedings may apply to the United States District Court for the District of Columbia, or the United States district court for the judicial district of the United States court in any territory in which such proceeding is being conducted, or where the witness resides or carries on business, for enforcement of any subpoena or subpoena duces tecum issued pursuant to this paragraph, and such courts shall have jurisdiction and power to order and require compliance therewith. Witnesses subpoenaed under this section shall

be paid the same fees and mileage that are paid witnesses in the district courts of the United States.

“(B) Any hearing provided for in subsection (a) (2) (D) of this section shall be held in the Federal judicial district or in the territory in which the principal office of the institution or other company is located unless the party afforded the hearing consents to another place, and shall be conducted in accordance with the provisions of chapter 5 of title 5 of the United States Code.

“(4) Whenever it shall appear to the Corporation that any person is engaged or has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this section or of any rule, regulation, or order thereunder, the Corporation may in its discretion bring an action in the proper United States district court, or the United States court of any territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices, to enforce compliance with this section or any rule, regulation, or order thereunder, or to require the divestiture of any acquisition in violation of this section, or for any combination of the foregoing, and such courts shall have jurisdiction of such actions, and upon a proper showing an injunction, decree, restraining order, order of divestiture, or other appropriate order shall be granted without bond.

“(5) All expenses of the Federal Home Loan Bank Board or of the Corporation under this section shall be considered as non-administrative expenses.

“(1) PROHIBITED ACTS.—It shall be unlawful for—

“(1) any savings and loan holding company or subsidiary thereof, or any director, officer, employee, or person owning, controlling, or holding with power to vote, or holding proxies representing, more than 25 per centum of the voting shares, of such holding company or subsidiary, to hold, solicit, or exercise any proxies in respect of any voting rights in an insured institution which is a mutual institution;

“(2) any director or officer of a savings and loan holding company, or any person owning, controlling, or holding with power to vote, or holding proxies representing, more than 25 per centum of the voting shares of such holding company (A), except with the prior approval of the Corporation, to serve at the same time as a director, officer, or employee of an insured institution or another savings and loan holding company, not a subsidiary of such holding company, or (B) to acquire control, or to retain control for more than two years after the enactment of this subsection, of any insured institution not a subsidiary of such holding company; or

“(3) any individual, except with the prior approval of the Corporation, to serve or act as a director, officer, or trustee of, or become a partner in, any savings and loan holding company after having been convicted of any criminal offense involving dishonesty or breach of trust.

“(J) PENALTIES.—(1) Any company which willfully violates any provision of this section, or any rule, regulation, or order thereunder, shall upon conviction be fined not more than \$1,000 for each day during which the violation continues.

“(2) Any individual who willfully violates or participates in a violation of any provision of this section, or any rule, regulation, or order thereunder, shall upon conviction be fined not more than \$10,000 or imprisoned not more than one year, or both.

“(3) Every director, officer, partner, trustee, agent, or employee of a savings and loan holding company shall be subject to the same penalties for false entries in any book, report, or statement of such savings and loan holding company as are applicable to officers, agents, and employees of an institution the accounts of which are insured by the Corporation for false entries in any books, reports,

or statements of such institution under section 1006 of title 18 of the United States Code.

“(k) JUDICIAL REVIEW.—Any party aggrieved by an order of the Corporation under this section may obtain a review of such order by filing in the court of appeals of the United States for the circuit in which the principal office of such party is located, or in the United States Court of Appeals for the District of Columbia Circuit, within thirty days after the date of service of such order, a written petition praying that the order of the Corporation be modified, terminated, or set aside. A copy of such petition shall be forthwith transmitted by the clerk of the court to the Corporation, and thereupon the Corporation shall file in the court the record in the proceeding, as provided in section 2112 of title 28 of the United States Code. Upon the filing of such petition, such court shall have jurisdiction, which upon the filing of the record shall be exclusive, to affirm, modify, terminate, or set aside, in whole or in part, the order of the Corporation. Review of such proceedings shall be had as provided in chapter 7 of title 5 of the United States Code. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari as provided in section 1254 of title 28 of the United States Code.

“(1) SAVING CLAUSE.—Nothing contained in this section, other than mergers or acquisitions approved under section 408(e) (2), shall be interpreted or construed as approving any act, action, or conduct which is or has been or may be in violation of existing law, nor shall anything herein contained constitute a defense to any action, suit, or proceeding pending or hereafter instituted on account of any act, action, or conduct in violation of the antitrust laws.”

The motion was agreed to.

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

A similar House bill (H.R. 8696) was laid on the table.

#### GENERAL LEAVE TO EXTEND

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD, and to include therein relevant and extraneous material, on the bill just passed.

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

There was no objection.

#### LEGISLATIVE PROGRAM FOR THE BALANCE OF THIS WEEK

Mr. ARENDS. 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 Illinois?

There was no objection.

Mr. ARENDS. Mr. Speaker, I have requested this time in order to ascertain from the distinguished majority leader if there are any changes in the program for tomorrow.

Mr. ALBERT. Mr. Speaker, will the distinguished gentleman, the minority whip, yield to me?

Mr. ARENDS. I yield to the distinguished gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, in re-

sponse to the distinguished minority whip's inquiry, we have changed the program for tomorrow, the bill H.R. 12066 to provide an additional source of financing for the rural telephone program, will not be called up, but we will put down instead three bills from the Committee on Interior and Insular Affairs:

H.R. 1340, authorizing the Secretary of the Interior to accept lands for the Blue Ridge Parkway in the States of North Carolina and Georgia, under an open rule with 1 hour of debate;

S. 306, increasing the amounts authorized for Indian Adult Vocational Education, also with an open rule and 1 hour of debate; and,

H.R. 5605, providing for the establishment of the Florissant Fossil Beds National Monument, also under an open rule with 1 hour of debate.

Mr. ARENDS. I thank the gentleman from Oklahoma, and I yield back the balance of my time.

#### HOW MUCH LONGER?

Mr. JONES of Missouri. 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 Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, “How much longer?” is the question being asked by people all over the country, with regard to the usurpation of legislative power and authority by the Federal courts of this land.

The General Assembly of the State of Missouri is now in session, a special session called by Gov. Warren E. Hearnes, which is limited to 60 days, to consider only requests of the Governor, and which now includes the necessity for redistricting the congressional districts of the State, since the recent decision of a three-member panel of Federal judges, two of whom have ruled that a 4.6-percent variance in population does not conform with the Supreme Court's impractical and impossible ruling embracing the one-man, one-vote principle.

Where we are headed unless the legislative bodies of this Nation, including the Congress and the legislatures of the 50 States, assert their independence and stand up for their rights as contained in all of the constitutions declaring the establishment of the three separate branches of government, and setting forth what their powers and responsibilities are, only God in heaven knows.

Mr. Speaker, I am including herewith an editorial from the Cape Girardeau Southeast Missourian, published in the metropolis of the 10th Congressional District, which appeared in its issue of January 4, 1968, even before this session convened:

#### ONE MAN, ONE VOTE?

Two federal judges out of a three-member panel have made a mockery of the so-called “one man, one vote” principle laid down by the Supreme Court in the Tennessee case of several years ago.

By their action last week they took away the decision the people had entrusted to their

elected representatives—reapportionment of Missouri's congressional districts.

This is simply one more instance of the high-handedness of the courts in America's political life in recent years. It is one more instance of legislation by the courts instead of by the representatives elected by the people.

Missourians by and large were perfectly content with the work their Legislature did at its session last year. Except for a lone minority voice which filed the suit, there were few real objections to the congressional district boundaries laid down by the General Assembly.

The Legislature deviated only 4.6 per cent in its population figures among the various districts. It had been led to believe that if the variation were not more than 5 per cent it would be acceptable.

What makes the decision of the two majority judges more arbitrary and unreasonable is the variation in other states where congressional district lines have been allowed to stand.

In Ohio, for example, the difference in population between the largest and smallest districts is 43 per cent! And in New York it is 34.5 per cent. Louisiana has a deviation of 25 per cent.\*

And Missouri's is only 4.6 per cent. Just how absurd can a judicial decision be?

The majority judges have imposed an unconscionable burden on Gov. Warren Hearnes, on the Legislature and on the people of Missouri.

The entire legislative program the governor had mapped out for the special session will have to be redefined and no doubt several pieces of legislation the people of Missouri will be delayed a year until the regular session.

It is an impossibility for the Legislature, in the short time at its disposal, to handle the regular business of the session and at the same time wrestle with the huge problem of redistricting with all of the political conditions it poses.

And if the Legislature cannot do it, then the three judges will have to do so, barring a stay of the decision and an overturning of the court's ruling by the U.S. Supreme Court.

Meanwhile, all over the state candidates are left in a quandry. They have no district. They have no constituency. They do not know what their boundary lines will be. How do they campaign? Many will continue, but there are great concerns for them, and expense.

But the real anxiety of the people of Missouri turns toward a usurpation of the state's legislative power by the federal government.

This decision has taken legislation out of their hands and away from the representatives they elected and put it in the hands of three federally appointed judges. The traditional voice of the people has been negated.

Their representatives did what they were expected to do and we believe the Legislature did well with only a 4.6 deviation.

The original error was made by the Supreme Court in its "one man, one vote" decision.

Now even the citizen's vote—through his representative—has been taken away from him and expropriated by appointive judges.

How much longer will the people allow the courts to double as legislatures?

#### TIME IS OUT OF JOINT IN INDIANA

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

\* Congressional apportionment of New York and Ohio has now been summarily overruled by the U.S. Supreme Court. The 25% deviation in Louisiana has not been challenged as of this date.

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

There was no objection.

Mr. ROUSH. Mr. Speaker, in addressing myself to my fellow Congressmen I would like to begin with a fitting quotation from Shakespeare.

[Hamlet I.v.188]

The time is out of joint; O cursed spite  
That ever I was born to set it right.

The Department of Transportation announced last week that a proposal made last August, to place all of Indiana within the U.S. central standard time zone, will be modified. The modified proposal would place all of Indiana in the U.S. eastern standard time zone with the exception of Lake, Porter, LaPorte, Starke, Jasper, Newton, Gibson, Pike, Dubois, Spencer, Warrick, Vanderburgh, and Posey Counties. These 13 counties would remain in the central standard time zone.

The Department of Transportation is authorized under the provisions of the Uniform Time Act to alter the location of time zone boundaries. A 75-day period was provided in which all interested persons were afforded an opportunity to comment on the original proposal. Since almost 75 percent of those responding outside the 13-county area above, the original proposal was tentatively replaced with the modified proposal. However, interested persons may still comment on this modified proposal until February 26, 1968.

All of which is fine. But one distinctive problem remains, the original one toward which my legislation of last year was directed, namely the question of what happens to States that are divided into more than one time zone when that time of the year arrives for moving our clocks forward for daylight saving time.

According to the Uniform Time Act of 1966, which I voted against and which I would oppose again now for it has had pernicious effects, the entire State must go one way or the other; must adopt daylight time throughout the State or exempt itself from daylight time, throughout the State.

For Indiana this poses two separate but related problems. First of all the State legislature does not meet this year, so unless a special session is called, the whole of Indiana must go on daylight time. Since most of the State will probably be in the eastern standard time zone, this will be disastrous because most of the State will be advanced an hour beyond what will already be an advance for some portions of the State with the new eastern standard time.

On the other hand, if the State legislature does meet in special session, and exempts the State, those 13 counties that will probably be in the central standard time zone will be upset since this will put them an hour behind the Chicago area and similar important economic contacts in the central standard time zone—which goes on daylight time—effectively, then, removing the benefits of their being on central standard time.

The only solution I know is the one I proposed in legislation last year, namely that section 3(a) of the Uniform Time

Act of 1966 be amended in order to allow an option in the adoption of advanced time in the case of a State with parts thereof in different time zones; to allow that State to exempt one or more such parts from advanced time. Thus in Indiana probably all but those 13 counties would be exempted.

The time is, indeed, out of joint in Indiana. I hope we can make it right there and in some 11 other States through legislation exempting those States divided, like Indiana, into more than one part, more than one time zone; an accident, after all, of geography, latitude, commercial and transportation ties.

#### CONCERN OVER SPENDING OF FEDERAL GOVERNMENT

Mr. HALEY. 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 Florida?

There was no objection.

Mr. HALEY. Mr. Speaker, during the brief adjournment of the Congress, I visited various communities in my congressional district, speaking with as many of my constituents as possible. All of these people were deeply concerned about inflation, about our unbalanced budget and the high cost of Government. Time and time again I was asked why the Federal Government did not live within its income. I told many of these people, as I have told my colleagues, that the time has come when we must decide what we as a nation can afford in the way of Federal programs. We must learn to pay for our own Government in our own generation.

This concern over the spending of our Federal Government was expressed particularly well in a letter I received recently from a constituent, Mr. Earl T. Stivers of Bradenton, Fla. I have asked permission to include it in the RECORD so that all readers of this journal will have the opportunity to hear his clear voice. The letter follows:

BRADENTON, FLA.,  
January 5, 1968.

HON. JAMES A. HALEY,  
Sarasota, Fla.

HONORABLE SIR: Congress is being asked to approve a 10% surtax. Together with many other Americans, I shall be glad to do my part to keep the government solvent. BUT, as I have written you before, the government must do its part also.

There is no excuse for an unbalanced budget, year after year. The only sensible procedure is to make it mandatory for the government to live within its income, the same as you and I must do. In the case of a genuine national emergency, this policy could be abandoned for a very definite limited period. The Vietnam war, even if we approve, is not a national emergency. If the country is called on to fight for the freedom of threatened nations, it must also be ready to fight for the freedom of oppressed taxpayers. More guns should mean less butter.

The government must cut expenses, but how? To avoid selfish, senseless arguments, including logrolling, this should be on a strict percentage basis. There is not one agency which can not get along on less, say 10%. Require each agency to make its own

decision as to where it should cut. There is "fat" in every department.

Regardless of pressure from any source, put a moratorium on new projects or increased appropriations for existing projects.

Inflation and devaluation hurt a large segment of the population. Every dollar saved over the years, every insurance policy in existence becomes less valuable. Every pension earned and every other income of fixed dollar amount buy less. Every increase in wages causes higher prices and fixed incomes shrink in value.

Government spending abroad must be drastically reduced or the dollar will be worthless. We can't support the whole world or police it, either. We put Europe back on its feet but now they would put us on our back, using the American taxpayer to disrupt the national economy.

My mother was a German immigrant at 8, my father an orphan at 11. Yet they raised two children, put them thru school and college, bought their own home, and saved enough to live in retirement for over ten years. Is this kind of thrift a virtue today or have we made reckless spending our idol?

On its present course, the country is heading for bankruptcy. I feel that you must cause your Congressional colleagues to stop, look, and listen to the American taxpayer.

Yours truly,

EARL R. STIVERS.

#### RETAIL DRUGSTORES

Mr. MONTGOMERY. 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 Mississippi?

There was no objection.

Mr. MONTGOMERY. Mr. Speaker, recently, Dr. James L. Goddard, commissioner of the Food and Drug Administration made public statements wherein he suggested that within 20 years the corner drugstore should be eliminated from the American scene. These statements were so blatantly irresponsible and ill advised as to demand a complete explanation or retraction by Dr. Goddard.

This Nation's 53,000 retail drugstores, which combine specialized pharmaceutical services with business services, are a natural outgrowth of the needs and demands of the American people since this country began. The local pharmacy, functioning within a business atmosphere, has become a community center and a symbol of typical Americanism. The corner drugstore is the very epitome of a system of free enterprise and open competition which has as one of its basic assets a highly efficient distributional process.

Through services of the retail pharmacist the medical practitioner has been given an unprecedented freedom of choice of the newest medications. The end products of the pharmaceutical industries' research and production efforts are now placed at the disposal of physicians and patients in every hamlet, village, and community in the land through the retail drugstore.

The local drugstore is the very symbol of the successful small business enterprise. Drugstore sales in 1967 reached the total of \$11,102,800,000; pharmacists filled over 1 billion prescriptions totaling \$3,302,380,000. Average annual sales in

retail drugstores across the country are estimated to be about \$201,000 per drugstore. In my home State of Mississippi the 579 independent drugstores had average sales of \$183,660 in 1967, of which \$91,830 represented health care sales. In addition, the 120,000 pharmacists who operate the Nation's drugstores make outstanding contributions to the civic life of their communities by participating in many civic activities as well as assuming responsible administrative and elective offices.

Mr. Speaker, any attempt now or in the future to abolish a business enterprise so vitally important to the Nation's economy and physical health would be a foolish experiment in national self-destruction.

#### THE COPPER STRIKE

Mr. RHODES of Arizona. 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 Arizona?

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, the copper strike, now in its seventh month, is now of national emergency proportions. In my opinion, the President should bring it to an immediate halt by invoking the emergency provisions of the Taft-Hartley Act.

This strike is cruelly oppressive to the copperworkers and their families, and to the mining communities. Nevertheless, because of the availability of domestic copper, it had fallen short of meeting the measurements of a situation in which the President is empowered to employ direct intervention under the law. Up until now, quite properly, the processes of collective bargaining have been permitted to function freely in the hope that the parties to the disputes might arrive at satisfactory settlements. However, the situation has now changed. Now, the security of our Nation is threatened.

Copper is vital to the successful prosecution of a war. Up until now copper in sufficient quantity and of adequate quality has been available to support our national defense effort.

This is no longer true. Our domestic supply of copper is exhausted. In a time of war, we are now relying almost entirely on foreign sources. Copper is available in foreign countries, but according to the best information I can obtain, much of this foreign copper does not fully meet the requirements of our defense effort. Also, the American taxpayer has to pay a 50-percent premium to get it. The importation of foreign copper to meet our defense demands is already contributing \$75 million a month to our imbalance of international payments, and this contribution is rising steadily.

The President has been asked by some to appoint an unofficial factfinding board, to determine the facts necessary to judge the merits of the positions of the opposing parties to this strike. I suggest that such a move is "too little, and too late." What this country requires urgently is

an immediate end to this work stoppage. If it is necessary to find such facts, this can be done during the 80-day period during which the strike would be enjoined—to aid in a permanent settlement between the parties.

Let me say again that the time has come to halt this strike. It is not for me or any other holder of public office to judge the issues in a labor dispute, and I am not in any sense trying to fix blame as between the parties. But when the national security becomes threatened, it is the duty of Government to see that the effects of such a dispute are eliminated. Congress has provided the means for doing this in the Taft-Hartley Act. The President should use them immediately.

#### PRESIDENT JOHNSON PLAYING POLITICS WITH MIDDLE EAST SECURITY

Mr. DERWINSKI. 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. DERWINSKI. Mr. Speaker, as a member of the Foreign Affairs Committee, I feel it necessary to discuss the existence of the serious credibility gap in the official White House view of the recent discussions between President Johnson and Israel Prime Minister Levi Eshkol.

On the basis of reliable reports, published by Newsweek magazine and other publications, there has been a great deal of honest concern over the diplomatic tactics used by the President in handling the Middle East situation. Much press speculation has centered on the possibility that President Johnson may be playing politics with free world security by withholding Phantom jet aircraft—which the State of Israel desires to buy from us—in ransom for the votes of Americans of Jewish faith.

Our military authorities are deeply troubled by the establishment of a firm Soviet foothold in the Mediterranean and Middle East. The Russians have moved massive naval forces into the Mediterranean and, in the last 6 months, sent dangerous amounts of jets, missiles, other arms, and even thousands of military advisers, to certain Arab States. Israel's Prime Minister, Mr. Levi Eshkol, came to the United States earlier this month to attempt to buy modern jets for Israel's defense because De Gaulle's France, the previous source of military jets for Israel, arbitrarily canceled contracts.

Under the captions, "Sharp Trading Down on the Ranch" and "Mutual Aid," the January 22 issue of Newsweek disclosed how President Johnson reportedly exploited the Mediterranean crisis for personal political advantage. The Phantoms sought by Israel were withheld as plums to be given only after November's elections—if the Israel Prime Minister uses personal influence with American Jews to favorably influence them toward L. B. J.

The President apparently presumed that American Jewry is a monolithic structure whose bloc vote could be delivered. This was unfair to the friendly foreign government under pressure and an insult to the intelligence and independence of our citizens of Jewish faith.

It would seem that the President has responded to a sinister Soviet drive in the Middle East by asking political support for himself as the price for helping a free nation defend herself.

What is involved here is the national security interests of the United States. England has just withdrawn from commitments east of Suez and canceled contracts to buy the necessary arms from us. As England leaves the Middle East after exerting major influence for two centuries, we find the Russians moving in, fulfilling the dreams of Peter the Great, who in his reign had schemed to break into the Mediterranean.

Here we have Israel, a nation determined to halt aggression and preserve freedom in her corner of the world. Yet, the President attaches self-serving conditions to the sale of arms.

I do not think, Mr. Speaker, that our citizens—Jewish or non-Jewish—are going to accept this kind of foreign policy. This will only add to the anxieties prompted by the administration's failures in Vietnam, the Mediterranean, the Middle East—or by urban crisis at home, crime, riots, inflation, high taxes—or even by the issue of presidential credibility.

Indeed, even if the President were re-elected with votes cast on a premise that this would bring about the sale of Phantom jets to Israel, there would be no assurance that such would actually occur. It would be the President's last term; he would not again be required to seek voter approval and could embark on the quest of dubious friendship of the radical Arab dictators in Egypt, Algeria and Syria.

The Phantom jets should be sold to Israel now because our failure to act indicates to the Russians that they may brazenly fill the vacuum created by the administration's foreign policy ineptness.

The President should reconsider the effects of his moves, which have put a friendly foreign government and a respected section of our population on the spot. It is not the way to conduct foreign policy.

#### THE END OF AN ILLUSION

Mr. KUYKENDALL. 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 Tennessee?

There was no objection.

Mr. KUYKENDALL. Mr. Speaker, the President, in this election year, is attempting to present a rosy economic picture for our Nation by minimizing the disastrous deficit which we are facing this year and which we faced last year. This total misleading of the American people is being done through the installation of a new set of bookkeeping figures which arbitrarily place all of the trust funds, including social security,

medicare, and highways in the regular budget.

Most all American citizens have come to consider a "trust fund" as just exactly that, "something you can trust." These funds, by their nature, must have greater income than they have spending, with rare exceptions. The President, however, looked around in the Federal establishment, saw these funds which were operating in the black, and decided to use them to placate the taxpayer and minimize the tremendous deficit.

The effect of this bookkeeping switch can best be shown by fiscal year 1967 figures: Everyone knows that in fiscal 1967 the deficit was \$9,869,000,000. However, if the new bookkeeping system had been used we would have shown a surplus of \$262,000,000 even though we went in debt almost \$10 billion. This would have been due to a \$10,133,000,000 surplus in the trust funds.

The American people first began to get suspicious last year when, upon being threatened with failure of his debt limit bill, the President cried that there might not be enough money to pay social security. This means that a fund supposedly worth in excess of \$18 billion was broke, owning nothing but I O U's from the Government. We certainly accept the fact that the Government has a right to borrow from the trust funds at a reasonable rate of interest, but we do not accept their calling this situation so close that their surplus, their actual cash on hand surplus, is measured in a matter of weeks.

It is with great regret that we are forced to report to our people the end of an illusion. Our social security and other trust funds are now neither secure nor trustworthy since the Government is forced to borrow money to pay back social security so that the fund may meet its monthly obligations. The climax of this illusion was reached in the state of the Union message when the President attempted to mislead the people into thinking that the deficit in the coming year might be reasonable. He did this through the use of a projected trust fund surplus of approximately \$5 billion plus the expected income from a proposed tax increase, which he has practically no assurance of receiving. The way I figure it, the deficit in the coming year without this kind of bookkeeping on the part of the administration may well amount to \$30 billion with no end in sight.

#### THE HIGHWAY TRUST FUND

Mr. THOMPSON of Georgia. 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 Georgia?

There was no objection.

Mr. THOMPSON of Georgia. Mr. Speaker, President Johnson today placed the urban American motorists on the sacrificial altar as a maneuver in his battle with Congress to force a tax increase.

I do not know who the President thinks he is deceiving by his latest action in

withholding \$600 million of highway trust funds which has greatest impact in the urban areas. Certainly he is not deceiving the Congress about his real intentions.

The President knows full well that the health and well-being of America is dependent upon the rapid completion of our highway system, for these are the arteries of business, trade, and commerce.

I am appalled that the President would again use this tactic in his battle with Congress when he knows this will inconvenience the urban areas by delaying highway construction and, in so doing, not one penny of economy will result. This is simply a maneuver on his part to force the Congress to take 10 percent more in taxes out of the pockets of the taxpayer.

The President knows full well that highway trust funds cannot be spent for anything other than highway purposes; in fact, in 1964, the President stated:

The (highway) program is not costing the general fund of the United States Treasury a single cent.

To illustrate how well the President understands the need for highway construction, he stated also in 1964:

For much too long the man who owns and drives an automobile has been treated like a stepchild. We require him to pay for the highways he uses and we require him to pay in advance. We divert his taxes to other uses but we delay the building of roads that he deserves.

Yet, by his present action, the President is now treating the urban motorists as a "stepchild" and although the urban motorist has already paid for these highways in advance, the President is impounding his funds and using them as a ballbat over the head of Congress demanding that we pass his tax bill which will have a detrimental effect on the nondefense economy of the United States.

I have today sent telegrams to the chairman of the House Public Works Committee and the ranking minority member urging an immediate investigation into the repeated political manipulations by the President of the highway trust funds.

This is the second time within less than 2 years that the President has impounded trust funds which belong to the people for highway construction. Further, the President has at other times threatened the public and the Congress that he would refuse to allot these funds to the States as provided by law. The actions of the President are illegal and contrary to the law.

Because the President thinks so little of the American motorists and has to play politics with the highway trust funds which the American motorists have paid to their Government for highway construction, the completion of the Interstate Highway System will be delayed far beyond the original 1972 completion date.

#### PRESIDENT CHOOSES WISELY IN A TIME FOR GREATNESS

Mr. OLSEN. 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 Montana?

There was no objection.

Mr. OLSEN. Mr. Speaker, President Johnson has again displayed his ability to fit the man to the job demanding him by naming Clark Clifford as Secretary of Defense.

The job—Secretary of Defense—is one of the most demanding in Government. The functioning of history's mightiest military establishment, the posture of America's defense system, and the security of the free world rest upon the shoulders of the Secretary of Defense.

But the man—Clark M. Clifford—is equal to the task. He is uniquely qualified to master the demands of this great position.

He has been, in President Johnson's words, "a very wise and prudent counselor" to Presidents Truman, Kennedy, and Johnson.

He has faithfully served his Nation under three administrations in a variety of roles—as Special Counsel, as Chairman of the top-secret Foreign Intelligence Advisory Board, as Presidential emissary to Vietnam and the nations of the Pacific.

In the turbulent days ahead, Americans should sleep more securely for the firm hand, brilliant mind, and careful judgment Clark Clifford will bring to the job.

At a time for greatness, President Johnson has chosen the right man.

#### L. B. J.'S HIGHWAY PROGRAM—THE GREAT STEPCCHILD

Mr. CRAMER. 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 Florida?

There was no objection.

Mr. CRAMER. Mr. Speaker, on October 8, 1967, Secretary of Transportation Alan S. Boyd sent a telegram to the Governors of each of the States proposing another cutback in the Federal-aid highway program, again indicating the Great Society stepchild attitude towards highways. Yesterday, some 3½ months later, the other shoe was dropped. Secretary Boyd announced that Federal-aid highway obligation levels during calendar year 1968 will be held approximately 5 percent below 1967 levels.

The reduction in highway obligation levels has been referred to as a "5-percent cutback" and as a "\$600 million cutback." The actual effect of the Secretary's action is as follows:

Federal-aid highway obligations during calendar year 1967 totaled \$4.368 billion; Federal-aid highway obligations for calendar year 1968 will be held to 95 percent of this, or \$4.115 billion. It should be borne in mind that Federal-aid highway obligations during calendar year 1967 amounted to less than the highway trust fund could have supported, because obligations during that year were

subjected to a \$1.1 billion cutback abruptly announced in November 1966.

According to the Department of Transportation, revenues accruing to the highway trust fund would be sufficient to finance obligations of \$4.715 billion during calendar year 1968. The cutback imposed by the administration permits obligations during 1968 of only \$4.115 billion, a reduction of \$600 million, or nearly 13 percent less than the level of obligations which could be financed by the trust fund. This dollar ceiling on obligations applies to balances available for obligation on December 31, 1967, and carried over from last year, as well as to new obligational authority released during calendar year 1968.

It should be emphasized that this 13 percent figure is a nationwide average, and that the effect as to each State will vary tremendously. For example, Florida will suffer a cutback of slightly more than one-half of the Federal-aid funds which otherwise would be available for obligation during calendar year 1968. To explain this: Under the "reimbursable obligation" plan placed in effect by the Bureau of Public Roads to keep Federal-aid highway expenditures within the amounts available in the highway trust fund, Florida had a balance available for obligation, as of December 31, 1967, of \$31,309,065.

On January 2, 1968, a quarterly release of an additional \$1.1 billion of Federal-aid highway funds was made, and of this, Florida's share was \$23,842,000, giving Florida a total, at the beginning of calendar year 1968, of \$55,151,065 available for obligation during calendar year 1968. It was expected that, during calendar year 1968, releases of funds for three additional quarters would be made. Assuming that those releases were approximately the same as the quarterly release made on January 2, Florida would have approximately \$126,700,000 available for obligation. Actually, estimated highway trust fund revenues would permit greater amounts to be released for obligation for the third and fourth quarter of 1968. Under the cutback imposed by the Secretary of Transportation, the State of Florida can obligate only \$62,417,000—a cutback of \$64,260,000, which is more than 50 percent.

Mr. Speaker, on several occasions I have spoken on the floor about the destructive impact of this kind of fiscal manipulation which makes the highway program go up and down like a yo-yo. I will not reiterate what I have said before on that subject, except to say this: Skilled persons simply will not remain, and professionally trained people graduating from our colleges and universities will not join, industries which blow hot or cold with every change in the Washington weather.

This newest highway cutback is being advertised as an anti-inflationary measure. I believe that it may have exactly the opposite effect. In my opinion this is a wholly self-defeating action.

Contractors and others who fail to obtain contracts because of this cutback will still have to meet payrolls and make payments for equipment and materials purchased in anticipation that the highway program would continue at the rate

which could be supported by the highway trust fund. These payments will be reflected in higher bid prices in bidding for subsequent contracts, and this will have a definitely inflationary impact and will increase the cost of our highway program. Increased costs are also largely due to salary increases which are due to the lifting of wage guidelines by the White House, and overspending in other nondefense areas causing general inflation.

Details as to how this latest cutback will be administered are somewhat vague. It is my understanding, however, that specific dollar ceilings which have been initially imposed on each of the States will be subject to revisions later in the year. The stated objective is to obtain a \$600-million reduction in highway obligations over the Nation as a whole. As I understand it, during the third and fourth quarters of calendar year 1968, those States which have obligated all or most of the funds available to them may be allowed to utilize some of the funds not used by the slower States, provided the overall reduction is held to \$600 million during 1968.

This will certainly encourage the States to obligate money faster, so that they will not lose funds to other States. The net result may be to promote inflation by encouraging a speedup in highway obligations during the first two quarters of 1968, instead of a slowdown.

The cutback of November 1966 was advertised by the administration as being part of an effort to reduce budget expenditures. It was quickly and properly pointed out that a cutback in the highway program had absolutely no effect on administrative budget expenditures since the highway program is financed out of the highway trust fund, which funds cannot be used for any other purpose.

The present cutback was announced solely as an anti-inflationary measure. However, this year the President is using a new budget approach—a "unified" budget which covers all Federal expenditures and receipts, including those of the highway trust fund. Thus, while highway trust fund revenues held back from the highway program cannot be used for other purposes, the frozen funds will produce "paper" reductions in the President's budget deficit. The President has stated that the deficit for 1969 will be approximately \$8 billion, even if the Congress enacts the proposed income surtax. By withholding \$600 million from the highway program, the President can spend that amount on other programs more favored by the administration without exceeding the estimated \$8 billion deficit.

Mr. Speaker, the more the President manipulates the highway program, so that its progress is reduced to fits of slowdowns and speedups, the longer it will take to complete the Interstate System. The longer it takes to complete the system, the more it will cost in terms of both lives and money. The estimated cost of completing the Interstate System, as submitted to the Congress in 1965, was \$46.8 billion. The estimate submitted to the Congress on January 12, 1968, just 3 years later, showed an estimated cost of completion of \$56.5 billion.

Mr. Speaker, the cuts in the highway program put into effect in November 1966 were restored following joint hearings by the Senate and House Committees on Public Works. Those hearings were not adjourned, but recessed. I urge the chairmen of those two committees to reopen hearings immediately for the purpose of exploring this latest highway cutback.

A table showing the amounts of Federal-aid highway funds that each of the States will be permitted to obligate in calendar year 1968 follows my remarks:

*Federal-aid highway fund obligations—  
calendar year 1968*  
[Thousands of dollars]

State	1968 Limitation (\$4,115,000)
Alabama	75,544
Alaska	34,261
Arizona	60,576
Arkansas	37,141
California	359,258
Colorado	74,335
Connecticut	58,449
Delaware	7,034
Florida	62,417
Georgia	66,245
Hawaii	32,737
Idaho	33,686
Illinois	212,907
Indiana	107,594
Iowa	50,837
Kansas	49,954
Kentucky	102,498
Louisiana	96,894
Maine	16,405
Maryland	37,282
Massachusetts	122,411
Michigan	126,656
Minnesota	103,358
Mississippi	49,519
Missouri	110,247
Montana	45,506
Nebraska	27,969
Nevada	19,848
New Hampshire	21,707
New Jersey	107,606
New Mexico	40,234
New York	245,611
North Carolina	54,861
North Dakota	24,116
Ohio	206,594
Oklahoma	48,680
Oregon	63,237
Pennsylvania	193,847
Rhode Island	21,844
South Carolina	28,392
South Dakota	39,815
Tennessee	88,456
Texas	202,899
Utah	53,863
Vermont	34,575
Virginia	112,751
Washington	103,803
West Virginia	71,470
Wisconsin	53,107
Wyoming	33,566
District of Columbia	15,878
Puerto Rico	3,393

REMARKS OF REPRESENTATIVE  
ALEXANDER PIRNIE ACCOMPANY-  
ING INTRODUCTION OF LEGISLA-  
TION TO AMEND SECTIONS 2031  
AND 2512 OF THE INTERNAL REVE-  
NUE CODE OF 1954, AS AMENDED,  
JANUARY 23, 1968

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. PIRNIE] 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 Ohio?

There was no objection.

Mr. PIRNIE. Mr. Speaker, I have just introduced for myself and my distinguished colleague from New York [Mr. CONABLE], a bill to amend the 1954 Internal Revenue Code to correct a clearly inequitable position set forth by the Treasury Department in its regulations relating to the valuation of mutual fund shares and tangible personal property for Federal estate and gift tax purposes.

In substance these regulations substitute as the criterion for valuing these two classes of property the replacement cost to the executor or donor in the retail market rather than the price he could obtain on their disposition. The net result of these regulations is to unfairly increase the Federal estate tax of countless decedents and the gift tax of most donors.

In 1963 the Treasury amended its regulations to add a provision that the fair market value of a share in a mutual fund for estate and gift tax purposes would thereafter be its public offering price—"asked" price—rather than its redemption price—"bid" price—the valuation criterion generally employed for such purposes prior to that time. This new valuation rule, based upon the "asked" price, results in a higher estate and gift tax value for mutual fund shares for it normally includes a loading charge of from 7 to 8½ percent representing the combined sales charge of the underwriter and dealer. Such a loading charge does not appear in the "bid" price, which is equal to the net asset value per share of the mutual fund. Thus, if we assume that the "asked" price for a mutual fund share is \$54 and the "bid" price is \$50, the 1963 regulations require that the executor of an estate holding such shares or a donor of such shares value them at \$54 a share, the price he would pay to buy such shares, even though probably he could get no more than \$50 a share for them if he were to redeem them or sell them on the third market which has recently developed.

In 1965 the Treasury also amended its regulations in the estate and gift tax area to provide that the fair market value of an item of property generally obtained by the public in the retail market is the price at which such an item or a comparable item would be sold at retail.

The regulations specifically refer to household articles and personal effects as examples of items coming under the new valuation rule. The amended regulations further note that the fair market value of an automobile is the price for which such a car could be purchased by the public and not the price for which the particular automobile of the decedent or donor would be purchased by a used car dealer.

Thus, if a decedent's estate could sell his car to a used car dealer for \$1,000, and the used car dealer could sell such a car to the public for \$1,200, the new regulations require the executor to value the car at \$1,200 for Federal estate tax purposes.

It is true that the Treasury took limited steps to soften the higher estate tax impact of these new regulations on a decedent's estate by allowing the required increase in the value of an item to be deducted as an administration expense under certain prescribed circumstances if a subsequent sale of the item is made at a price below that required for estate tax valuation purposes. But this artificial remedy is unavailable if the item is distributed to a beneficiary of the estate, the situation which normally prevails with respect to the classes of personal property under consideration. Moreover, no such relief is available in any event for a donor of such property.

It is significant to note that the Treasury has failed to carry over this retail price valuation concept as the criterion for valuing retail items donated to a charity for the purpose of determining the charitable deduction for Federal income tax purposes—where such a concept would benefit the taxpayer.

The retail price valuation approach reflected in these new Treasury regulations appears to be an unwarranted departure from the traditional fair market value concept in which the determination of the price obtainable for property between a willing buyer and a willing seller is oriented to the market or markets available to the holder of the property for its sale.

The effect of the amendments to the 1954 code proposed in my bill would be to require that for Federal estate and gift tax purposes mutual fund shares and tangible personal property be valued at the price obtainable by the executor or the donor in a sale.

The need for legislation to cure the above-noted inequitable Treasury regulations arises from the fact that while they adversely affect many taxpayers, the additional estate tax or gift tax which thereby results is ordinarily too small to warrant the considerable cost of litigating the issue in court.

In further clarification of the background of my proposed legislation, I am submitting these items for inclusion in the RECORD immediately following my remarks. The first is a report of the committee on estate and gift taxation of the section of taxation, American Bar Association. The second is the text of a report prepared by the special committee on valuation under IRC 2031 and 2512, tax section, New York Bar Association. The third is an article which appeared in the December 15, 1967, New York Times concerning the so-called third-market purchases of open-end mutual fund shares. Since I will refer to all three in the course of my remarks, it is important that they appear together with my remarks for easy reference.

In February of 1967, the American Bar Association's house of delegation adopted a resolution recommending that Congress amend sections 2031 and 2512 of the Internal Revenue Code as outlined in the report of the ABA's section on taxation—the first item following my remarks. On September 14, 1967, the executive committee of the New York State Bar Association endorsed a similar report prepared by its tax section—the second

item following my remarks. Both reports recommend identical bills and since the language of my bill differs from that recommended by these two bars, an explanation is in order.

Section (d) of my bill which would amend section 2031 of the IRC—relating to the valuation of shares of open-end mutual funds for estate tax purposes—provides that the value for such shares shall be determined by "their redemption price or the amount otherwise realizable by the executor, whichever is higher." Section 2(d) of the bill amends section 2512 of the code by applying a like test for gift tax purposes.

The ABA and New York bar reports recommend that these two sections be amended to provide that the "redemption price" would be the valuation basis for estate and gift tax purposes. After considerable study of this point, I have concluded that because the ABA language failed to consider the third-market purchases of mutual fund shares by certain investment firms, changes were in order. These firms on occasion purchase open-end fund shares at prices higher than the redemption price obtainable by the donor or executor while the redemption price is intended to and should be the normal and most frequently used basis for valuation by executors and donors if the executor or donor is able to obtain a price higher than the redemption price that price should be the valuation basis for estate and gift tax purposes. Failure to include a provision in the bill covering the third-market purchases would in effect provide a windfall to the taxpayer in some situations. The purpose of the legislation is solely to correct an inequitable regulation and not to give the taxpayer a special benefit.

The New York Times article to which I have referred points out quite clearly the activity of this "third-market" and should serve as sufficient evidence of the need to have it considered in the valuation of these open-end mutual fund shares.

This legislation is important to the practicing attorneys throughout the country who are concerned with the day-to-day problems of estate and gift tax law. However, the most basic argument in its behalf is that it corrects an inequitable regulation which forces the taxpayer to pay taxes on a value he does not really receive.

I hope that the Ways and Means Committee will consider and favorably report this legislation at the earliest possible opportunity.

The material referred to, follows:

The attached Report (Legislative Recommendation) of the Committee on Estate and Gift Taxes was published in the July 1966 Bulletin of the Section of Taxation, American Bar Association, at page 72. Thereafter it was considered and adopted at the Annual Meeting of the Section of Taxation of the American Bar Association held in Montreal, Quebec, August 5-9, 1966. The adoption of this legislative recommendation is shown on page 10 of the October 1966 Bulletin, as follows:

"To provide that the value of tangible personal property and shares of a mutual fund for federal estate and gift tax purposes shall be determined by the price obtainable on

their sale by the executor or donor." (Annual Report 72). Adopted without change.

The Section of Taxation presented this proposed legislation to the House of Delegates of the American Bar Association at its meeting in Houston, Texas, on February 13 and 14, 1967. It was approved by the House of Delegates and such approval is reflected in the Bulletin of the Section of Taxation for April 1967 on page 7, as follows:

#### "RECOMMENDATION VII

"To provide that the value of tangible personal property and shares of a mutual fund for federal estate and gift tax purposes shall be determined by the price obtainable on their sale by the executor or donor." (Annual Report 72)

#### LEGISLATIVE RECOMMENDATION

1. To provide that the value of tangible personal property and shares of a mutual fund for Federal estate and gift tax purposes shall be determined by the price obtainable on their sale by the executor or donor

*Resolved*, That the American Bar Association recommends to the Congress that the Internal Revenue Code of 1954 be amended to provide that the value of tangible personal property and shares of a mutual fund for federal estate and gift tax purposes shall be determined by the price obtainable on their sale by the executor or donor; and

*Further Resolved*, That the Association proposes that this result be effected by amending sections 2031 and 2512 of the Internal Revenue Code of 1954; and

*Further Resolved*, That the Section of Taxation is directed to urge the following amendments, or their equivalent in purpose and effect, upon the proper committees of Congress:

Sec. 1. Section 2031 of the Internal Revenue Code of 1954 is amended by adding new subsections (c) and (d), reading as follows (insert new matter in italics):

(c) *Valuation of Tangible Personal Property.*—In the case of tangible personal property, the value thereof shall be determined by the price at which the item could be sold by the executor.

(d) *Valuation of Shares of a Mutual Fund.*—In the case of shares in an open-end investment company registered under the provisions of the Investment Company Act of 1940, the value thereof shall be determined by the redemption price for such shares.

Sec. 2. Section 2512 of the Internal Revenue Code of 1954 is amended by adding new subsections (c) and (d), reading as follows (insert new matter in italics):

(c) *Valuation of Tangible Personal Property.*—In the case of tangible personal property, the value thereof shall be determined by the price at which the item could be sold by the donor.

(d) *Valuation of Shares of a Mutual Fund.*—In the case of shares in an open-end investment company registered under the provisions of the Investment Company Act of 1940, the value thereof shall be determined by the redemption price for such shares.

Sec. 3. The amendments added by section 1 shall be applicable to estates of all decedents dying after the date of enactment thereof and the amendments added by section 2 shall be applicable to all gifts made after the date of enactment thereof.

#### EXPLANATION

##### Summary

The purpose of the proposed legislation is to override 1963 and 1965 amendments to the Estate and Gift Tax Regulations providing for the valuation of items of property normally sold to the public at retail, including tangible personal property and shares of mutual funds, solely at their retail selling

price. Pending a broader study of possible legislation in the valuation area, the instant proposed amendments to §§ 2031 and 2512 are specifically designed to reestablish the sale price obtainable by the executor or donor in the market or markets available to him as the criterion for valuing tangible personal property and mutual fund shares.

#### Discussion

The background for the proposed legislation reflects that in 1963 §§ 20.2031-8 and 25.2512-6 of the Regulations were both amended by T.D. 6680, 1963-2 C.B. 417, to add a provision that after October 10, 1963, the fair market value of a share in a mutual fund would be the public offering price ("asked" price), adjusted for any reduction in price available to the public in acquiring the number of shares being valued. This new valuation rule, looking to the "asked" price for mutual fund shares, generally results in a higher estate and gift tax value than the valuation method generally employed for such purposes prior to T.D. 6680 which relied on the redemption price ("bid" price) for such shares. This difference in value is due to the fact that the "asked" price payable by a purchaser of mutual fund shares, unlike the "bid" price, normally includes a loading charge representing the combined sales charge of the underwriter and dealer. The new valuation rule set forth in the Regulations substitutes retail selling price, i.e., replacement cost to the executor or donor, for redemption price, as the criterion of value for mutual fund shares even though the resulting value is higher than the amount which the executor or donor could obtain upon a disposition of the shares.

In 1965, T.D. 6826, 1965-27 I.R.B. 13, added amendments to §§ 20.2031-1(b) and 25.2512-1 of the Regulations. These amendments retain the classic definition of fair market value, the price at which the property would change hands between a willing buyer and a willing seller, but they require that this determination be made solely in the market in which the item of property is most commonly sold to the public. They go on to provide that the fair market value of an item of property generally obtained by the public in the retail market is the price at which such item or a comparable item would be sold at retail. Such amended Regulations refer to household and personal effects, as well as insurance, annuities and mutual fund shares, as examples of items generally sold to the public at retail and thus coming under the new valuation rule. These amendments note as a specific example that "the fair market value of an automobile (an article generally obtained by the public in the retail market) includible in the decedent's gross estate is the price for which an automobile of the same or approximately the same description, make, model, age, condition, etc., could be purchased by a member of the general public and not the price for which the particular automobile of the decedent [donor] would be purchased by a dealer in used automobiles." By narrowing the scope in which the fair market value of a retail item may be considered solely to the retail market, such 1965 amendments have the effect of establishing replacement cost to the executor or donor as the sole criterion of value rather than the price at which he could sell it. As a result, retail items of property would have a higher value for estate and gift tax purposes than could be obtained for them by the executor or donor, except in the rare instance where the executor or donor has available to him a retail market of a dealer for selling such items.

It is true that Internal Revenue Service took limited steps to soften the higher estate tax impact of these 1965 amendments to the Regulations. It provided in Rev. Proc. 65-19, 1965-27 I.R.B. 19, that the price received for an item of tangible personal property sold at a public auction or as the result

of a classified newspaper advertisement will under certain circumstances be presumed to be its retail price on the applicable valuation date. Moreover, § 20.2053-3 of the Regulations was also amended by the above-mentioned T.D. 6826 to provide in a new subparagraph (d) (2) that where "an item included in the gross estate is disposed of in a bona fide sale (including a redemption) to a dealer in such items at a price below its fair market value," an estate tax deduction will be allowed under certain circumstances for the expense of selling the item equal to whichever of the following amounts is the lesser: (1) the amount by which the fair market value of the property on the applicable valuation date exceeds the proceeds of the sale, or (2) the amount by which the fair market value of the property on the date of the sale exceeds the proceeds of the sale. It is notable, however, that these ameliorating provisions do not furnish relief for an estate in the event that it does not sell or redeem the item of property involved nor do they in any event provide relief for a donor of such property.

The committee recognizes that the higher valuation of property for Federal estate tax purposes which generally arises under the retail price criterion of value adopted by the 1963 and 1965 amendments to the Regulations may in fact result in an overall tax savings to an estate which plans to sell such property. Moreover, it must be acknowledged that if such retail price concept is carried over as the sole criterion for the valuation of tangible personal property donated to a charity for the purpose of determining the amount of the income tax deduction under § 170, there may well be a larger deduction than is obtainable under existing law. See Daniel S. McGuire, 44 T.C. 801 (1965).

Despite the fact that the 1963 and 1965 amendments to the Regulations will not cause a very substantial increase in estate tax in many instances, and may, in fact, result in an overall tax saving under certain circumstances, their reliance on retail price as the sole criterion of value for all property generally obtained by the public in the retail market appears to be a dangerous and unwarranted departure from the traditional fair market value concept developed by the courts in which the determination of the price obtainable between a willing buyer and a willing seller is oriented to the market or markets available to the holder of the property being valued. While such traditional market value concept may not be the best criterion of value in all instances and has in fact been rejected by the courts with respect to certain assets where it did not reflect actual value, it would still appear to be a far more realistic and workable standard for determining the value of tangible personal property and mutual fund shares for estate and gift tax purposes than the seemingly arbitrary and artificial retail price concept now set forth in the Regulations.

The courts to date have apparently used replacement cost as the sole criterion of value only with respect to life insurance and annuities, both of which have elements of value which are not adequately reflected by the traditional market value concept. See *Guggenheim v. Rasquin*, 312 U.S. 254 (1941); *Powers v. C.I.R.*, 312 U.S. 259 (1941); *United States v. Ryerson*, 312 U.S. 260 (1941); and *Estate of Richard C. DuPont*, 18 T.C. 1134 (1952).

It may appear from certain cases that the courts have held that in valuing tangible personal property such as jewelry for gift tax purposes, the acquisition cost to the donor is the correct criterion of value, but a review of these decisions reflects that in each instance the acquisition cost was used for gift tax valuation purposes in the absence of any other clear evidence of market value to the donor. See *Estate of Frank Miller*

*Gould*, 14 T.C. 414 (1950); *Duke v. C.I.R.*, 200 F.2d 82 (2nd Cir. 1952); and *Publicker v. C.I.R.*, 206 F.2d 250 (3rd Cir. 1953). These cases would thus appear to stand only for the proposition that acquisition cost is a factor which may be considered in determining the fair market value of tangible personal property for estate and gift tax purposes, and may in any given case be the best evidence thereof in the absence of other reliable evidence with respect to the market price available to the donor at the time of transfer.

It is significant that in a recent income tax case, *Lawrence W. McCoy*, 38 T.C. 841 (1962), the court specifically rejected retail sale price as the criterion of value of property generally obtained by the public at retail, namely, an automobile, and the Commissioner acquiesced in this decision, 1963-1 C.B. 4. In determining the value of a car the taxpayer received as a sales award, the court did not look to the retail price that the employer paid for the car but rather the price obtainable by the employee for the car at the date of the award. It would appear clear that the same rules of valuation should apply for income, estate and gift tax purposes.

Prior to 1963, it apparently had not been suggested by either the courts or the Service that mutual funds should be catalogued with life insurance policies for valuation purposes and therefore valued at replacement cost ("asked" price) instead of the amount the executor or donor could receive on disposition thereof, i.e., the mutual fund's redemption price. Regardless of the technical distinctions which may be drawn between mutual funds and other securities, it would seem more logical as a practical matter to value them on the same basis and therefore avoid adding to the actual value obtainable by an executor or donor for such shares an element of cost, namely, the loading charge. For this reason, redemption price rather than replacement cost reflects their actual value.

The proposed legislation would add a new subsection (c) to §§ 2031 and 2512 to provide that the value of tangible personal property shall be determined by the price at which the item could be sold by the executor in one instance, and by the donor in the other instance, so as to make clear that only the particular market or markets available to him for sale of the tangible personal property are to be considered. Section 2031 (c) of the proposed legislation takes into account the broad definition of "executor" in § 2203. The fact that an executor or administrator would not have actually been in office on the date of decedent's death did not appear to the committee to constitute any real problem, since Regulations under the proposed legislation could make clear that the determination of value is to be made as of the applicable valuation date. It should be noted, however, that the use of the term "executor" would require that the value of tangible personal property be determined by the sale price obtainable for it by an executor or administrator appointed to represent the decedent's estate even where the item falls outside the decedent's probate estate as, for example, by virtue of being jointly-held property, property transferred to an individual or trust during the decedent's lifetime, or property subject to an unexercised general power of appointment. The committee believes, however, that instances of tangible personal property falling outside the probate estate would be rare, and that, in any event, looking to the sale price obtainable by the fiduciary for the estate in such a situation is justified both because the asset is included in the decedent's gross estate and because the carving out of an exception to the general rule to cover this particular situation would unduly complicate the legislative proposal and its administration.

It seemed unnecessary to the committee to reflect in either § 2031(c) or § 2512(c) of the

proposed legislation that the sale price obtainable by the executor or donor is to be determined on the basis that neither buyer nor seller is under any compulsion and that each has knowledge of all pertinent facts, since the applicable Regulations continue to reflect these assumptions. The words "sale price" refer to gross sale price before deducting expenses of the sale to the executor or donor.

The legislative recommendation would also add a new subsection (d) to both §§ 2031 and 2512 to provide that the value of mutual fund shares shall be determined by the price at which they could be redeemed. It was felt that such primary market provides the most feasible way to value such an item, despite the fact that a few brokerage houses apparently maintain a limited market for certain mutual funds and the fact that there conceivably could be a private sale. A good precedent for looking solely to the primary market is found in both the Estate and Gift Tax Regulations which value securities listed on an exchange solely by the mean between the highest and lowest selling prices quoted on such exchange at the valuation date. The proposed legislation does not look to the mean between the "bid" and "asked" price to value mutual funds, since, unlike the situation with respect to other securities, any amount above the "bid" price reflects only a sales charge to the purchaser rather than underlying value. The committee felt that it was best to leave to Regulations comparable to the present §§ 20.2031-8(b) and 25.2512-6(b) of the Regulations the determination of the applicable redemption price for the shares on the valuation date.

The committee emphasizes that the proposed legislation as to tangible personal property and mutual fund shares is specifically designed solely to overturn the new valuation criterion established by the recent amendments to the Estate and Gift Tax Regulations as to property generally sold to the public at retail, and it should be regarded merely as an interim measure pending a broader study by the committee of legislation in the valuation area. Therefore, no inference should be drawn from the proposed legislation that the criterion of the price at which an item of property could be sold by the executor or donor is not applicable in valuing other types of assets for estate and gift tax purposes. This well-established valuation test clearly should be equally applicable to most of the other categories of property, including real property.

In advocating this legislative proposal, the committee points out that the amended Estate and Gift Tax Regulations affect all taxpayers transferring tangible personal property or mutual fund shares either at death or by gift, and it is thus a problem which has been brought to the committee's attention by a large number of attorneys. Since in the vast majority of cases the additional estate or gift tax resulting from such amended Regulations would be too small to warrant the cost of litigating the issue, the committee feels that remedial legislation along the lines hereinabove proposed is warranted.

Respectfully submitted,

ARTHUR PETER, JR.,  
Chairman.

REPORT OF SPECIAL COMMITTEE ON VALUATION  
UNDER IRC 2031 AND 2512

(New York State Bar Association Tax  
Section)

(NOTE.—This Report was approved by the Executive Committee of the New York State Bar Association on September 14, 1967.)

This Special Committee has been concerned with the valuation of property generally obtained by the public in the retail market and shares in open-end investment companies as

affected by recent changes in the Federal Estate and Gift Tax Regulations. It has reviewed the proposed corrective legislation drafted by the ABA and recommends adoption of its proposals which would gear valuation to the price at which an item could be sold or in the case of mutual fund shares to the redemption price.

The "recent changes" in the Federal Estate and Gift Tax Regulations referred to above are as follows: Regulation 20.2031-1(b), relating to the Federal Estate Tax, contains the following:

"\* \* \* Thus, in the case of an item of property includable in the decedent's gross estate, which is generally obtained by the public in the retail market, the fair market value of such an item of property is the price at which the item or a comparable item would be sold at retail. \* \* \*"

and Regulation 20.2031-8 provides in part as follows:

"(b) Valuation of shares in an open-end investment company. (1) The fair market value of a share in an open-end investment company (commonly known as a "mutual fund") is the public offering price of a share, adjusted for any reduction in price available to the public in acquiring the number of shares being valued. \* \* \*"

Comparable provisions with respect to gift taxes are contained in Regulations 25.2512-1 and 25.2512-6.

The legislation recommended by the ABA's Committee on Estate and Gift Taxes, as reported in the Annual Report, Bulletin of the Section of Taxation in July 1966, is as follows:

"Sec. 1. Section 2031 of the Internal Revenue Code of 1954 is amended by adding new subsections (c) and (d), reading as follows (insert new matter in italics):

"(c) *Valuation of Tangible Personal Property.*—*In the case of tangible personal property, the value thereof shall be determined by the price at which the item could be sold by the executor.*

"(d) *Valuation of Shares of a Mutual Fund.*—*In the case of shares in an open-end investment company registered under the provisions of the Investment Company Act of 1940, the value thereof shall be determined by the redemption price for such shares.*

"Sec. 2. Section 2512 of the Internal Revenue Code of 1954 is amended by adding new subsections (c) and (d), reading as follows (insert new matter in italics):

"(c) *Valuation of Tangible Personal Property.*—*In the case of tangible personal property, the value thereof shall be determined by the price at which the item could be sold by the donor.*

"(d) *Valuation of Shares of a Mutual Fund.*—*In the case of shares in an open-end investment company registered under the provisions of the Investment Company Act of 1940, the value thereof shall be determined by the redemption price for such shares.*

"Sec. 3. The amendments added by section 1 shall be applicable to estates of all decedents dying after the date of enactment thereof and the amendments added by section 2 shall be applicable to all gifts made after the date of enactment thereof."

The Regulations now in force impose a gift or an estate tax upon a fictional definition of fair market value, resulting in a tax upon property which the donor or decedent does not own and in most instances cannot recover. With respect to tangibles, an individual or an executor ordinarily cannot sell the same for its retail value. With respect to shares in a mutual fund, the "loading charge" representing the compensation of the underwriter-dealer upon their sale to a donor or decedent is not an asset in the hands of the donor or decedent. All the donor or the executor can recover upon the liquidation of such shares is their redemption value, i.e., the bid price—he cannot obtain the difference between the bid and asked

prices. Thus, he is being taxed upon something other than property, something which is not an asset in his hands, because he does not own and has no access to such differential. It is believed that the valuation of life insurance and annuity policies presents distinguishable factual situations and that in some instances replacement cost may properly be regarded as fair market value.

Since the amount of the gift or estate tax attributable to these imputed or fictional "fair market" values will seldom be of major significance in determining the tax, it is unlikely that the questions will be adequately litigated in the foreseeable future with a judicial determination as to the validity of such Regulations. It seems more appropriate, therefore, to request corrective legislation rather than to rely upon litigation to supply a solution.

These questions were considered at greater length in the ABA Annual Report hereinabove referred to and the conclusions of such Report have been adopted herein.

It was assumed in such ABA report that a larger income tax deduction for charitable gifts under Section 170 IRC might be obtained if the current regulations were applied to charitable gifts. It would seem, however, from Revenue Procedure 66-49, 1966 I.R.B. 48, 14 Commerce Clearing House, Federal Tax Reporter ¶6338, that the contrary is the case and that IRS would apply a "double standard" to charitable gifts. It would determine fair market value of property so donated to be the price at which it would change hands between a willing buyer and a willing seller. It would seem, therefore, that identical items of property might receive different values if such items were contributed to charity in the one instance, or donated to a non-charitable purpose or be contained in a decedent's estate in the second instance.

The above mentioned proposed legislation by the ABA Section of Taxation was approved at the 1966 ABA Annual Meeting. Such approval is reflected in the Bulletin of the Section of Taxation dated October 1966 at page 10. It was also approved by the House of Delegates of the ABA on February 13 and 14, 1967. Such approval is reflected in the ABA Bulletin of the Section of Taxation dated April 1967, page 7.

Support of such proposed legislation by the Tax Section of the New York State Bar Association is recommended.

Dated: New York, N.Y.

May 5, 1967.

Respectfully submitted.

J. FRANKLIN VAN DEREN.

[From the New York Times, Dec. 15, 1967]  
FLETCHER FUND REACHES ITS GOAL IN ASSETS,  
HALTS SELLING SHARES

(By Robert D. Hershey, Jr.)

The Fletcher Fund, Inc., announced yesterday it had stopped selling new shares because it has reached its goal of \$100-million in assets. The action was taken "to contribute to its concept of flexibility."

This move was similar to one taken in October by the Rowe Price New Horizons Fund, Inc., which stopped selling shares to new investors when its assets reached the \$110-million mark. Both funds seek maximum capital gains.

Donald B. Fletcher, president, said in a telephone interview from Los Angeles that when funds get too big "it reduces the investment spectrum that you can look at." He also noted that the marketability of issues held by the funds may be impaired.

Mutual funds may not own more than 10 per cent of the voting stock of any one company or commit more than 5 per cent of its total assets to any single investment.

The two funds now must be purchased from investment dealers making a market in the shares. Rowe Price shares are traded by

Alex. Brown & Sons, while Fletcher shares are traded by Goodbody & Co. Both issues were quoted yesterday at a modest premium above their net asset value.

Mr. Fletcher seized on this fact to suggest that mutual fund sales charges are not too high, as the Securities and Exchange Commission has charged.

"This might be a pretty good indication that the sales charge, at least on some mutual funds, is no more and maybe less than may prevail in the open market," he said.

The S.E.C. has asked for legislation to cut the typical sales charge of 8½ per cent to a maximum of 5 per cent.

Rowe Price and Fletcher, despite the sales cut-off, have not become closed-end investment companies because they still stand ready to redeem shares.

Shareowners may sell their shares either to another investor or they may sell them back to the fund. Shares of closed-end companies may only be sold to other investors, most often on a stock exchange.

Many issues of closed-end funds, most of which are conservative, sell at substantial discounts from net asset value, indicating that investors seem most willing to pay a premium for management of those funds with the most aggressive strategy.

Fletcher's cut-off was planned from the beginning of its operations in October, 1966. An original investment in the fund of \$10, including the 8½ per cent sales charge, was worth \$20.02 at Wednesday's close. Rowe Price, which made no sales charge, had similar results in the period.

#### REINVESTMENT PURPOSES

Additional shares of Fletcher Fund will be issued only for reinvestment of dividends or capital gains distributions.

Mr. Fletcher said that the \$151.4-million Enterprise Fund, which like Fletcher is a capital gains fund managed by the Shareholders Management Company, had no ceiling on its size. He said other methods were being considered to keep it from becoming unwieldy.

Fletcher Fund issued a few weeks ago a press release noting that assets had jumped to \$83-million, \$17-million short of the cut-off point. "There was a rush at the end," Mr. Fletcher said yesterday.

#### LEGISLATION TO AMEND SECTIONS 2031 AND 2512 OF THE INTERNAL REVENUE CODE OF 1954, AS AMENDED

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. CONABLE] 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 Ohio?

There was no objection.

Mr. CONABLE. Mr. Speaker, I am joining my colleague from New York [Mr. FIRNIE] in sponsoring this legislation to correct an apparent inequity in Treasury Department regulations on certain valuations for Federal estate and gift tax purposes. The gentleman has provided a thorough explanation of the issue and of our legislative proposals to alter the present Department practices in this area.

Treasury revisions of regulations in recent years have changed the basis for valuing mutual fund shares and tangible personal property from their disposal price to their acquisition price. These changes seem inappropriate to the cir-

cumstances of estate and gift taxes. Our legislation would require that for Federal estate and gift tax purposes mutual fund shares should be valued at their redemption price or the amount otherwise realizable, whichever higher rather than their acquisition price, and tangible property should be valued at the price obtainable for it rather than the price at which it could be purchased at retail. The amounts of revenue and taxes involved here are small, but the major impetus for this proposal is the inequity which should be discontinued.

I wish to compliment my good friend from New York and the organizations supporting this legislation for the initiative they have taken in seeking to correct the obviously unfair results of the Treasury revisions at which this legislation is directed.

#### IT'S STILL A GOOD LIFE

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. MIZE] 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 Ohio?

There was no objection.

Mr. MIZE. Mr. Speaker, all of us know that the face of rural America is changing every day. The farms are getting larger and consequently there are fewer of them. The migration from farm to city still continues.

Those of us who want to slow down this migration, and perhaps, reverse it through such programs as the Rural Job Development Act, are convinced that the farms and the rural towns and cities which service them offer some of the best advantages for comfortable living this Nation has.

A recent editorial in the Topeka, Kans., Journal points out why life in rural Kansas is something to be treasured. Under leave to extend my remarks, I insert this editorial, "It's Still a Good Life," in the RECORD. The editorial follows:

#### IT'S STILL A GOOD LIFE

Reflecting the rapidly changing economics of agriculture, statistics compiled by the State Crop and Livestock Reporting Service showed this week the size of Kansas farms continues to increase while their number decreases.

During the 17 years since 1950, the number of farms in the state dropped from 135,000, each with an average of 374 acres, to 91,000 farms, each with an average of 551 acres. For the same period, the number of acres of land in farms in Kansas decreased by 40,000 to 50.1 million.

This shift in Kansas farm structure to fewer and bigger farms is the expected result of a combination of compelling economic and personal factors.

Farmers, gripped in the continuing cost-price squeeze, have sought to maintain or increase their income by farming greater acreages.

To avoid rising labor costs as much as possible, and to increase efficiency, farmers turned to mechanization. But in utilizing more and more power equipment, they must use the machinery as near its capacity as possible to make its use practical.

Certainly the lure of well-paid employment in the cities has taken many farmers away from the soil. Some had tired of the long

hours on the farm and the uncertainties of weather, yields and prices.

But with all the changing facets, farm life in Kansas is improving. Farm homes these days are as modern as the farmers want them to be.

It's not unusual to see a farm home equipped with electricity, central heating and air conditioning, hot and cold running water, a sewer system, radio, television, and all of the labor-saving devices which seem indispensable to the city homemaker.

Along with enjoying the new comforts of home, Kansas farmers continue to produce mountains of food to help feed a hungry world.

#### PRESIDENT FIDDLES SOUR, OLD TUNE

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. MIZE] 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 Ohio?

There was no objection.

Mr. MIZE. Mr. Speaker, the Topeka, Kans., Journal has made a perceptive analysis of the President's state of the Union address and concludes that the Chief Executive "fiddles a sour, old tune." The familiar line in his refrain is: "More spending, more debt, and more taxes."

Taxpayers and the Congress are asked to "sing along" for one more chorus, but our "choral leader" should expect a note or two of discord during this performance.

Under leave to extend my remarks, I insert this editorial, "President Fiddles Sour, Old Tune," in the RECORD. The editorial follows:

#### PRESIDENT FIDDLES SOUR, OLD TUNE

President Johnson painted a somber, uninviting picture of the United States in his State of the Union message to Congress Wednesday night, one which leaves us with the distinct feeling the nation is sick and sadly lacking in leadership.

With our troubles ranging from war in Southeast Asia to riots in city streets at home, the President's only answer was a call for more spending, a greater national debt and higher taxes.

It was the type of message which could only make Americans weary of the present and wary of the future. It contained no true cause for hope. Instead, it simply created an understanding all we can do is hang on and wait.

The President called for spending \$186 billion in the 1969 fiscal year. For the first time, the national budget includes about \$47 billion in Social Security, highway and Medicare trust fund spending.

This budget would be \$8 billion more than the nation's revenues even if Congress should impose the 10 per cent surcharge on income taxes the President asks to bring in \$10.4 billion in additional taxes.

The defense budget alone would rise \$2.9 billion to \$79.8 billion in fiscal 1969. About \$1.2 billion of the increase would go to Vietnam, bringing the total for the war effort there to \$25.7 billion.

Although the President said the possibility of talks with North Vietnam is being explored on the basis of his San Antonio speech last September, he added a stronger condition for North Vietnam if bombings are to be halted.

At San Antonio, President Johnson said it was assumed the enemy would not take

advantage of the bombing halt to strengthen its military position. In his State of the Union message, he said "the other side must not take advantage of our restraint as they have in the past."

Except for this reiterated overture, President Johnson held to his old line of pursuing the Vietnam War to some conclusion. He held out no definite hope for peace in the near future.

In truth, his call for increased military spending in Vietnam suggested more strongly plans to continue the conflict there at a faster pace than now. Still, the relatively small increase in the Vietnam War commitment might suggest a leveling-off in demands there for manpower and money.

Gen. William Westmoreland has asked for a million men under arms in South Vietnam, and last week 278 American fighting men were killed in action. A leveling-off at this rate would scarcely be desirable.

President Johnson made only cursory mention of the onslaught on the American dollar in the wake of British devaluation of the pound although only \$1.3 billion in free gold is available to meet foreign demands.

The President asked Congress to lift the gold cover from the dollar at home. This would free \$10.7 billion in gold to back the dollar abroad.

The authority from Congress to lift the gold cover is not necessary since the chairman of the Federal Reserve Board can order it in case of an emergency. Apparently the President sought a more dramatic demonstration of American will to defend his currency in foreign money markets.

There was an implied threat in the President's renewal of his request that Congress vote a 10 per cent surcharge on income taxes. He blamed rising prices, inflation and higher interest rates on failure of Congress to levy the requested tax hike. He did not suggest the Vietnamese War might be the underlying factor.

Instead, President Johnson said failure to levy the tax would result in an accelerating spiral of price increases, a slump in homebuilding and a continuing erosion of the U.S. dollar.

The President's budget, showing federal spending increases for the 1969 fiscal year had been held below increases in the current and preceding years, seemed aimed at placating U.S. Rep. Wilbur D. Mills, D-Ark.

Mills, chairman of the House Ways and Means Committee, has refused adamantly to consider the tax increase request until federal expenditures were reduced in a like amount—\$10.4 billion.

The 1969 fiscal spending increases were held to \$10.4 billion compared with increases in the current fiscal year of \$11.5 billion and \$18.7 billion in the previous fiscal year.

Little time was given to the riots plaguing many major cities last year. Instead, President Johnson brushed it aside by saying violence had shown its face in some cities last summer. Then he added that last summer we saw how wide a gulf separates promise and reality for some Americans.

His answer was federal spending to create 500,000 jobs for the hard core unemployed. He would spend \$2.1 billion, an increase of 25 per cent, to form a partnership with private business to furnish the jobs. He also would spend \$1 billion to build 300,000 housing units for low-income families.

The President drew greatest applause from his partisan, congressional audience with his call for measures to combat crime in the nation.

He reiterated his support for the so-called Safe Streets Act recommended a year ago. An appropriation of \$100 million was asked to finance it.

Any move to reduce crime, whether committed by professionals, amateurs or by disobedient citizens, is certain these days to win at least vocal support and applause.

But the deplorable truth is that President Johnson has been in office continuously since November of 1963, has had a Congress controlled by his own party, yet waited until crime reached boiler-bursting proportions to train big federal guns on it.

Thus it was throughout President Johnson's State of the Union message. For all the accumulated problems of the United States in its diverse dealings with other nations and its handling of problems which have mushroomed at home, the President had the same answer:

More spending, more debt and more taxes. Not a happy state of the Union, we fear.

#### SOME SUGGESTIONS ON WHAT NEGRO CAN DO TO HELP CAUSE

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. TEAGUE] 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 Ohio?

There was no objection.

Mr. TEAGUE of California. Mr. Speaker, I call to the attention of my colleagues a well-expressed letter to the editor of the Santa Barbara News-Press from one of my constituents, Mr. James A. Warden of Santa Barbara:

#### SOME SUGGESTIONS ON WHAT NEGRO CAN DO TO HELP CAUSE

EDITOR, NEWS-PRESS: In the last few days, I've read a number of articles on the economic pressure on Negroes in Santa Barbara. Since I am a member of the black race, I would like to express my opinion on the economic factor of our people.

I've been a resident here for approximately 20 years. I love Santa Barbara and know of no other place I would rather live. I left once to attend law school in Chicago and I doubt if I would ever leave again. Yes, jobs are scarce for members of my race, but they were even more scarce when I arrived here in July of 1948—much more scarce. Menial labor and low-paying jobs were even then difficult to obtain; white collar jobs were almost impossible.

I know it takes great courage and guts to be rejected every day of your life, and keep trying. Today, with racial disturbance and immediate demand for equal opportunity, a crisis has been created and in some instances chaos; however, this is not exactly new to this country. Back in the '30s there was great economic pressure on the unemployed. Marches were formed, banners were displayed, socialistic and communistic advocates were very much in evidence. Of course, these tensions were greatly reduced at the beginning of World War II when defense jobs became more abundant. This era came to pass and our present-day crisis will also come to pass.

When a crisis exists it is the duty of the city, state and federal government to intercede and bring it to a halt. I honestly believe that there is a generous effort in this direction. The Small Business Association is making considerable progress for the Negro businessman. Of course, you must qualify and show ability to operate a business successfully; but nevertheless it gives the Negro without large funds a chance to be employed for himself, and not have to face the rejection that awaits so many other members of his race daily. Civil service employment is another way our cities, states and federal government are trying to relieve the unemployment situation for minorities.

Private enterprise is a very stubborn obstacle to overcome so far as employment is concerned for the Negro. The rights of free

enterprise give them a great deal of leeway to reject Negroes. Since they are discriminating against one segment of people, I feel they are almost forcing the people being discriminated against to form an alliance to demand the right of employment and the pursuit of happiness. After all, this is a capitalistic country and money is the common denominator.

If this alliance through public relations gets word to the Negro race that certain chains are specifically discriminating against the Negro in their policies of employment, this could possibly cause a chain to lose a large volume of consumer purchases in other areas. Then perhaps they might consider hiring Negroes. They are not too eager to lose any business, since their profit is ascertained on volume sales and purchases.

What can the Negro do to help his cause? I personally feel he should forget about rioting and violence. Being educated in itself should eliminate such thinking. It is my belief that in the riots in Los Angeles and other areas participants were mostly hoodlum gangs, displaced persons who recently immigrated from rural areas of the South and were not adjusted, naive persons and people lacking education. There is some measure of excuse for their actions, but an educated person would never be forgiven for any such actions. If jobs are difficult to obtain now, they would be practically impossible for those invoking mob violence.

If obstacles are to be removed that threaten our economic condition and from obtaining the American dream, it must be done strategically and intelligently, not as the untaught would do.

Another factor that places a handicap on minorities is the impetuous young loves of their lives that cultivate into common law marriages, early marriages, and early families. These motivate impatience about seeking employment before acquiring the opportunity to qualify for the jobs they most desire or the professions of their choice.

I am especially interested in the City College group who are teaching the slacker to abolish his drug habit and become a credit to the community. I think that a special effort should be made in the preparation of qualifying themselves and the members of their group for civil service examinations. The group could at least one month before they take the examination give series of tests to the potential applicant to strengthen his weak points in phases of the general knowledge that should be given on the civil service tests.

I happen to have a talent and I study almost every day religiously for an hour trying to be the absolute best in my field. Humility, pity and charity are not essential for success. You must be able to produce, and it takes brain, brawn and nerve.

JAMES A. WARDEN.

#### FLETCHER THOMPSON REPORTS TO YOU

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. THOMPSON] 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 Ohio?

There was no objection.

Mr. THOMPSON of Georgia. Mr. Speaker, a number of people, including my colleagues in the House, have contacted me regarding the regular newsletter I distribute to all the patrons in my congressional district. In order to make it available to all those who have

expressed interest, I include in the RECORD the text of the latest issue of my report to the people, which will soon go out by mail:

#### FROM U.S. CONGRESS—FLETCHER THOMPSON REPORTS TO YOU!

JANUARY 1968.

DEAR FRIEND: *What you can expect in 1968:* A scant four weeks have passed since we concluded the First Session of the 90th Congress, and the Second Session has already begun. *The First Session was noteworthy as far as your pocketbooks are concerned—we cut appropriation requests by some \$5,900,000,000 and firmly resisted efforts to raise your income taxes by 10%.* But indications are that a big push for new taxes, without significant reductions in federal spending, is coming from the Administration this session. There are several other developments you can look for, and I'll attempt to tell you about them in this report.

*Positive action:* In 1967 I considered every bill based on its merits and whether it was in the best interest of you, your city, state and nation. *I will do the same in 1968, regardless of whether it is a Democratic or Republican proposal. I will continue to judge each bill individually, for I believe this is the type representation you want from your Congressman.* No pressure group, clique or political faction will dictate how I vote.

*The record speaks:* A cartoon in the Atlanta newspapers incorrectly depicted my voting record as "anti-urban." *The Congressional Quarterly reported me as voting "yea" on 5 out of 6 bills helpful to urban areas.* The Christian Science Monitor, in evaluating the 59 freshmen Republicans, honored your Congressman by classing me as one of the seven most influential freshmen and stated, "*Rep. Fletcher Thompson of Georgia, whose vigor in pressing for urban aid programs for his "swing" district in Atlanta is suggestive of the more progressive stance favored by many of the new GOP members.*"

*New taxes:* Look for President Johnson to continue to make a strong push to increase your income taxes 10% more. *I believe a tax increase would be detrimental to our non-defense economy, and take more money out of the pockets of the people while giving the government more to spend.* There is a limit to the tax burden you can stand. The government must live within its income. I do not favor new taxes being placed on the people.

*Shorter session:* With national political conventions scheduled in mid-year, plus election campaigns ahead, *Administration leaders will be anxious to get the Second Session over, won't be as inclined to delay legislation or put a bill off when it's in trouble with hopes of getting votes needed for passage by Executive arm-twisting.* *My attendance record was 92% in the First Session during which over 20,000 bills were introduced, and proceedings covered 30,000 pages in Congressional Record.* I returned to the District from Washington 32 times to fill speaking engagements and keep you informed.

*Vietnam:* Many question the rightness and wisdom of President Johnson involving us in land war in Asia by committing over 500,000 troops to battle in Vietnam. But the fact remains we are involved in a land war in Asia now with more troops there than we had in Korea. *What we need now is not to try to fix the blame for our presence there, but to find a solution to end the war honorably and still keep our promise to South Vietnam.* Ho Chi Minh has refused 40 attempts by the Johnson Administration to negotiate. For him to reverse himself would be considered a serious "loss of face." *Look for many rumors about peace negotiations in 1968—but no peace unless we "strike our colors," withdraw our troops and abandon our commitment to a free South Vietnam.*

But Ho might agree to different terms with a new administration.

*De Gaulle and gold:* Between 1958 and 1966 we gave more than \$18 billion to one group of countries, including France. During that period, these countries traded over \$9 billion for gold from our Treasury. Now we are in such a weak international fiscal position that *De Gaulle threatens to destroy the value of the dollar in world trade. This situation is forcing the Administration to ask Congress soon to remove the gold backing of your dollars here at home (making them nothing but paper dollars not backed by gold) in order to prevent a collapse of our international position and the dollar throughout the world. De Gaulle's conduct should finally convince the Administration we can't buy friends. We need a Congress that cares more about you than the rest of the world.*

*The budget:* Expect the budget to be higher—but a little more accurate. Use of new "unified" budget concept recommended by Presidential commission will cut number of budgets from three to two, give you clearer picture of total spending, including trust funds such as Social Security. *But Administration's still trying to deceive you on actual deficit in \$186,000,000,000 budget by including anticipated income from unapproved tax hike to hold deficit to \$10,000,000,000. He's jacked expected tax hike revenues from \$7 billion to \$12 billion, widening credibility gap. Experts say deficit in fiscal '69 may be nearer \$30,000,000,000. Thus, truth is again being kept from you about handling of your tax dollars.*

*Inflation:* You can expect inflation's bite out of your dollar to grow larger because of increased government spending flowing into the economy. *Despite appropriation cuts I voted for, spending level is \$21,000,000,000 higher mainly because of financing required for programs passed by 89th Congress. You can "legislate inflation" by excessive non-defense spending.*

*More regulations:* You can anticipate more regulations on business being pushed during this session of Congress in the form of "consumer protection" laws. *Bills such as the "Truth in Lending" Act, pipeline control regulation, medical device safety bill, are among those likely to be pushed. I'll look to see if the proposed laws are needed, and judge each on its merits.*

*Asking your views:* In 1967 we asked your opinions on vital issues facing Congress. Here's the results of the last survey in early returns: 77% favor paying government and postal workers wages comparable to private industry when they do the same work; 61.5% oppose increased trade with Communist bloc nations as a means of easing world tensions; 91% oppose using poverty funds to finance voter registration; 67.5% support regulations on foreign imports; 87% oppose using tax money to finance political campaigns; 87.25% support using schools for voter registration; 83.5% oppose guaranteeing annual income of \$3,000 with tax money; and 74.5% support tax credits for college students or their parents.

*Continued reports:* We'll continue asking your views and sending this report in 1968 which is paid for out of my pocket and the donations you send in.

It is a high honor for me to serve you in Washington.

Yours very truly,

FLETCHER THOMPSON,  
Member of Congress.

#### A HERITAGE FOR THE WORTHY

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. SCOTT] 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 Ohio?

There was no objection.

Mr. SCOTT. Mr. Speaker, an editorial appeared recently in the Rappahannock Record, which is published in Kilmarnock in the northern neck of Virginia within my congressional district, which I believe is worthy to be read by the membership of the House. My good friend, Mr. J. E. Currell, is the editor of this newspaper, and he speaks of the heritage of our country and the need to preserve the inherent strength of America within, so that the country will remain invincible. The editorial is set forth in full below and I commend it to you:

#### A HERITAGE FOR THE WORTHY

Above all else, 1967 appeared to be a year when the verities were questioned—in politics, in economics, in religion and in virtually every other element of the structure of present-day society. What does it all mean? No one really seems to know. Some claim the tearing down of old standards reflects what might be called a healthy renaissance of advanced thought. Others view with foreboding a trend they feel is leading to a moral breakdown and anarchy. The experts are the most confused lot of all. Sometimes their judgments of coming events are ludicrous. Typical of their inability to assess the future was the recent statement of one of this country's leading financial authorities that devaluation of the British pound was unlikely because the English program of austerity was so fundamentally reassuring as to make a crisis improbable. By the time this particular forecast was in print, the British pound had been devalued, and no one knows what the future holds for the monetary systems of the world.

Out of all the confusion of 1967, one fact has become clearly obvious—self-government itself is on trial. This is so because the very truths which are the mainstay of self-government are being altered or swept away one after another—truths that were once called "self-evident." These truths have to do with financial responsibility, the integrity of the family, the inviolate rights of persons and property under the law and concepts of individual self-reliance and initiative that are inseparable from freedom under representative government. A gradual decline in respect for these prerequisites of liberty was never more apparent in the observation of many people than during the crucial months of 1967.

Outwardly, the United States is invincible. But, the founding fathers warned nearly 200 years ago that the greatest danger to the American experiment in free government could well come from within. A debauched currency, a weakening pride in individual independence and the gradual ascendency of state authority are undeniably changing the outlook for constitutional government as we have known it in the United States. Few now living have the capacity to view the present era as it will be recorded in the history books at some distant time in the future. Our present civilization, and more specifically our own country measured by material progress and the potential future progress, opens a vista that staggers the imagination. The precepts under which civilization has advanced to this point, and which have brought a greater measure of well-being to more people than has ever been known in the world before, must have a validity that the hippies, the malcontents and the anti-American demonstrators have failed to perceive.

No political party, no single group of citizens is solely to blame for the dismal drift that has put self-government on trial, and as elections of 1968 approach, we should

expect no miracles from our elected representatives. They but reflect the temper and attitudes of the electorate. The signs became abundant during 1967 that a turning point has been reached in the affairs of the world and of our country. As we enter 1968, every one of us should resolve to be worthy of the heritage of self-government—a heritage for which 500,000 men in Vietnam are laying their lives on the line.

#### CONFERENCE ON MEDICAL AND DENTAL DEVICES

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. REINECKE] 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 Ohio?

There was no objection.

Mr. REINECKE. Mr. Speaker, in February of last year, I introduced a bill, H.R. 6165, which called for the creation of a National Medical Devices Standards Commission. The purpose of such a Commission would be to review the quality controls and manufacturing procedures used in connection with medical and dental devices, surgical and therapeutic instruments, artificial organs and limbs, and other equipment. Such a review is necessary, I believe, in order to determine the need for and the extent of possible additional Federal regulation over such devices. The Commission would recommend to the Congress and the President methods for determining minimum performance standards and feasible methods for Federal regulation.

I sponsored this bill because it is important that, as we advance into new areas of medical technology and instrumentation, there must be a responsible attitude governing the performance and reliability of these devices, particularly since these devices affect the very health and safety of all Americans. Before I introduced my bill, I explored some of the problems which could be anticipated in trying to write meaningful standards for medical and dental devices, and the complex considerations surrounding the best way for achieving these objectives. Before long, it became obvious that there are a great many unanswered questions which need careful consideration by all of those who are expert in the field. It is for this reason that my bill calls for a National Commission, made up of the profession, the manufacturers, researchers, and public health officials, to evaluate the problems and to recommend to the Congress courses of action. Although I am often disturbed by the clarion call for more and more studies, I am firmly convinced that, insofar as medical devices are concerned, we cannot legislate intelligently at this time with the amount of information at hand.

Yet I was still concerned, particularly in the light of the intricate and highly specific legislative proposal introduced by the administration to regulate devices, that perhaps a consensus of those knowledgeable in the field might feel the need for action immediately—that there existed a body of knowledge which clearly

pointed to the solution contained in the administration's device control bill.

In order to clarify my doubts, I called on January 12, 2 weeks ago, here in Washington a conference on medical and dental devices. Invited to participate in the conference were representatives of the medical and dental professions, the device and equipment industries, Members of Congress, and public and private agencies involved with devices and the public health. Over 200 persons attended this conference. In my letter to the participants, I urged that the meeting had not been called for the purpose of endorsing either the administration's bill or my proposal, but that there was a need to bring together all sides of the myriad of problems my earlier investigations had pointed out.

The conferees anticipated that there would be widely divergent views expressed at the meeting, and I can assure you that all sides of many issues were considered openly and aired with frankness and candor. After listening to many legal, medical, and other issues discussed, it became convincingly clear that little certainty exists about the best way to develop device standards or the best way to assure that devices are safe and effective. I was surprised that the spokesman for the Food and Drug Administration did not make much of a case for the need to control devices beyond the regulatory control authority already existent in Federal regulations. I was particularly disturbed to learn that the Food and Drug Administration itself seems uncertain as to what kinds and in which manner certain devices would or would not be exempted from the control provisions in the Administration's proposed device-control bill. And I was most concerned that, in response to a question from a participant, the Administration spokesman admitted that FDA does not now have the expertise nor the facilities to draw up the standards it believes necessary or to consider the administrative controls needed to achieve what they believe to be necessary for device control.

Mr. Speaker, I can assure you that I share the concern which the Food and Drug Administration has to protect the American public from dangerous and useless medical and dental devices. I have consistently supported this agency's efforts to remove quack devices from the marketplace—devices which perpetrate the cruelest possible hoax upon unsuspecting consumers. But, I am also concerned that the legislative action this Congress takes be based upon evidence gathered and evaluated in depth. I am not pretending that my bill offers the best solution either, but I do hope that the Members of this body will carefully consider some of the problems discussed at the recent conference, before endorsing any legislative solution insofar as devices are concerned.

#### THE SEIZURE OF THE U.S. PATROL BOAT "PUEBLO"

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Bob Wilson] 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 Ohio?

There was no objection.

Mr. BOB WILSON. Mr. Speaker, the seizure of the U.S. patrol boat *Pueblo*, a naval auxiliary intelligence vessel, off the coast of Korea is an obvious violation of the Korean truce and is an act of war. This incredible action is the first seizure of a U.S. naval ship at sea in modern times.

Since this vessel was operating in international waters under conditions of the Korean truce, and virtually unarmed, the action by the North Koreans is obviously an act of war. We must, therefore, take whatever steps are necessary to recover this vessel and return its crew safely. If this means sending in military and naval forces, including air cover, it must be done—and done at once.

We cannot permit actions of this type by the North Koreans or any other hostile government to continue. I am today sending President Johnson a telegram calling on him to take whatever immediate steps are necessary, including military action, to recover this vessel and its crew.

Since all the facts in this case have not yet obviously been released by the Pentagon, I recognize we are talking on the basis of limited information. But on the basis of the information so far available several questions must be answered: First, why wasn't air cover sent to aid this vessel immediately after its message for help was radioed? Second, why was this vessel permitted to patrol the coast without adequate military protection? Third, was there any reason why this ship was not scuttled by its captain and crew prior to seizure and boarding by the North Koreans to prevent our secret intelligence equipment from falling into enemy hands?

This incident goes beyond the Gulf of Tonkin attack on our ships by the North Vietnamese. It calls for an immediate and adequate response.

#### MUST READING ON THE BASIC READING DEBATE

Mr. STANTON. 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 Ohio?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, recently attention was directed to a very important work on the very controversial subject of the best way to teach reading by nationally syndicated columnist, James J. Kilpatrick. The book referred to is "Learning to Read: The Great Debate," by Prof. Jeanne Chall, now professor in Harvard's Graduate School of Education and formerly with Teachers College of Columbia and CCNY. In columns appearing in the Washington Star of January 9 and 14, Mr. Kilpatrick provides for the layman a brief account of the con-

trovery on this subject which has been carried on for nearly 40 years. Educators such as Mortimer Smith of the Council for Basic Education, Dr. Rudolf Flesch, and Dr. Arthur Trace have taken issue with prevailing reading methods for a number of years. Professor Chall's book should help clarify the issue to a great extent if the thoroughness of her effort is any indication.

I ask that the columns, "Top Educator 'Sounds Out' in Reading Debate" of January 9 and "A Myth-Debunking Book About Basic Reading" of January 14, 1968, both appearing in the Washington Star, be inserted in the RECORD at this point, as follows:

[From the Washington (D.C.) Evening Star, Jan. 9, 1968]

#### TOP EDUCATOR "SOUNDS OUT" IN READING DEBATE

(By James J. Kilpatrick)

Suppose, to be supposing, that the editors of the New Republic came forth with a long and thoughtful editorial endorsing the principles of Mr. Goldwater. Suppose that the Automobile Manufacturers Association came out for the monorail. Suppose that Norman Thomas announced that he had been wrong for 50 years, and that private enterprise is best after all.

In such an unlikely event, you would have a fair standard by which to judge the stunning impact of Professor Jeanne Chall's new book, "Learning to Read: The Great Debate." Published by McGraw-Hill at \$3.50, the book appeared in October. I am just now catching up on it, but better late than never. This is perhaps the most important single book of 1967. Welfare Secretary Gardner, who used to head the Carnegie Foundation, has called it a "bombshell." His word is inexact, but it accurately conveys the explosive project.

Ironically, what the book says is less notable than who says it and how it is said. For the past 15 or 20 years, at least, such outstanding lay critics of the schools as Mortimer Smith have been denouncing the "look and say" method of teaching reading. A hundred newspaper editors have pleaded for greater emphasis on phonics. Dr. Rudolf Flesch and Dr. Arthur Trace wrote best-selling books to the same effect, but these were "popular" books and hence suspect.

Now comes Mrs. Chall, with impeccable credentials from the educational Establishment. She was three years at Teachers College of Columbia, then with City College of New York, now a professor in Harvard's Graduate School of Education. She is the experts' expert on reading. Her book is the result of a Carnegie grant. She writes with a scholar's low-keyed detachment.

And what she says, in substance, is precisely what such "conservative" outfits as the Council for Basic Education and the Reading Reform Foundation have been saying all along: when it comes to teaching a child to read—the most important of all skills—the "look and say" method is inferior to an approach that places primary emphasis on phonics. The "oh, oh, jump, jump" basic readers, used throughout the United States, are poor in content and needlessly restrictive in vocabulary development. Those children who are fortunate enough to be trained in phonetic reading, or "sound it out," soon learn to read the tough stuff. They wind up as better spellers. And the ones who are hurt most cruelly by the prevailing "look and say" approach are the slum children who are most desperately in need of reading skills.

Mrs. Chall came to these conclusions after three years of exhaustive research into the teaching of reading. She and her associates correlated thousands of studies published since 1920. They analyzed basic readers in

depth. Mrs. Chall visited 300 elementary classrooms in the U.S., England and Scotland. No such comprehensive work ever has been undertaken in the field before.

It seems unlikely that any parent has missed the "great debate," but an oversimplified word of background may be in order. For roughly 40 years, the prevailing educational Establishment has decreed that children should be taught to read by the "whole word" method. In this approach, the alphabet, as such, is disdained; scant attention is paid to the sound of letters or to the sound of syllables. The child is given a picture of a bed with the word "bed" beneath it. He "frames" the word, and behold, it even looks like a bed. So he learns "bed."

The next time he encounters the same shape, of course, the word may be bad, or bid, or bud, but no one has taught him his vowels. He learns "hat," and stumbles on hit, hot and hut. Under the "look and say" method, he is subjected to artificially contrived readings of unbelievable banality: "Mother said, 'Look, look. See this.' 'Oh, oh,' said Sally. 'It is pretty.' 'Yes, yes,' said Jane. 'Mother looks pretty.'" And so on, ad nauseam.

By contrast, children who are taught by phonics learn to "break the code" of language. They discover letter combinations and sound combinations. They do not learn merely to read the 300 word-shapes of a basic reader.

How could the Establishment have been so wrong? Why should it have required an awesome three-year study to confirm what seat-of-the-pants critics have been saying for years? One is mystified. But reading Mrs. Chall's work, one is also profoundly pleased.

[From the Washington (D.C.) Star, Jan. 14, 1968]

#### A MYTH-DEBUNKING BOOK ABOUT BASIC READING

(By James J. Kilpatrick)

Let me come back to Jeanne Chall's china-breaking, idol-smashing, myth-debunking book on the teaching of reading, for this is important. It is a heap more important than anything Lindsay said to Javits or Kenyatta said to Humphrey, or who's scoring what in the winter polling leagues.

Mrs. Chall is a professor in Harvard's Graduate School of Education, with a lifetime of experience behind her as a specialist in the techniques of teaching children how to read. Her book is the result of a massive three-year study, financed by a Carnegie grant. Unlike Rudolph Flesch and Arthur Trace, who are regarded as mavericks or lepers, Mrs. Chall is a certified member of the educational establishment. Hers is not a "popular" book; it is a work of solid scholarship. School boards, school superintendents, textbook publishers and textbook committees cannot possibly ignore "Learning to Read: The Great Debate." (McGraw-Hill.)

Every person who has raised a child since 1930, or been through the schools himself knows what the "great debate" is all about. It involves the controversy that has raged between the advocates of "look-say," on the one hand, and the advocates of old-fashioned phonics on the other, in the teaching of reading. The fight has engaged thousands of teachers and hundreds of thousands of parents; it has involved half a billion dollars in textbook sales; it has provoked bitter, rancorous arguments across the nation. And for most of these past 37 years, apostles of the "look-say" or "whole word" method have been in command.

At the heart of the dispute is the most basic of all skills: reading. The child who fails to master reading is a lost child. If he stumbles on the hard words, or loses comprehension of the printed word, he is fatally handicapped. He sees instructions through a

fog; he misses the riches that great literature has to offer him; he cannot spell confidently or write easily. He becomes, in a very real sense, an illiterate. And the searing truth—which Mrs. Chall is too restrained to spell out bluntly—is that "look say" has created such illiterates by the millions.

Parents in California, as one example, have learned this to their sorrow. Statewide tests in 1966 disclosed an appalling picture: California children, reared on the "look-say" method, scored far below the national average in reading skills. Additional tests in 1967 confirmed the dismal fact. In Los Angeles, first graders averaged the seventh percentile—that is, only 6 percent of the first graders in the nation would have scored lower. Last week, the Los Angeles Board of Education at last came to its senses, and voted \$140,000 to launch a crash program of phonics in the first three grades.

It is unfair to single out the Los Angeles board. By Mrs. Chall's estimate, 80 percent of America's public school children, since the early Thirties, have been subjected to a predominantly "look-say" method of instruction. Laymen who serve on school boards have been ill-equipped to argue with the experts, the professionals, the textbook salesmen. There was always a vague impression that "research" proved that phonics was inferior to "whole word recognition." One of Mrs. Chall's most important findings is that the research "proved" no such thing; properly interpreted the research proved just the opposite.

Relatively few children, of course, have failed altogether to learn to read. Mrs. Chall does not denounce the "look-say" method out of hand. What has happened in many cases, she surmises, is that children have learned, on their own, to "break the code" of letters, sounds, and syllables. Especially in middle-income and upper-income homes, where children have books and magazines available to them, reading skills are absorbed by osmosis or by bedtime story. The poor child, denied this home training, has been hurt most badly.

In the past few years, even before Mrs. Chall's definitive book came out, the jerry-built structure of "look-say" was beginning to wobble. Flesch's "Why Johnny Can't Read" struck at the foundation. Trace walloped the experts with "What Ivan Knows that Johnny Doesn't," a devastating comparison of reading in Russia and in the United States. Admiral Rickover fired a few torpedoes. Such publishers as Lippincott cautiously began to experiment with basic readers emphasizing phonics.

Now comes Mrs. Chall's powerfully documented study. This ought to bring the rickety temple down, and Dick and Jane and the jump-jump dog along with it, oh, oh, great, great! Maybe the next generation will produce competent copyreaders once again.

#### THE SMALL FARM IS DISAPPEARING

MR. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. ZWACH] 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 Ohio?

There was no objection.

MR. ZWACH. Mr. Speaker, the St. Cloud Times, edited by Harold Schoelkopf, is circulated in the metropolis of the Minnesota Sixth District. As with every other newspaper editor in our area, Mr. Schoelkopf shows his concern for the economic welfare of the family farm by writing many discerning editorials on the matter.

Recently the National Farmers Organization called for a withholding action on grain by its members in an effort to secure higher farm prices. Some of the other farm organizations in my district, I have noted, have expressed their sympathy for the National Farmers Organization withholding and have urged their members to honor the campaign.

Mr. Speaker, I would like at this point to insert into the RECORD a recent editorial column by Harold Schoelkopf of the St. Cloud Times in regard to the plight of the family farm, as follows:

An action to withhold food from the nation's market places has been launched by the National Farmers' organization (NFO), starting with grain, in an effort to force up the sagging farm prices. Later on, according to NFO leaders, the withholding will extend to other commodities, such as meat and produce.

How successful the operation may be will depend, of course, on the degree of cooperation it receives from the farmers themselves. A general withholding on an extensive basis doubtless could force prices to rise as the commodities became scarce and the demand for them increase. The last time the NFO withholding program went into effect, it met with only a moderate measure of success because a substantial number of growers did not choose to participate. There was, as a matter of record, some instances of sporadic unpleasantness among the cooperators and the non-cooperators.

There is little doubt the farmers are entitled to a greater return of cash for their products, and this has been true for many years as the federal government programs, one after another, have miserably faltered and failed. The farmers of the nation today, once the most independent of our people, have in recent years become the most regimented and controlled, and the restrictions have brought prices and conditions worse than in the days of free enterprise and free markets.

The agricultural situation has been further aggravated by the increased costs of farm operation—much greater investments in machinery, the prices paid for hired help, and about everything else the farmer has to spend to keep in business. The impact has been a steady decrease in the number of farms and farmers, and the farms that remain in operation have had to expand their acreage and production methods to break even.

Even in this prime farming region of Central Minnesota, where dairying has been over the years a basic operation, the small farm is gradually disappearing from the scene. The 80-acre or even the 160-acre farm that used to flourish and support a whole farm family is rapidly being phased into history.

No one administration or political party has yet come up with a formula to solve the farm problem, and history shows the more federal meddling and controls, the worse the problem becomes. The present department of agriculture, with its staggering numbers of personnel, has added to the present acute situation rather than helping to come up with a workable solution.

With all the Washington red tape that surrounds him, the American farmer has nevertheless done a remarkable job over the years in supplying the nation and a great part of the world with the food and fiber it needs. But the red tape—instead of helping the farmer—continues now, more than ever, to deprive him of a fair return for his investment and labors. He is still caught in an economic squeeze from which not even Secretary Orville Freeman's 108,000 Washington employees have been able to extricate him.

## LEGISLATION TO REVERSE SUPREME COURT DECISIONS

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. GURNEY] 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 Ohio?

There was no objection.

Mr. GURNEY. Mr. Speaker, I am today introducing legislation which by constitutional amendment would make it possible for Congress to overrule decisions made by the Supreme Court. A two-thirds vote of each House would bring about a reverse in decisions.

My bill would assure that in the last analysis Supreme Court rulings would be the choice of the wide base of the entire country. That is not the case today.

The Court has recently struck a provision making it a crime for Communist Party members to work in defense plants. It has found that in the "balance of constitutional rights," freedom to associate vastly overshadows the right of a government to guard against sabotage and espionage in its national defense industries. It has outlawed prayer in our schools.

It has found time and again that the rights of the criminal weigh heavier in that balance than the rights of society to its security.

The battle we wage against crime in the streets—a war of compelling proportions—is vastly hindered by decisions providing obstacle upon obstacle to the apprehension of the guilty criminal.

The winning of a war against Communist aggression is rendered increasingly more difficult by decisions which invite the spread of that conflict to our own land.

No one denies that the individual and the accused have individual rights which must be guarded from encroachment. Yet, so too must be the rights of the whole society. It is in the consideration of the interests of that group, in which each of us has as vital a stake, that the Supreme Court is falling short.

Thus, whereas our Constitution has been an exceedingly durable document, needing few amendments to guide a changing society, decisions such as the Court has been making compel a change. The rulings of a body of only nine men, appointed and not elected, must be subject to final approval by a whole society affected by them. The Court is in effect making law which governs persons who have not ever chosen it as their agent.

From the beginning of its history, this country has found it wise to provide checks and balances between the bodies of the various branches of the Government. My bill would provide that "check" for the Court, the demand that the people of the United States have some voice through their elected representatives in the very major decisions being made by that body.

The Supreme Court is rendering decisions that govern this Nation and its 200 million people. It has always been assumed in our Republic that that func-

tion is one by and for the people affected. My bill would make it so.

## PROGRESS IN REFORMING BUILDING CODES

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mrs. DWYER] 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 Ohio?

There was no objection.

Mrs. DWYER. Mr. Speaker, in January 1966 the Advisory Commission on Intergovernmental Relations issued a very important and a very controversial report entitled "Building Codes: A Program for Intergovernmental Reform." The Commission is a bipartisan body representing all levels of government and charged with studying various issues of State-Federal relations and making appropriate recommendations to the various levels of government. I have the pleasure of serving as one of the members of the Commission from this House along with the gentleman from North Carolina [Mr. FOUNTAIN] and the gentleman from Oregon [Mr. ULLMAN].

In its 1966 report, the Commission called for a series of actions at both the Federal and State levels of government to facilitate the modernization of building codes. The Commission found the general code situation to be highly unsatisfactory and urged that the following specific actions be taken:

By the National Government: Development of a national model building code for voluntary optional adoption by States and localities; Presidential action to bring about uniformity in building construction standards being applied by the various Federal agencies; authorization in Federal support of a vigorous program of building research; and initiation within the Federal Government of a program designed to develop performance criteria for building materials in lieu of the traditional "specification" approach.

By the State governments: Development of statewide building codes; State licensing of building inspectors; State training programs for building inspectors; and establishment of procedures whereby actions of local building officials could be appealed to a State agency.

Many of the proposals made by the Commission subsequently received endorsement by such groups as the U.S. Conference of Mayors, the National Association of Counties, and the Republican coordinating committee—illustrating a broad base of support for these recommendations across the country.

Members will be interested in some new developments that continue to bear out the soundness of the Commission's recommendations. First, recognized by a proclamation signed by Gov. Nelson A. Rockefeller, the State building code activity in New York State passed an important milestone with the 500th municipality in the State voluntarily accepting the applicability of the State building construction code.

Second, the National Civic Review published a wide-ranging article entitled "Money-Wasting Codes," which describes many of the shortcomings to which the report was addressed. This National Civic Review article appears in condensed form in the December issue of Reader's Digest.

Third, and perhaps most significant, was the formation in Madison, Wis., in November, of a National Conference of States on Building Standards and Codes for the purpose of strengthening and refining the role of State government in the formulation and administration of building codes. According to the State officials involved, the ACIR report has been a major catalyst in encouraging the States to greater action in this field. The State activities have been assisted to a major degree by the building research division of the National Bureau of Standards, long a center of expertise in this area.

I should also like to direct the attention of our colleagues to another study in depth of building codes being carried on by the National Commission on Urban Problems headed by former Senator Paul Douglas. He and his group have underway an intensive cataloging of those building code problems that are impeding the application of advanced technology to the building of homes.

Mr. Speaker, I insist at this point in the Record: First, an article describing the operation of the New York State Building Code appearing in the November 30 issue of the newsletter published by the Office for Local Government in the State of New York; Second, the text of the article on "Money-Wasting Codes," from the December issue of the Reader's Digest; Third, a press release describing the formation of the new organization of State building officials; and fourth, an address delivered by Howard Shuman, executive director of the National Commission on Urban Problems before the National Conference of the Plumbing-Heating-Cooling Industry on the work of the "Douglas Commission" on Urban Problems as it relates to building codes, in Washington, D.C., on December 14, 1967:

[From the Office of Local Government Newsletter, Nov. 30, 1967]

## COMMISSIONER REPORTS: STATE BUILDING CODE ACCEPTED BY OVER 500 LOCAL GOVERNMENTS

The Town of Huntington in Suffolk County recently became the 500th municipality in New York State to voluntarily accept the applicability of the State Building Construction Code.

A proclamation commemorating the achievement, signed by Governor Rockefeller, was presented to Town Supervisor Quentin Sammis by James Wm. Gaynor, State Commissioner of Housing and Community Renewal, in a brief ceremony at the Huntington Town Hall.

Commissioner Gaynor pointed out that the first municipality to accept the State's Building Construction Code was the Village of Mamaroneck in Westchester County, which accepted the code in 1952.

In the next 15 years, more than 500 cities, towns and villages in the state accepted the Code, extending its benefit to assure the safety and adequacy of future construction for the more than 6.5 million inhabitants living in these municipalities.

Because the State Code is written in modern performance standards, rather than in specification standards, builders in the municipalities accepting the State Code are able to take advantage of the latest construction methods and devices.

The State Building Construction Code was begun in 1949 when a five-member Code Commission was appointed to prepare and promulgate a modern performance-type construction code which could be easily adopted by cities, towns, and villages throughout the state.

The State Code contains sections applicable to: (1) one- and two-family residences, promulgated in 1951; (2) multiple residences, promulgated in 1953; (3) general building construction, 1956; (4) a Code Manual, 1951; and (5) Plumbing Standards, 1958.

In 1961, the State Legislature voted to place the administration of the State Code permanently within the New York State Division of Housing and Community Renewal.

A seven-member Code Council, headed by the Commissioner of Housing and Community Renewal, was appointed to supervise the administration of the Code. Members of the Council are: Allen L. Cobb, Rochester; James N. DeSerio, Kenmore; Donald Q. Paragher, Rochester; Charles F. Haring, Jr., White Plains; Thomas A. Murphy, Syracuse; James A. Norris, Sr., Elmira.

Included in the more than 500 municipalities which have adopted the Code are 52 of the state's 62 cities, 200 of the 931 towns, and 251 of the 555 villages.

Among the services performed by the State Building Codes Council are: (1) the issuance of certificates of acceptability for approved new methods, materials and devices; and (2) the appointment of Boards of Review to adjudicate differences of interpretation of the State Code between local officials and builders, architects and engineers.

In addition, members of the State Building Code Council's technical staff are available for consultation and advice on all types of construction problems and field representatives of the council visit local building officials to help them administer and enforce the State Code.

Local officials may obtain more information on the State Building Construction Code by writing: Director, Building Codes Bureau, State Division of Housing and Community Renewal, 393 Seventh Avenue, New York, N.Y. 10001.

[From Reader's Digest, December 1967]

#### THESE CODES COST YOU MONEY

(By C. P. Gilmore)

Build a house in the pleasant, three-shaded community of Briarcliff Manor, N.Y., and the blueprint might call for a \$300 masonry chimney to vent the basement gas furnace. It won't necessarily do the job better or more safely than the \$50 metal-asbestos vent used in many communities. But in Briarcliff Manor, a house can't legally be built without it. The local building code says so.

In Parma, Ohio, and other Cleveland suburbs, roof trusses go 16 inches apart on the center. Engineers and building experts agree that in residential communities 24-inch intervals give a roof the strength it needs. But in Parma, homeowners fork out \$100 for unnecessary trusses. The building code demands it.

In the city of Louisville, Ky., and in many other cities and towns, codes specify that electrical wiring must be the costly metal-armored type instead of the commonly used non-metallic kind. In Pittsburgh, Chicago, Philadelphia and Topeka, as well as in many other cities, codes place maddening restrictions on the use of money-saving copper tube in drainage systems. In still other cities, codes specify costly plaster rather than gypsum wallboard; extra-thick subflooring; unneeded masonry construction.

These and countless other examples of

added costs are the result of outmoded, restrictive building codes in thousands of U.S. cities and towns. "We have created such an unholy mess of regulations, and have mixed so much antiquated nonsense in with the good rules, that our building efficiency has been seriously impaired," says William B. Tabler, New York architect and code authority. "In the final analysis," adds builder Richard Syracuse of Westchester County, N.Y., "the homeowner pays more than is necessary for his house because of outmoded codes."

#### EXTRA CHARGE, NO VALUE

Building codes (including mechanical codes that regulate such things as electrical and plumbing systems) are necessary to protect life, safety and health: to keep a crooked or incompetent builder from putting up a roof that will sag or blow away, from installing wiring that will set a house on fire or plumbing that will leak. But laws designed to achieve these worthwhile goals can go wrong.

For example, mandatory use of unnecessary labor or materials is most common in areas where building is governed by obsolete specification codes. Such codes spell out in precise detail what is acceptable in every phase of building; they may demand that walls, floors and ceilings be made of certain materials of certain thicknesses only. Other materials are outlawed. Self-serving interests tend to get written into these codes; extra-heavy brick walls are apt to be required where brick manufacturers are powerful or the bricklayers' union is strong, for example.

A far more reasonable and up-to-date building law is the performance code. This attempts to state what a structure must do—a wall shall withstand certain forces, a floor shall support a given load. Architects, builders and homeowners are thus free to choose the best or cheapest materials and techniques, so long as these perform satisfactorily.

To see what outmoded codes do to building, I toured New York's suburban Westchester County with Robert Weinberg and Martin Berger, owners of Robert Martin Associates, one of the area's largest construction companies. In the town of Greenburgh, they showed me a \$31,000 house built by their firm. Two miles away, and just over the town line in Scarsdale, they pointed out an apparently identical, but higher-priced house. Codes were responsible for \$2000 of the difference in price. Greenburgh has a modern performance code; Scarsdale, an outmoded specification code.

"The houses look the same, inside and out," Berger said. "But because of the codes, the Scarsdale house has a solid masonry wall between the garage and living area; the one in Greenburgh has wallboard. The Scarsdale house has Douglas fir instead of hemlock for structural beams, half-inch plywood on the roof instead of three-eighths, castron plumbing instead of copper, one-inch water lines instead of three-fourths and many other unnecessary extras." Added Weinberg, "If the Scarsdale code produced better housing, we'd have nothing to say. But it simply puts an extra charge on housing that has no value to the homeowner."

David Margolius, former president of the Cleveland Homebuilders Association, estimates that excessive code requirements add a minimum \$1500 to \$2000 to the cost of homes built in some of that city's suburbs. When St. Louis adopted a new code several years ago, construction costs dropped an estimated 15 percent. And a rewritten New York City code which has now been proposed is expected to cut costs by not less than five percent.

#### TO MEET THE NEED

Another factor that keeps building costs high is our crazy-quilt pattern of diverse codes—50 different codes in the Cleveland area alone, for example; 30 in greater Minne-

apolis-St. Paul. Such diverse codes create tremendous inefficiency. "If we had uniform codes," says home builder Orrin Thompson of the Minneapolis-St. Paul area, "we could send the same materials to each area instead of having to keep track of what size every community requires. We could move men from suburb to suburb without having to educate them on new codes every time."

"Even minor differences in codes cost money," says home manufacturer James Pease of Hamilton, Ohio. "We have to stock various items such as different thicknesses of plywood to meet various code requirements. If codes were uniform, we wouldn't have to get so much money for our houses."

More important, our antiquated code pattern can do grave damage in the years ahead—by slowing development of more efficient and cheaper ways of building. For example: manufacturers have been thinking for a long time about mechanical cores—closet-size combination units that contain heating, air-conditioning and water-heating equipment, electric-power service entrance, and electric distribution panel. The factory-made unit would be less expensive to install in a house than the same components hand-assembled as at present. But many code restrictions ban such a common-sense arrangement. Several years ago, Westinghouse made a few units of this type and shipped them to Chicago and elsewhere. The manufacturer ran into code and labor problems—and dropped the project.

Under the present system, say a number of experts, it may be altogether impossible for us to meet building needs in the future. "The old ways of dealing with housing and construction just won't be adequate," explains Frank LaQue, a vice president of International Nickel Co. "Whether we like it or not," says LaQue, who headed a Commerce Department panel that recently completed a two-year study of codes and other standards problems, "there is going to have to be a whole new approach to construction, and building codes must change to meet the need."

#### DON'T ROCK THE BOAT

The need, obviously, is for a single, uniform, performance-type code for nationwide use. But there are many powerful groups, including a number of building-materials manufacturers, trade associations, building contractors and labor unions, which oppose any basic change in the present system. Some unions fear that new methods could mean less work for their members. Most manufacturers want to keep codes favorable to their own building materials, and some even want codes that are unfavorable to competitors. Says Milton W. Smithman, director of technical services for the National Association of Home Builders (NAHB), "In many places these groups have codes just the way they want them. They'll fight anything that threatens to rock the boat."

Representatives for cast iron are now waging a battle with the plastic-pipe industry. Bricklayers fought the new St. Louis code that doesn't require as much masonry as the old one. And plumbers are already predicting that the recently rewritten New York City code will bring outbreaks of disease. The simplified and money-saving plumbing standards, they claim, will make the plumbing unsanitary.

#### THE COMPOUND QUAGMIRE

Four organizations (three composed of building inspectors and officials, the fourth supported by several of the major fire-insurance companies) have already written what are generally considered to be excellent model codes. A community may adopt one of these instead of writing its own, a job too costly and difficult for any but the largest cities to do well. The community gets not only a sound code written by experts, but contributes to national uniformity in the bargain.

By various estimates, somewhere between

2000 and 3500 communities in which up to 100 million people live have adopted some version of a model building code. But the fact that there are four model codes instead of one (plus the various mechanical codes and state codes) adds needless complexity. An even greater flaw in the present system is that many communities have not adopted any model code at all. In fact, not one of the country's major cities uses any of the model codes in its entirety. (New York City, for example, just spent more than \$1 million to rewrite its own code, rather than use one of the perfectly good models already available.) Thus our most heavily populated areas have not even made a start at getting into step. And, finally, communities that adopt model codes frequently modify them, thus dissipating to some extent the good they achieve.

Perhaps the most successful attempt at code uniformity in the United States to date was accomplished almost 20 years ago when New York State authorized a state model code. Adoption of the code was put on a voluntary basis; but the law provided that any community choosing to adopt it must do so in entirety—no changes. (In theory, changes were possible, but the law wisely made them so difficult that, for all practical purposes, they were ruled out.) As a result, pressure groups have not been able to sabotage the code and some 500 municipalities have adopted it. If a substantial number of states could be persuaded to adopt a single nationwide code similar to New York's, the U.S. code problem would be far along the road to solution.

But the move toward code uniformity will not really gain momentum until a single nationwide code exists. The writing of such a code was recommended last year by the Advisory Commission on Intergovernmental Relations (ACIR), a group of governors, state and federal legislators, mayors, county and federal officials, and representatives of the general public. Two other government study groups have also recently gone on record in favor of a single, nationwide code.

Opponents of a nationwide code fear that it would lead to government intervention in code writing and regulation. Not everyone, however, agrees that it would inevitably mean a government takeover. In fact, the one thing most likely to bring about government control is the continued failure of industry and the code groups to do the job themselves. While certain small moves have been made, there is little real sign that members of the present code hierarchy are ready to push for a uniform, widely adopted code. The pressure for reform is mounting, however, and the present powers are having their last chance to get together and do something about what one critic has called "the compound quagmire of codes."

#### NATIONAL BUREAU OF STANDARDS TO AID NATIONAL CONFERENCE OF STATE BUILDING ADMINISTRATORS

The National Bureau of Standards, U.S. Department of Commerce, has agreed to provide technical and secretarial assistance to a proposed new organization tentatively called the National Conference of States on Building Standards and Codes. NBS will serve the Conference in the same capacity it now serves the widely respected National Conference on Weights and Measures, which was founded 62 years ago.

The establishment of a National Conference of States on Building Standards and Codes was approved at a meeting held on November 20, 1967, in Madison, Wisconsin, at the invitation of Wisconsin Governor Warren P. Knowles. Attending were representatives of 19 states, of the building industry, of the Advisory Commission on Intergovernmental Relations, and of the National Bureau of Standards. Once established, the Conference will probably meet annually. The next meet-

ing is tentatively scheduled for May, 1968 to accelerate the formative stage.

At the first meeting, Mr. Gene Rowland, Commissioner of Industry, Labor, and Human Relations for the State of Wisconsin was unanimously elected temporary chairman. Mr. Rowland was largely responsible for arranging and organizing the first meeting and his election as chairman was recognition of his organizational and leadership abilities. To enable him to spend his full time on Conference business, the National Bureau of Standards has invited Mr. Rowland to join its staff with specific responsibility for the Conference. Mr. Rowland will also ensure that the State's point of view is well represented in the NBS work with the Conference.

It is hoped that the new Conference will serve to promote more effective State building programs in much the same way that the National Conference on Weights and Measures has done in its field, by providing a forum where State building administrators may discuss mutual problems.

#### THE WORK OF THE COMMISSION AND BUILDING CODES

(By Howard Shuman, executive director, National Commission on Urban Problems, before the national conference of the plumbing-heating-cooling industry, December 14, 1967)

#### THE HOUSING ACT MANDATE

Section 301 of the Housing Act of 1965 calls for—to use the language of the Act—a "study of building codes and their impact on building costs." We are examining how building codes can be "simplified, improved, and enforced at the local level," and what methods might be adopted to promote "... more uniform building codes and the acceptance of technical innovations including new building practices and materials."

We are also examining some other issues in detail—housing codes, zoning and land use practices, development standards, state and local taxes, and Federal taxes as they affect housing. Furthermore, we are carrying out the President's mandate to us to examine the question of how an abundance of housing can be supplied to Americans with low incomes.

Perhaps the most important contribution we can make is to help create a climate that would allow American industry to bend its inventive genius and its sales genius towards solving the problem of a decent home for all Americans.

All of this is a very large order indeed. Today, I shall report to you on some of the things we have done to carry this out, centering my remarks on our study of building codes and their relationship to costs, technical innovations, and new building practices and materials.

Section 301 wisely combines the study of building codes with the question of new products and processes and of innovation and new practices. These go together and our Commission is looking at all of them.

#### EXPERT TESTIMONY

The Commission has now held hearings in 19 cities. Much of the time was spent on the subject of building codes, building practices, materials, and innovation. We invited expert witnesses from every part of the country to appear before us—from the East Coast to the West Coast, from a chief building inspector in Baltimore to the Managing Director of the International Conference of Building Officials (ICBO) in Los Angeles; from the Administrator of building codes in Oakland to the Chairman of the building code Committee of the American Institute of Architects; and from the Chairman of the national Joint Council on Building Codes, whom we heard in St. Louis, to the head of the Building and Construction Trades Council in California.

In San Francisco, we examined the question of innovation and the state of technol-

ogy in the home building industry and their relationship to building codes.

In Detroit, we took up the issues of new building materials and techniques. In Atlanta we heard from the director of research for an organization which has applied new technology to home building and which recently brought and won a most famous building code case in the courts (Kingsberry Homes). Almost everywhere we went we heard from very knowledgeable local builders many of whom produced chapter and verse on codes and costs and on the problems they faced.

#### INSPECTING EXAMPLES

Not only did we hear from the experts but we also inspected a large number of examples of new building practices, innovations, and techniques actually in operation.

We saw the use of pre-formed concrete panels in an excellent 221(d)(3) project in Boston. In New York City, Baltimore, and Philadelphia we examined rehabilitation projects and their relationship to costs and building codes. We visited a mobile home factory in Los Angeles. We saw in Dallas an amazing technique of home building by stacking-cement sacks. We examined the use of pre-cast concrete panels in Miami. We visited an almost unlimited number of public housing projects, 221(d)(3) units, cooperative and turnkey projects, urban renewal areas, and old and new housing developments in every part of the country. And at each of these we concerned ourselves not only with housing programs but with the question of costs and how they might be lowered while providing a decent living environment without "cheapening" the final product.

In this way we carried out, in a very planned and meticulous way, the charge to our Commission to study and examine building codes, technical innovations, and new building practices and techniques.

The Commission was wise to examine and inspect as well as to read and study.

#### THE PROBLEM

Now, what seems to be the problem with building codes? In Los Angeles and St. Louis and at other places where we heard from the experts on this subject, witnesses were asked if one or another of the many new building products were permitted under the model codes—BOCA, ICBO, National (American Insurance Agency), and the Southern Building Code. Most often the witnesses testified that the materials or products were allowed. Well, then, as Members of our Commission asked, "What's the shouting all about?" That question was well put.

#### LACK OF UNIFORMITY

There are several problems. One of the key problems is the lack of uniform adoption, interpretation, and application of the model codes.

First of all, probably a majority of the major central cities of the country has its own building code. Even for the few who once adopted a model code, it has been so changed, amended, revised or added to that it is unrecognizable as anything but the code of that particular city.

Second, in areas outside the central cities, the model codes are not adopted universally. In some of the smaller jurisdictions, even in the major metropolitan areas of the United States, there is no code at all.

Third, in places outside the largest central cities where one of the model codes has been adopted, it has more often than not been adopted with wide variances of provisions and standards.

Finally, even where a model code has been adopted with no or few amendments, the local inspector often "interprets" the code in a way which differs from the language as such. Time and again builders have told us that the reaction of local building inspectors is "Yes, that's in the Code, but we

don't do it that way here." In fact, one witness gave us a specific list of varying local interpretations and amendments in the 95 jurisdictions in the St. Louis area which he said could add a total of as much as \$1,000 to the cost of building a house.

This lack of uniformity prevents the application of modern mass production methods and the use of new products and techniques. It adds to costs. That's why the subject is important. That's what the shouting is all about. And those of you here who are on the firing line, know that this is true.

But in the past there has been no specific body of knowledge, detailed list of examples, or adequate objective proof of these practices and their resulting added costs. For this reason our Commission is doing a number of things which should provide some very important and interesting information which is not now publicly available.

#### WHAT WE ARE DOING—SURVEYS AND STUDIES

First of all we are conducting a major survey to get the facts about building codes from about 3,000 local governmental jurisdictions in the United States. We hope to find out what codes are being used and where; to what degree they have adopted one of the model codes and when it was adopted; whether and to what degree it has been amended; whether they have procedures for updating the code; and what specific provisions are in effect in the case of a number of actual materials and practices.

We are asking such questions as "Is frame residential construction allowed? Is the use of non-metallic cable permitted? What does the local code allow with respect to wood roof trusses; party walls without continuous air space; non-load bearing and load bearing interior partitions; copper pipe in drain, waste, and vent plumbing systems; and pre-assembled combination plumbing systems; to name a number of the key questions we are asking.

In the past there has been more heat than light and more charges than specific evidence to back them up. We are going to find out about these so that our recommendations will be based on factual data and evidence.

From these same 3,000 local governments, we are also collecting considerable data on building code administration, the number of employees involved, the degree of training they have, and the level of salaries paid.

We are going to get this kind of information which up to now has not been available concerning these fundamental matters.

Second, we have contracts with four major universities in the country to conduct interviews in the New York City, Houston, Detroit, and San Francisco areas with builders, contractors, architects, engineers, and others concerned with the construction of housing. The purpose is to determine the actual practices and its impact of these practices on housing costs and production. Several thousand letters have been sent out to individuals in these areas asking for their co-operation. Those who have information in these areas will certainly have every opportunity to present it.

Third, through the cooperation of some of the national organizations representing builders, architects, engineers, and general contractors, an additional survey of several thousand individuals is being undertaken. Through this survey we hope to get information about the practices in other areas of the country.

In addition to this, our staff has held taped interviews with members of the building industry from every part of the country about the provisions of local building codes and regulations, administrative interpretations, and alleged restrictive practices in their areas. These have been in-depth interviews and we have spent about five full days with 25 to 30 builders and contractors to get their knowledge of specific practices.

These are some of the things we are doing. In addition, we have either let contracts or have work underway for over a dozen additional special studies in the building code area—their structure, administration, and methods of establishing standards, promoting uniformity, and assuring flexibility. And we have a study devoted in part to the question of the process by which innovations can gain approval under building code regulations.

We are looking at the broader perspective too—at the level of innovation in the industry, the roadblocks to change, the lessons to be learned from nonresidential building, and the experience of other countries.

Finally, we have established relationships with a large number of organizations which represent various parts of the industry. We hope to expand this so that when we make our recommendations they may have some general acceptance. But our first job has been to collect the facts.

#### REGIONAL TESTING LABORATORIES

Now there is another major problem. That is the question of how new products can prove themselves, and how new materials can be adopted with some speed and with a minimum of delay when they meet acceptable health and safety criteria.

A number of thoughtful people have proposed that we should establish a series of regional testing laboratories supported through the co-operative effort of private industry and public bodies, where new materials could be tested by objective methods to meet certain performance standards. When such standards were clearly met—and the standard would have to satisfy the basic standards of health, safety, and welfare—the products would then receive some seal of approval which would guarantee both that they had met the standards and would insure their universal acceptance in local building codes.

I think this is a constructive proposal. And it could help provide the much needed assistance for private enterprise to expand its role in re-building our cities and in providing a decent home for all Americans. This is one of the many alternative solutions our Commission is exploring.

There are other things I could talk about too. One of them is the lack of uniformity in the regulations which are applied when various agencies of the Federal Government build. But that is a long topic and I will merely mention it in passing.

#### PRESSURES FOR A NATIONAL CODE

In summary, this much does seem certain. There is a tremendous lack of uniformity in the application and interpretation of building codes. This prevents specialization and the use of mass production techniques as well as the adoption and use of new products even when they meet objective standards as to quality and performance.

I want to warn that unless we find means of solving these problems and unless action is taken in these areas, it is my judgment that there will be great pressures for a national building code to accomplish these proper objectives.

#### IOWA COMMUNITY SERVICES CONFERENCE

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SCHWENGEL] 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 Ohio?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, on November 28, 1967, an Iowa Community

Services Conference was held in Iowa City.

The keynote address was given by Park Rinard, executive director of the League of Iowa Municipalities and chairman of the State Advisory Council on Iowa Community Services.

His address, which follows, tells of Iowa's first experience under title I of the Higher Education Act of 1965:

KEYNOTE ADDRESS BY PARK RINARD, EXECUTIVE DIRECTOR, LEAGUE OF IOWA MUNICIPALITIES AND CHAIRMAN, STATE ADVISORY COUNCIL ON IOWA COMMUNITY SERVICES, AT THE IOWA COMMUNITY SERVICES CONFERENCE, FORT DES MOINES, NOVEMBER 28, 1967

The best answer to a direct question is a simple statement of fact.

When Jimmy Dykes was about to be fired as manager of the Chicago White Sox, the reporters, sniffing a news break, came rushing up to him and asked:

"What goes, Jimmy?"

"Dykes goes," was the laconic answer.

I would like to venture another similarly blunt, factual answer to a question that gets to the heart of the purpose of our meeting here today.

The question is: "To what extent have we as a nation succeeded in putting the resources of our universities to the use of our communities in practical, non-academic ways?"

The answer is that, stacking up what has been done alongside of what could and should have been done, we have not really succeeded at all.

We have failed in the big view, although there have been pockets and enclaves of success here and there.

A brilliant, former university professor who is now the distinguished mayor of one of the nation's great cities, put it on the line this way in a meeting last year:

"If the universities have contributed anything really substantive of practical use to local governments and local communities, I don't know what it is."

Obviously this is an over-simplification designed to shake up our thinking. Our extension services and continuing education programs have made a significant contribution to our national life.

But in the matter of the direct application of the university's resources to energizing community action along constructive lines and to improving local government operation, we have not been on target, through the years.

The central problem, as Governor Hughes defined it in his keynote address at this Conference, last January, is "to find ways in which our great institutions of higher learning can more directly serve the communities and local governments without sacrificing their academic integrity and intellectual freedom."

"Obviously," he continued, "we need to strike a happy medium between academic theory and down-to-earth utility—between the Dresden China and the pots and pans. We want to bring the standards of excellence which we prize in our universities to bear upon the practical problems of local communities . . . to get to citizens at the grass roots level, most of whom have never seen the inside of a university classroom."

Our failure through the years to accomplish this objective is not so much an indictment of our universities as of our whole society—of our failure to use our fabulous resources to make our democratic, predominantly urban society work in its intended image.

It is a two-way street and the failure has come from both directions.

The academic community has tended to be theoretical and ivory towerish in their approach to the gut problems of the market place, the town hall and the slum.

On the other hand, the rank and file of people who have not had the advantage of college training have not exactly fallen over themselves to snatch such pearls as the university people have offered.

There are still those who believe that the universities should remain aloof in order to preserve their academic freedom and integrity.

But these theorists have failed to come to grips with the fact that it is tragically later than we think.

In the glow of the firebombs, with the evidence of the tragic consequences of grinding poverty amid a land of plenty, it should be clear to all thinking people that our free society is in imminent danger of falling apart at the seams at the community level, and we desperately need our best intellectual material and resources to help us rediscover our sense of purpose as a civilized people and to activate us to the great task of restructuring our society in its intended image, so that it will survive and deserve to survive.

Never in our history was there greater need for the direct application of the intellectual and technological resources of our institutions of higher learning to the community problems and concerns of an uneasy people.

So much for the past and its failures. There has been an awakening on the part of many people of enlightenment and good will to the need and a new determination to do something about it.

This is why we are here today.

The Title I program of the Higher Education Act of 1965 offers us a unique opportunity to do something about bringing our universities and communities closer together in the common cause of creating a better society.

Whatever anyone thinks of federal programs in general, the Title I program is a sensible, workable program in the best tradition of our federal system. It provides necessary funding but leaves the states the flexibility to implement the programs effectively on the grass roots level.

The private colleges and universities are ready to help—indeed are already in action.

Our state program is off to a flying start—in the space of two short years. In fact, what has been done here thus far is a model among the states. We have the foundation laid, the tooling up done.

Now we need action from the communities. Hence, our meeting today. We need to know first hand what the communities need and are willing to run with.

Who is it we are trying to reach?

The community leaders, yes. But also the rank and file citizens.

The grocery clerk who serves as secretary of the local mental health association; the key punch operator who has an unfulfilled interest in the theater; the town clerk who is a plumber by trade but conscientiously slaves over the town books at night for a pittance and the inner reward of knowing that he is performing a useful service for his community; the housewife who is interested in community service beyond the ironing board and the PTA; the retired person who no longer works but is eager to put his talents and experience to use in community activities; the city councilman or county supervisor who blinks his eyes at the sophisticated problems of mushrooming metropolitan areas; the police officer, the street maintenance worker, the local school board member who are all eager to learn to do a better job; the minority group member who needs to develop a sense of identity with his community; the trade union member and the small businessman who are interested in how they can constructively contribute to community life. And so on.

And what do we want to reach these people with?

With motivation, with new ideas, with practical training, with counseling and basic

information to enable them to have full lives as participating members of their communities.

Since the Title I program was funded in the spring of 1965, nearly \$300,000 has been made available by the federal government for community service programs in Iowa. The participating institutions of higher education in our state have matched the federal funds with approximately \$100,000 in funding from non-federal sources.

And what kind of programs do we have going?

Example—an orientation program for newly elected mayors and city councils.

A clinic for administrators of facilities for the elderly.

A program to inform local officials about school building programs and how to present these matters to the public.

A program for parents of mentally retarded children.

A program to teach union members the principles and responsibilities of organization and community leadership.

A new, touring approach to bring community theater and amateur art shows to communities that lack these amenities.

An overview program to give local volunteer and professional welfare people some in-depth perception of the whole field of welfare needs.

Elementary leadership and management training for people who serve as elected or appointed officers in voluntary community organizations.

And this is only a quick glance at some of the new programs that are now in operation in this state under Title I.

Now let me back up and try to fill you in on the factual history of Title I and of what specifically has been done thus far in our state under the aegis of Iowa Community Services.

As is virtually inevitable with any large intergovernmental undertaking, there are a number of agencies and a number of requirements involved, and the picture is a bit confusing at first view.

I will try to lay out the vital statistics.

Basically, Title I is a federally funded program, administered by the state, to help local communities and local governments solve their problems by down-to-earth community programs devised and carried out by the colleges and universities, both public and private.

The stated purpose of Title I is to assist "in the solution of community problems such as housing, poverty, government, recreation, employment, youth opportunities, transportation, health, and land use."

This law, passed by the 89th Congress in 1965, authorized the appropriation of federal funds to the 50 states for the solution of community problems in all areas, with particular emphasis on urban and suburban problems.

With reference to funding, each state is allocated an initial amount of \$100,000 plus an additional allotment based on a ratio of the state's population.

Iowa's allocation for the 1968 year is \$168,000, which will be used by the Federal government to pay 50 per cent of the cost of developing and carrying out a state program during fiscal 1968. The other 50 per cent will be supplied on a matching basis by the participating institutions of higher education. Institutions must furnish their matching share from non-federal sources.

The funding of the act was on a 75-25 per cent basis during the first two years of the program, but will be on a 50-50 basis this year.

It should be emphasized that the purpose of Title I programs in plain words is to get new things going in new ways—not to pick up the tab for programs that are already operating with financing from other sources.

The history of what has been done by

Iowa Community Services—the name given to various Title I programs in this state—is something in which the people of Iowa can take pride.

When the act was passed by the Congress, Governor Hughes designated the Board of Regents as the state agency to administer it. The Regents assigned responsibility to the State Extension Council which consists of representatives of the Extension Divisions of the University of Iowa, Iowa State University and State College of Iowa.

The University of Iowa was named by the Regents to handle the administrative and fiscal responsibilities of the Title I programs, with Robert F. Ray, Dean of Extension and University Services, University of Iowa, as administrator. The State Agency also appointed an Advisory Council for Iowa Community Services consisting of representatives of the state universities, of private colleges, junior colleges, labor, industry, women's groups, agriculture, health, local government and the general public.

I would like, at this time, to present to you the members of this State Advisory Council.

As chairman of this Advisory Council, one of the finest groups I have had the pleasure of working with, I would like to pay tribute on their behalf to the Board of Regents for the efficiency and speed with which they moved to implement a state plan in Iowa.

The Iowa plan has been cited as a model among the states by the Department of Health, Education, and Welfare.

It reflects a high order of teamwork by the academic community, in our public and private institutions of higher learning.

In the 1965-66 year, Iowa's was the second plan among the states and territories to be funded.

Eighteen community service and continuing education programs were approved to be administered by three institutions—Drake University, Iowa State University and the University of Iowa.

The total budget of federal and state matching funds for these 18 programs was \$215,618.

In 1966-67, Iowa was the first state to be funded. The University of Northern Iowa joined the participating institutions and 27 programs were implemented by four educational institutions with total expenditures of \$191,995.

In 1967-68, 35 programs by five institutions were authorized, with Cornell College being added to the list of participating institutions. Total expenditures for 1967-68 were \$296,365—and as evidence of the growing interest in the undertaking, it should be pointed out that an additional \$256,000 in quality programs was submitted, but had to be by-passed temporarily for lack of sufficient funds.

I cite these figures with some pardonable pride for our state, but also with full realization that the measure of success depends more explicitly on what the programs accomplish—their quality—rather than their quantity.

I don't want to be in the position of the fellow who took a speed reading course and, when asked how it went, said: "Great. I read Tolstol's War and Peace in 20 minutes. It's about Russia."

From the beginning, the intent of the State Advisory Council has been to insist that the Title I programs keep their feet on the ground of practical reality and to give communities something they can understand and use, not treatises from intellectual outer space.

I might add that Dean Ray, Dean Anderson and the other university people have recognized the danger of shooting over the heads of the people on the community level and have been in accord with the feet-on-the-ground objective.

In planning this Conference today, the

Advisory Council stressed the idea of bringing together knowledgeable people, state and community leaders from many walks of life, to tell us what the community needs are that might be served by the Title I programs.

We felt that this was better than to bring together academicians and outside experts to tell you what they believe your needs to be.

In the Iowa plan, the community problems have been combined into six general program areas: government and community affairs, community health services, community education services, community economic development services, community cultural and recreation services, and community social services.

Any accredited college or university in Iowa is eligible to apply for federal matching funds to carry out community service or continuing education programs in any of these six program areas.

In the first two years of operation more programs in the government and community affairs category have been funded than in any of the other categories.

Let me summarize what has been done in the area of government and community affairs thus far to give you the feel of Iowa Community Services in action.

Thirty-two different programs in government and community affairs have been offered by the University of Iowa, Iowa State University, University of Northern Iowa and Drake University in the first two years of operation.

These programs have included community action and improvement workshops; correspondence study courses in management practice and public works administration; police short courses; municipal-school relations workshops; municipal management short courses; orientation sessions for new local government officials; data processing workshops; and communications workshops.

We would hope that the discussions in the six subject areas will be frank and forthright about your version of what is needed.

We hope that the emphasis will be on needs, as you see them, whether or not it appears to you that the Title I program can be addressed to these needs.

It is up to our college and university people, to use their expertise and imagination to determine whether or not the Title I plan, within its limitations, can be made to work in these areas.

We hope that you will be as specific as possible in identifying these needs and that you will attempt to assign them some sort of priority.

From the results of your discussions today, the problems you identify will be summarized and circulated to the institutions of higher learning of the state who will be invited to submit proposals that will aid in meeting these problems.

And this, in effect, will be the basis of the Iowa Community Services State Plan for 1968-69.

You are all busy people, state and community leaders in many fields, without many uncommitted moments at your disposal.

We deeply appreciate your taking time to come here today and both hope and believe that you will find it time well spent.

I hope I have not conveyed the idea that I believe the Title I programs have ushered in the millennium for direct problem-solving in our communities.

Obviously this would be overstating the case.

The programs do offer a fresh approach, a stimulus to community action, an effective "catalyst", as Dean Ray has put it.

What it adds up to is this. Through a workable intergovernmental format, the resources of our universities are now available for direct use in strengthening our communities—at a time when the American community's need for new strength is critical.

If we at the community level can identify

our own needs and make effective use of these resources, we will take a significant step forward. If we fail; then Title I will simply take its place among the paper tigers of a troubled era.

#### WORKWEEK FOR THE CONGRESS

Mr. STANTON. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SCHWENGEL] 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 Ohio?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, for the past several weeks, since Congress adjourned, editorial writers and columnists have been forecasting a poor record for the second session of the 90th Congress. The 90th has been labeled "cantankerous," and as being inclined to talk as a substitute for facing hard realities. Most writers seem to feel that prospects are dim for much constructive action in the second session.

Certainly underlying these predictions is the growing recognition of Congress' inability to deal effectively with its enormous workload. How can it, when it only works 3 days a week, on the average?

I would like to call the attention of my colleagues to a column in the January 6 Washington Post concerning the activities of the "Tuesday-to-Thursday Club" in the first session of the 90th Congress, and to an editorial on this subject in the Post's issue of January 11.

Mr. Speaker, the reorganization bill passed by the Senate last March is only a pale shadow of the kind of reform bill I would like to have. But it is better than the status quo. The improvements contained in S. 355 stem from the recommendations made by the bipartisan Joint Committee on the Organization of the Congress, and the work of this group was careful and thoughtful.

We need to get the Senate-passed bill to the House floor, under an open rule of debate, for action by the full House. We also need to follow those recommendations of the joint committee which did not find their way into the bill, and a very important one of these is contained on page 55 of the final report under the heading "Scheduling":

Both Houses should schedule committee and floor sessions on a 5-day workweek, so that the business of a session may normally be completed by July 31.

The suggestion that Congress work 5 days a week seems to have turned up on everybody's list of recommendations for improvement. Sincere students of the legislative process disagree on other aspects of congressional reform, but on this point—of working 5 full days per week—there appears to be a general consensus of favorable opinion.

I urge the leadership to schedule the business of the House in this second session of the 90th Congress on a 5-day basis, and as I have so often done in the past, I renew my request for the scheduling, in particular, of the Senate-passed reorganization bill for action by the House.

The material referred to follows:

[From the Washington (D.C.) Post, Jan. 6, 1968]

#### TUESDAY-TO-THURSDAY CLUB TAG IS TRUE ONE, HILL CHECK SHOWS

Congress may never make it official, but its record in 1967 suggests what has long been suspected—that Congress prefers a year-round three-day-a-week working schedule to a shorter session of five working days a week.

Friday was rarely a working day, and Monday was only a little bit busier. The House didn't meet to discuss legislation on a Friday until June, and in all it held debate on only seven of the 49 Fridays during the session. The Senate doubled the House record conducting legislative business on 15 Fridays.

Three-day weekends were the norm, but the House also gave itself 19 four-day weekends during the session and the Senate took 15. It is from figures like these that the mythical "Tuesday to Thursday Club" in Congress derives its name.

The session set a record for the number of roll-call votes taken during the year, but three fourths of the votes were taken during the middle three days of the week.

The average member of the Congress voted 85 per cent of the roll-call votes taken during the year. But when it came to voting on Mondays and Fridays, participation dropped to 77 per cent.

Democrats were more apt to be among the absentees on Mondays and Fridays than were Republicans. The average Democratic score was 75 per cent, the average Republican score 79 per cent. Eastern Representatives, both Democrats and Republicans, had the lowest voting scores of the regional groups—a reflection of the easier commuting distance from Washington, D.C., to their home districts.

[From the Washington (D.C.) Post, Jan. 11, 1968]

#### THREE-DAY-WEEK CONGRESS

Senate Majority Leader Mansfield's efforts to systematize and accelerate the forthcoming session of Congress merit more than applause. They merit also active support. Every member of that body should be able to see that, unless Congress does much better than it did last year, its work will not be finished in time for the national party conventions in August. In that event it would either expose itself to charges of being a do-nothing Congress, or its members would have to spend the fall working in Washington while their opponents will be campaigning vigorously at home.

If any improvement is to be made, however, we surmise that action will have to be more vigorous than anything that can now be glimpsed on the horizon. The Majority Leader likes to talk about a priority schedule of legislation, but mere appeals to the little oligarchs who rule the committees to speed their hearings and reports is like shouting at the wind. This newspaper has often pointed to the need for a legislative agenda which would require the committees to report the more important bills by a specified date for each, or risk having those measures taken directly to the floor for action. Without some means of keeping the Senate and House occupied with the more vital legislation, the hope for an early adjournment will be rather remote.

Some members of both bodies are emphasizing the need for a congressional five-day week. The prevalent practice of recent years of scheduling important sessions only on Tuesdays through Thursdays is an indefensible slowdown that would not be tolerated on the part of a labor union. Leaders of both houses could readily meet the problem with a little courage and determination. All they need to do is to schedule full business sessions from Monday through Friday and make a point of publicizing the names of the absentees. If this should fail to keep a quorum in Washington, the delinquents could be ar-

rested and brought to their respective chambers.

It is significant, however, that the pressure for a five-day week in the House is coming from two rank-and-file members—Rep. Thomas M. Rees and Rep. John W. Wydler. The sleepy leadership of the House continues to follow its meandering path, with little hope for any early transformation.

#### THE 50TH ANNIVERSARY OF UKRAINE'S INDEPENDENCE

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. Flood] is recognized for 60 minutes.

Mr. FLOOD. Mr. Speaker, today we commemorate the 50th anniversary of Ukrainian independence. In sharp contrast to the Russian Bolshevik revolution, the Ukrainian Revolution of 1917-18 for national independence and freedom was of the very essence of our own American Revolution.

We and the captive Ukrainian people are in the same tradition of national self-determination and independence, anti-imperialism and colonialism, and freedom for nation, institutions, and persons. This is the great, historic significance of this first patriotic, genuine "50th," soon to be followed by the "50ths" of other captive non-Russian nations in the Soviet Union.

Since 1923, Ukraine proper has been a member of the Soviet Union as one of its "equal and sovereign constituent republics." In theory, Ukraine is an independent state. It became a charter member of the United Nations in San Francisco in April 1945, and to this day remains a member of the U.N. and maintains its permanent mission to this international body.

Internally, however, Ukraine is a colony of Communist Russia. The so-called Ukrainian Government in Kiev is a puppet government imposed upon the Ukrainian people by the ruling Communist Party of the U.S.S.R. The Communist Party of Ukraine is also a subservient adjunct to the Russian Communist Party, and takes its orders from the latter without protest or dissension. Although Ukraine is a "sovereign republic" it has no separate army, foreign policy, its own financial nor economic policy. Ukraine is a colonial dependency of Communist Russia.

There is no exaggeration in stating that of all the captive nations languishing in Soviet Communist slavery, Ukraine has suffered the longest.

The record of Russia's inhuman treatment and persecution in Ukraine is matchless in all the history of mankind. Since 1920 Ukraine has endured persecution, mass murders amounting to full-scale genocide, religious and national persecution, and economic exploitation.

In the 1930's Moscow liquidated the Ukrainian Autocephalous Orthodox Church by murdering over 30 archbishops and bishops, and several thousand priests and monks. Untold numbers of Ukrainian intellectuals were liquidated, while at least 6,000,000 Ukrainian farmers perished in the manmade famine in 1932-33 for their opposition to collectivization.

During the German-Soviet war, both Stalin and Khrushchev ordered executions of Ukrainian patriots, political prisoners and other Ukrainians fearing their disloyalty to the Soviet regime. How the Ukrainians regarded their Russian oppressors is demonstrated by the fact that over 2 million Ukrainian soldiers from the Soviet armies deserted to the German lines in 1941; and several thousands of them joined the Ukrainian insurgent army—UPA—a powerful Ukrainian underground resistance movement which fought against both the Nazis and the Bolsheviks in Ukraine; the UPA continued its anti-Soviet resistance well into the early 1950's, during which time some 35,000 KGB and other Soviet security troops and agents were killed by the UPA.

In 1946, the Kremlin wantonly destroyed the Ukrainian Catholic Church in western Ukraine: of 11 Ukrainian Catholic bishops, only Metropolitan Joseph Slipy survived and he was released in 1963 upon direct intervention by Pope John and was made a cardinal and now resides in Rome; hundreds of Ukrainian Catholic priests were killed or exiled, while some 6,000,000 Ukrainian Catholics were forcibly subordinated to Russian Orthodoxy.

Khrushchev himself stated at the 20th Congress of the Communist Party in February 1956 that:

Stalin had wanted to deport all Ukrainians, but there were too many of them and there was no place to which they could be deported.

The fate of the Ukrainian people evoked worldwide indignation, and many governments expressed their concern over the inhuman treatment of the Ukrainians by Communist Russia.

As of today, Soviet oppressors of Ukraine are doing everything possible to give the impression to the world that Ukraine is not a captive nation, and that it, in fact, is a "sovereign and independent" state, which may secede from the U.S.S.R. of its own volition. That would be wonderful if only it were true.

Mr. Speaker, for the continued edification of our citizens on this vital issue, I request that the following instructive material be appended at this point to my remarks:

First. The New York Times advertisement "Ukrainian National Revolution Versus Russian Bolshevik Revolution";

Second. A "Declaration on the 50th Anniversary of the Spurious Russian Revolution" by the Ukrainian Congress Committee of America;

Third. "Five Principles and Guidelines of Policy for the World Ukrainian Congress" by Dr. Lev E. Dobriansky of Georgetown University; and

Fourth. A copy of the text of House Resolution 14, first session, 90th Congress, to establish a Special Committee in the House of Representatives on the Captive Nations.

The aforementioned material follows:

[From the New York Times, Nov. 16, 1967]  
UKRAINIAN NATIONAL REVOLUTION VERSUS  
RUSSIAN BOLSHEVIK REVOLUTION

The fall of imperialist Russian Czarism in 1917 unleashed a series of national revolutions, which engulfed the enslaved non-Russian nations and brought them long-awaited

freedom and national independence—Ukraine, Poland, Finland, Byelorussia, Lithuania, Latvia, Estonia, Armenia, Georgia, Cossackia, Azerbaijan and Turkestan.

In contrast to the Russian Bolshevik Revolution, the Ukrainian National Revolution was very much like the American Revolution of 1776, since it sought to bring freedom and independence to the Ukrainian people, just as the 13 American Colonies sought freedom, refusing to remain under foreign colonial subjugation.

From March 17, 1917 when the Ukrainian Central Rada was established in Kiev, to January 22, 1918, when full-fledged independence of Ukraine was proclaimed, Ukraine underwent a series of important political developments which culminated in the establishment of independence. The Rada issued four Universals, the last of which proclaimed full independence of Ukraine on January 22, 1918, organized the Ukrainian national army, established Ukrainian schools, introduced Ukrainian judicial and administrative systems, provided for vast autonomy for the national minority and convened the Ukrainian Constituent Assembly on January 9, 1918, which gave 69.5 percent of all votes of the new republic to the Ukrainian Central Rada.

After the Bolshevik coup, Lenin and Trotsky tried to subvert the Ukrainian government and to take over Ukraine as they did Russia. Thwarted in their first attempt, the Bolsheviks officially recognized the Ukrainian Republic in a note of December 17, 1917, but at the same time launched an unprovoked aggression against Ukraine.

On February 9, 1918, Ukraine concluded the Peace Treaty with the Central Powers in Brest Litovsk, by which act it received full-fledged recognition from Germany, Austria-Hungary, Turkey and Bulgaria. France and Great Britain also granted de facto recognition to Ukraine. On March 3, 1918, the Russian government, signing its own treaty with the Central Powers, confirmed its previous recognition of the independence of Ukraine. For almost four years—1917 to 1920—Ukraine was first an autonomous and then an independent state under various governments: the Ukrainian National Republic with the Ukrainian Central Rada as its parliament, the Ukrainian State under Hetman, and the Ukrainian National Republic under a Directorate. It was conquered by Communist Russia in 1920, and made a Soviet Republic; it was forced into the USSR in 1923.

Therefore, it was the Ukrainian National Revolution which brought freedom to Ukraine. The Russian Bolshevik Revolution not only destroyed the freedom of Ukraine, but brought slavery, social and economic strangulation, cultural regimentation, religious persecution and outright genocide!

FIFTY YEARS OF OPPRESSION, FRAUD, AND GENOCIDE—50TH ANNIVERSARY OF RUSSIAN BOLSHEVIK REVOLUTION

This month the Soviet Union is observing the 50th anniversary of the Russian Bolshevik Revolution.

The world is flooded with propaganda claims that it brought freedom, social equality, economic well-being and the enjoyment of human rights to all the peoples under its control. The Russian Bolshevik leaders had also promised national self-determination and emancipation to all the non-Russian nations of the former Czarist empire.

The late U.S. Ambassador to the U.N. Adlai E. Stevenson, in a Memorandum on Soviet Russian colonialism sent to U.N. members on November 25, 1961, characterized the Russian brand of self-determination as follows:

"We are told that the people of the Soviet Union enjoy the right of self-determination. Indeed, the Soviet regime at its inception, issued a 'Declaration of Rights', which proclaimed 'the right of the nations of Russia to

free self-determination, including the right to secede and form independent states.' "How did this 'right' work in practice? An independent Ukrainian Republic was recognized by the Bolsheviks in 1917, but in 1917 they established a rival Republic in Kharkov. In July, 1923, with the help of the Red Army, a Ukrainian Soviet Socialist Republic was established and incorporated into the USSR . . ."

#### BLACK DEEDS OF SOVIET RUSSIAN OPPRESSION IN UKRAINE

Although the Ukrainian SSR is allegedly a "sovereign and independent" state and a charter member of the United Nations since 1945, its captive status is clear and evident:

##### *Political subjugation*

The so-called government of the Ukrainian SSR in Kiev is a puppet government of an alien power imposed upon the Ukrainian people by Moscow against their will; the so-called Communist Party of Ukraine is a branch of the Communist Party of the Soviet Union.

##### *Economic exploitation*

Ukraine is exploited economically by the Kremlin in its effort to implement its foreign policy and imperialistic aggrandizement; all the industrial and agricultural output is taken from Ukraine indiscriminately; Ukraine receives little in return, Soviet Russian colonialism is rampant in Ukraine.

##### *Religious persecution*

Moscow is guilty of brazen religious persecution and intolerance:

In the 1930's the Kremlin destroyed the independent Ukrainian Autocephalous Orthodox Church by murdering 30 archbishops and bishops, and over 20,000 priests and monks. It imposed the Communist-controlled Russian Orthodox Church on the Ukrainian people.

In 1945-46 the Russian imperio-colonialists wantonly destroyed the Ukrainian Catholic Church in Western Ukraine and Carpatho-Ukraine, arrested 11 bishops and hundreds of priests, and forcibly subordinated over 5 million Ukrainian Catholics to Russian Orthodoxy.

The Moscow government persecutes openly other Christians in Ukraine: the Baptists, the Seventh Day Adventists and the Evangelicals, imposing heavy taxation upon their houses of prayer and arresting pastors and preachers.

Over 1 million Ukrainian Jews are harassed in the practice of their Judaic faith by the Soviet Russian masters, who close synagogues and arrest Jewish religious leaders.

All the adherents of the Islamic faith in Ukraine are being terrorized by the secret police, while their traditional religion is being publicly ridiculed and derided.

##### *Cultural russification*

The Ukrainian language, although the official language in the Ukrainian SSR, is being relegated to secondary place.

Ukrainian schools, especially the 8 Ukrainian universities, are being Russified, and a network of Russian schools has been established in Ukraine, while 8-9 million Ukrainians in other parts of the USSR are denied their own schools and newspapers. In 1965-66 some 70 Ukrainian writers, poets, literary critics, etc., were arrested, tried and convicted for their dedication to Ukrainian history, literature and language.

##### *Genocide*

The most inhuman features of Russian Communist rule in Ukraine is the genocide practiced on the Ukrainian people:

Periodic famines and man-made famines (1922, 1932-33, 1946-47) claimed some 14 million Ukrainian lives.

Other millions have been deported to Asia for their opposition to Communism (Khrushchev stated at the XXth party Congress in 1956 that Stalin wanted to "deport all Ukrainians").

Hundreds of thousands of Ukrainians had been executed by the Cheka, GPU, NKVD, MVD and KGB.

#### STRUGGLE FOR FREEDOM AND INDEPENDENCE GOES ON

Since the 1920 occupation of Ukraine by Communist Russia, the Ukrainian people waged and are waging now an incessant struggle for their liberation and independence, as demonstrated by the proclamation of independence of Carpatho-Ukraine in 1939; the proclamation of Ukrainian Independence on June 30, 1941 in Lviv; and the activities of a series of Ukrainian underground organizations: the Union for the Liberation of Ukraine (SVU), the Association of Ukrainian Youth (SUM), the Ukrainian Military Organization (UVO), the Organization of Ukrainian Nationalists (OUN), the Ukrainian Insurgent Army (UPA). The latter, under the command of General Roman Shukhevych (Taras Chuprynka) and the political leadership of the Supreme Ukrainian Liberation Council (UHVR), waged a full-scale war against both the Nazis and Russian Communists in Ukraine during and after World War II.

The Kremlin's fear of the present day Ukrainian liberation movement is demonstrated by the wanton murders of Ukrainian leaders by the Soviet secret police operating in the free countries—two of them, Dr. Lev R. Rebet and Stepan Banders, in 1967 and 1959 respectively, in Munich, Germany.

#### WORLD CONGRESS OF FREE UKRAINIANS

It is for this reason that through the long and coordinated efforts of Ukrainians throughout the free world the First World Congress of Free Ukrainians is being held at the New York Hilton Hotel, NYC on Nov. 16-19. And a Freedom Rally at Madison Sq. Garden on Saturday, Nov. 18, 1967, and the Congress Banquet on Sunday, Nov. 19, 1967, with the Rt. Honorable John G. Diefenbaker, Former Prime Minister of Canada as the Principal Speaker.

The world Congress of Free Ukrainians will be the first such historic gathering of Ukrainians outside Ukraine. Representatives and delegates from Ukrainian organizations in 22 countries outside Ukraine are convening in this great metropolis of the world.

They will deliberate on the common problems of their cultural and national heritage and, above all, as loyal citizens on their political, economic and cultural contributions to the countries of their choice, and at the same time they will voice their full support for the aspirations of the Ukrainian people to freedom and independence.

Meeting on the 50th anniversary of the Ukrainian National Revolution, the World Congress of Free Ukrainians is expected to reject the false claims of the Kremlin that the Russian Bolshevik Revolution had brought freedom to Ukraine; for what it engendered is slavery, oppression, and the denial of national self-determination.

Ukrainians and their descendants, whose representatives are attending the World Congress of Free Ukrainians are as follows:

United States—2,000,000; Canada—500,000; Argentina—150,000; Brazil—120,000; Australia—37,000; France—35,000; United Kingdom—30,000; Germany—25,000; Paraguay—10,000; Uruguay—8,500; Austria—3,000; Belgium—2,000.

There are several thousands of Ukrainians in the Netherlands, Luxembourg, Sweden, Finland, Spain and Italy, and in Yugoslavia there are 40,000 Ukrainians.

There will be no representatives from the 45-million Ukrainians in Ukraine who are languishing in Communist slavery. They are stifled into silence by their oppressors.

Therefore, their brethren in the free world have a moral duty to speak on their behalf.

We ask our fellow American citizens not to accept the pronouncements from Moscow on the 50th anniversary of the fraudulent Bol-

shevik Revolution, to the effect that it brought freedom to the people now living in the prison house of nations—the USSR!

We are grateful to the U.S. Congress for enacting the "Captive Nations Week Resolution" on July 17, 1959 (now Public Law 86-90), which fully recognizes the essence of Bolshevism, and calls for American support to 27 captive nations now enslaved by Moscow!

We appeal to the American people and to the peoples of other countries of the Free World to give their moral support to the Ukrainian and other captive nations in their unequal struggle for freedom!

Dr. Lev E. Dobriansky, President of the Ukrainian Congress Committee of America, 302 West 13th St., New York, N.Y. 10014.

Organizing Committee of the World Congress of Free Ukrainians: Pan-American Ukrainian Conference—Ukrainian Congress Committee of America; United States of America; Ukrainian Canadian Committee; Canada; Representacion de la Colectividad Ucraina en Argentina; Argentina; Comitè Ucraino-Brasileiro; Brazil; Asociacion de Ucrainianos en Venezuela; Venezuela.

#### FIFTY YEARS OF FRAUD AND OPPRESSION

(Declaration of Ukrainian Congress Committee of America on the 50th anniversary of the fraudulent Russian Revolution)

On November 7, 1967 the Soviet Union will observe the 50th anniversary of the violent Bolshevik takeover of Czarist Russia. Vast preparations are being made throughout the USSR. The Soviet propaganda machine will devote all its might to propagate the message throughout the world that the Bolshevik upheaval brought freedom, social equality and economic well-being to all the peoples who once were under the domination of Russian Czars.

The world is to be saturated with official statements and statistics that the Soviet regime has a record of "spectacular" successes and achievements. The USSR, we already hear, has been wholly industrialized, has built a powerful military machine and is now outdistancing the United States in space exploration. We are told that the Soviet regime has abolished illiteracy, raised living standards, provided social services, clinics, hospitals, and medical care for the aged, and other benefits for its citizenry, too numerous to mention.

The Bolshevik leaders promised that after the liquidation of the Czarist regime, they would establish a new government of "workers and peasants," creating a new social and political order. Political, social, and national oppression would be eliminated and the new order would be based on the rule of the majority, led by those elected by the governed. A free social and economic system was promised, unbedeviled by monopolies. Above all, freedom was guaranteed to all the classes of Russia, and national freedom and self-determination to the non-Russian nations.

Lenin promised a "full restitution of freedom to Finland, Ukraine, Byelorussia, the Moslems . . . including even the freedom to secede."

These claims, all in support of the contention that the USSR has become a technological giant and a progressive "enlightened society," are grossly exaggerated. Other major nations of the world have made as great or greater advancements in every phase of life, without resorting to huge sacrifices in political, religious, cultural and economic freedoms. The absence of these freedoms gives the lie to the claims of the Soviet propagandists.

#### UKRAINIAN NATIONAL REVOLUTION AGAINST BOLSHEVIK REVOLUTION

Soviet Russian leaders, more than ever on the occasion of the 50th anniversary of their

fraudulent revolution, echo the claim that owing to Communism the millennium has come to the Russian and non-Russian peoples. We are asked to believe it has established a paradise on earth.

In trumpeting these alleged gains of their revolution, the Kremlin chieftains also contend that they have "solved the nationality problem," bestowing "genuine independence and sovereignty" upon the non-Russian nations of the former Russian Czarist empire.

Ukrainians categorically reject the Russian Communist "thesis" regarding their "liberation" and self-determination. It was not the Russian Bolshevik revolution, but the Ukrainian National Revolution that brought freedom and independence to the Ukrainian people fifty years ago. The Ukrainian National Revolution, in contrast to the Bolshevik takeover, was similar to the American Revolution of 1776; its overall objective was the freedom and independence of the Ukrainian people, just as the American Revolution sought freedom and independence for the 13 American colonies.

On March 17, 1917, the Ukrainian Central Rada was established. Through a series of historic acts this representative body established first an autonomous state, and then a full-fledged independent and sovereign state of the Ukrainian people. The events followed this chronological order:

Two Universals were issued on June 23 and July 16, 1917, introducing an autonomous government in Ukraine. The organization of the Ukrainian national army, Ukrainian schools, and the Ukrainian administrative and judicial systems swiftly followed. A broad autonomy was provided for the national minorities.

On November 20, 1917, the Third Universal was issued proclaiming the Ukrainian National Republic.

The new state was promptly recognized by a number of foreign governments, including the government of Communist Russia. A note, signed by Lenin and Trotsky on December 17, 1917, stated:

"The Soviet of People's Commissars of the Russian Republic, recognizes, without any limitations or conditions, and in all respects, the national rights and independence of the Ukrainian Republic. . . ."

Yet at the very moment it was granting diplomatic recognition to Ukraine, Communist Russia invaded Ukraine. However, within six months the people of Ukraine and their newly organized military forces ousted Bolshevik aggressors from Ukraine.

January 22, 1918 was the date of the Fourth Universal, proclaiming the full and unqualified independence and sovereignty of Ukraine. On February 9, 1918, Ukraine concluded a peace treaty with the Central Powers in Brest-Litovsk, and thereby won full-fledged recognition from Germany, Austria-Hungary, Turkey and Bulgaria. France and Great Britain also granted de facto recognition to Ukraine.

Ukraine maintained its independence throughout 1918 and 1919, first under the monarchist government of Hetman Paul Skoropadsky (1918) and then under the Directorate of the Ukrainian National Republic, headed by Simon Petiura.

On November 1, 1918, Western Ukraine (under Austria-Hungary) proclaimed its independence and was immediately forced to wage a defensive war against newly-born Poland, because the Poles claimed this ethnic Ukrainian territory as their "own historic land."

On January 22, 1919, the Western Ukrainian National Republic, including Carpatho-Ukraine and Bukovina, and the Ukrainian National Republic were merged by the Act of Union into one, united, independent and sovereign state of the Ukrainian people. In 1920 a military alliance was concluded between Poland and Ukraine against the Russian Communists; the combined Polish-

Ukrainian forces occupied Kiev for a brief period, but by the end of 1920 the Russian Communist forces had succeeded in occupying Ukraine and imposing a Communist regime, headed by Russians or other stooges and puppets in Ukraine.

In March 1921 the Treaty of Riga between Communist Russia and Poland sealed the doom of the Ukrainian National Republic and its military forces, and the nation was again partitioned.

Since 1923, Ukraine, renamed by Moscow the "Ukrainian Soviet Socialist Republic," has been a part of the Soviet Union as one of its "equal and sovereign constituent republics." Ukraine became a charter member of the United Nations in 1945, and maintains its permanent mission to this international organization to the present day.

#### COLONIAL STATUS OF UKRAINE UNDER RUSSIAN DOMINATION

In theory, Soviet Ukraine is an independent and sovereign state, with its separate government and a constitution which guarantees the right of secession from the Soviet Union.

In practice, however, Ukraine is a colony of Communist Russia, which rules the Ukrainian people with an iron hand, without the consent of the governed.

#### POLITICAL SUBJUGATION

Ukraine is a political colony of Communist Russia because:

(1) The "Ukrainian government" of Kiev is the puppet regime of an alien power; it is imposed upon the Ukrainian people against their will by the military might of the Communist Party of the Soviet Union.

(2) The Communist Party of Ukraine is wholly subservient to Moscow.

(3) Ukraine is a member of the U.N., but it has neither diplomatic representatives abroad nor any accredited foreign missions or embassies in Kiev.

(4) Ukraine does not have its own army, currency, or foreign policy; in common with other captive nations, it is treated by Moscow as a region rather than as an equal member-state of the Soviet Union.

#### ECONOMIC EXPLOITATION

In the economic field, Ukraine is rigidly subordinated to the central planning of Moscow. All Ukrainian ministries are controlled by the central Soviet government:

(1) Taxes collected from the Ukrainian people help finance Russian foreign policy, geared primarily for imperialistic territorial aggrandizement;

(2) The bulk of the industrial and agricultural output of Ukraine is destined either for other parts of the USSR or, primarily, for foreign export and competition with the United States and the free world; Ukraine receives little in return;

(3) The economic policies of Moscow deliberately force the Ukrainian people to seek employment outside Ukraine; hundreds upon thousands of Ukrainian specialists and technicians are resettled in other parts of the Soviet Union while similar positions in Ukraine are occupied by Russian personnel;

(4) Moscow keeps the Ukrainian rural population from settling in urban centers by special discriminatory decrees, thus providing for a spiraling growth of the Russian ethnic element in Ukrainian cities.

#### RELIGIOUS PERSECUTION

Although the Soviet and the Ukrainian constitutions provide for a "free exercise" of religion, Communist Russia's persecution of all churches in Ukraine is unmatched in ruthlessness in the history of mankind:

(1) In the 1930's Moscow destroyed the Ukrainian Autocephalic Orthodox Church by systematically murdering over 30 archbishops and bishops and over 20,000 clergy and monks;

(2) In 1945-46 the Soviet government destroyed the Ukrainian Catholic Church in

Western Ukraine by arresting 11 Ukrainian Catholic bishops and over 2,000 Catholic priests, monks and nuns; moreover, it forced Ukrainian Catholics into the fold of the Communist-controlled Russian Orthodox Church;

(3) Moscow persistently harasses and persecutes other Christian adherents in Ukraine—Ukrainian Baptists, Evangelicals, Seventh Day Adventists—and imposes heavy taxation upon their houses of prayer, arresting pastors for alleged "crimes" against the state;

(4) The Soviet government in Ukraine is equally fanatic in its relentless persecution of the Judaic faith, depriving over 1 million Ukrainian Jews of their traditional religion by closing synagogues, molesting religious leaders and terrorizing worshippers. The same inhuman treatment is meted out to the Moslems and Buddhists in Ukraine, who are hounded by the secret police and the administration and effectively prevented from practicing their traditional religion.

#### CULTURAL AND LINGUISTIC RUSSIFICATION

The Soviet government, following in the footsteps of its predecessors, the Russian Czars, relentlessly pursues a policy of cultural Russification, aimed at the creation of a "Soviet man," who in essence is a Russian:

(1) Although the Ukrainian language is the official language of the Ukrainian SSR, the Soviet government curtails the use of it;

(2) Most schools in Ukraine are Russified, especially the eight Ukrainian universities, at which most of the subjects are taught in Russian;

(3) Moscow has established a network of Russian schools in Ukraine, while at the same time it denies the right of setting up Ukrainian schools to some 8-9 million Ukrainians living in the Russian SFSR;

(4) In 1965-66 the Soviet government arrested Ukrainian writers, poets, literary critics and other intellectuals for their non-conformity to party rules and for their love of Ukraine, Ukrainian history, literature and language.

#### GENOCIDE

The most inhuman and barbaric feature of Russian Communist rule in Ukraine is outright genocide:

(1) In the periodic man-made famines which ravaged Ukraine (in 1922, 1932-33 and 1946-47), at least 6,000,000 Ukrainians perished from hunger and starvation; in 1932 the famine was organized and sustained by the Kremlin as a means to force Ukrainian farmers into the collective farms;

(2) By systematic deportations, as punishment for "crimes," several million Ukrainians have been exiled by Moscow;

(3) At the 20th party Congress in February, 1956, Khrushchev openly admitted that "Stalin wanted to deport all Ukrainians, but there were too many of them and there was no place to which they could be deported. . . ."

(4) During the German-Soviet war in 1941 thousands of Ukrainian political prisoners were murdered by the NKVD, as thousands of them had been slaughtered during the "purges" of 1937-38; in Vynnytsia alone a mass grave of 10,000 executed Ukrainians was uncovered during World War II.

#### ASSASSINATION OF UKRAINIAN LEADERS ABROAD

Several outstanding leaders of the Ukrainian independence movement have been assassinated in foreign countries by Soviet agents:

(1) Simon Petiura, head of the Ukrainian government-in-exile, was assassinated on May 25, 1926, in Paris;

(2) Col. Eugene Konovalts, head of the Organization of Ukrainian Nationalists (OUN), was murdered on May 23, 1938, in Rotterdam;

(3) Dr. Lev R. Rebet, Ukrainian nationalist writer, was killed on October 12, 1957, in Munich;

(4) Stepan Bandera, head of the OUN, was

assassinated on October 15, 1959, also in Munich.

The slayings of both Rebet and Bandera were committed by KGB agent Bogdan N. Stashynsky, who subsequently defected to West Germany, confessed the crimes, and was sentenced in 1962 to eight years at hard labor.

This is a partial record of the Soviet regime in Ukraine.

Hence, the 50th anniversary of the Bolshevik fraud cannot be passed by without recalling some of the infamous deeds of the Russian Communist tyrants in Ukraine.

The free world should take careful note of these inhuman acts perpetrated upon the Ukrainian people. It must also be remembered that Ukraine was not the only victim experiencing these cruel deeds committed in the name of the Bolshevik revolution.

We appeal to American writers, journalists and scholars to study the fate of the Ukrainian people. It is a dire fate, an unpleasant one to review, but its inherent lessons are too important for free men to overlook.

During the whole period of occupation of Ukraine the Ukrainian people waged and are waging now an incessant struggle for their liberation, as demonstrated by the proclamation of independence of Carpatho-Ukraine in 1939; the proclamation of Ukrainian Independence on June 30, 1941 in Lviv; and the activities of a series of Ukrainian underground organizations: the "Union for the Liberation of Ukraine" (SVU), the "Association of Ukrainian Youth (SUM), the Ukrainian Military Organization (UVO), the Organization of Ukrainian Nationalists (OUN) and the Ukrainian Insurgent Army (UPA). The latter, under the command of General Roman Shukhevych (Taras Chuprynka) and the political leadership of the Ukrainian Supreme Liberation Council (UHVR), waged a full-scale war against both the Nazis and Russian Communists in Ukraine during and after World War II.

We advise the American people to view critically all pronouncements emanating from Moscow on the 50th anniversary of the Bolshevik revolution, especially the claims that it brought freedom and social equity. The many millions of people languishing in the Soviet prison of nations—in the still numerous concentration camps, in the cramped, terrorized urban centers and in the regimented rural areas—are living witnesses of this unabashed fraud.

We can be grateful to the U.S. Congress, which fully recognized the essence of Bolshevism in the Captive Nations Week Resolution of July 17, 1959:

"The imperialistic policies of Communist Russia have led through direct and indirect aggression, to the subjugation of the national independence of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaijan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam, and others."

We appeal to the U.S. Government not to give credence to the Soviet claims that the USSR has become a monolithic technological giant, and not to let itself be lured into any pact or agreement that would sanction the permanent enslavement of Ukraine and other captive nations, ancient nations, with thousand-year-old traditions of independent governments and cultural contributions to the development of mankind. Despite its claims, the USSR contributes little else but the sterility of the prison, snuffing out freedom, stifling imagination and creativity, and denying the soul.

UKRAINIAN CONGRESS COMMITTEE OF AMERICA.

NOVEMBER 7, 1967.

#### FIVE PRINCIPLES AND GUIDELINES OF POLICY FOR THE WORLD UKRAINIAN CONGRESS

This World Ukrainian Congress is an unprecedented and phenomenal event. It bridges the recent event of the 50th anniversary of the Russian Bolshevik revolution and the forthcoming 50th anniversaries of National Independence in Ukraine and many other now captive non-Russian nations in the USSR. This Congress, in spirit and determination, negates the fraudulent Russian Bolshevik revolution and positively affirms the patriotic, Ukrainian and other Non-Russian Revolutions for National Independence, which partake of the same essence and substance as the glorious and unique American Revolution. On this magnificent and historic occasion, I warmly welcome all of you delegates on behalf of both the Ukrainian Congress Committee of America and myself.

I feel deeply privileged, and at the same time quite behumbled, by the assignment given me today. To discuss policy considerations in any situation such as this is no simple task. Yet, for whatever contribution we can make, the policy directions of the World Ukrainian Congress are of vital concern to all of us, as we look to the future of the Congress in a world that is rapidly changing and is fraught with new challenges and inevitable revolutions, both peaceful and violent. In a way, perhaps this task only naturally redounded upon the shoulders of Americans of Ukrainian ancestry who, both native and naturalized, enjoy the tremendous vantage point of America's leadership position in the Free World.

Taking the context of the world as it now stands, it can only be from this vantage point that we can realistically and rationally consider the policy directions of this Congress. For it is a plain axiom in this context that the United States has the same relational role to the Free World at large that the USSR possesses in regard to the Red Empire at large. And the nature of the axiom is that if the U.S. were defeated in the Cold War or a hot global war, the lights of freedom would dim and be extinguished throughout the world. Conversely, if for whatever reason or reasons, the USSR were seriously weakened and crumbled, the days of the rest of the Red Empire, including mainland China, would definitely be numbered. No great amount of knowledge on the power complexes in our world is needed to perceive the fundamental truth of this guiding axiom. It is for these reasons that the American vantage point is basically crucial in the discussion of this subject.

#### FIVE PRINCIPLES AND GUIDELINES

In our judgment there are five principles and guidelines that should determine and shape the policy of the Congress in the years ahead. The first is the principle of Free World Ukrainian activism based on ancestral affinity, cultural riches, and present-day contributions to the struggle for world freedom. Perhaps the best analogy or example of this activist principle is World Zionism itself. Formed on other bases, Zionism has been most effective in combining the efforts and energies of Jews with a common bond in religion but diverse national loyalties. The consummate result has been a free and supported Israel.

The principle of Free World Ukrainian activism advances as our common bond a profound pride in ancestral heritage and a dynamic conviction of the basic importance of Ukraine in the world struggle. It impels us to share our spiritual and intellectual resources with other free men so that the goods of this activism will redound to the benefit of our respective countries, to the captive Ukrainian people and other captive nations, and to the expansion and victory of world freedom. This point cannot be emphasized too strongly when you consider

the lingering misconceptions and short knowledge too many so-called experts exude with respect to the Soviet Union. Many displayed these defects just last week with their strange notions about "the 50th anniversary of the Soviet Union," which didn't even exist in the 1917-22 period. Well beyond missiles, armed might, and totalitarian control, the Moscow imperio-colonialists enjoy a most formidable weapon in the West's protracted ignorance and misunderstanding of their basic empire, the Soviet Union itself.

To destroy this weapon in the Cold War is a primary objective of Free World Ukrainian activism. As a powerful voice for the captive Ukrainian people, the Congress in the years ahead will convince the still free men and leaders in the world that USSR—Ukraine=0 and, derived from this, that the Red Empire—Ukraine=0. The Russian totalitarians know the validity of this political arithmetic all too well; their intended victims require more time to arrive at any perception of it. The most valuable key to Free World victory in the Cold War is the captive non-Russian nations in the USSR, and it is this key that must be successfully forged and tendered by Free World Ukrainian activism.

#### COORDINATIVE UNITY

The second principle of policy for the World Ukrainian Congress is coordinative unity. The unity in this principle is really provided by the first principle in that the projected activism aims at a three-fold objective of policy common to all of our efforts and endeavors, namely the liberation and independence of Ukraine and all of the captive nations, the preserved freedom of our respective countries, and a peaceful world community of free and independent nations. These positive points of policy objective are interwoven, and thus can be viewed as interrelated parts of a broad, single objective. Action of implementation and execution toward the long-run realization of the objective must necessarily be coordinative.

Coordinative unity rather than organic unity is thus the preferable principle of operation for the World Ukrainian Congress. It recognizes the diversity of conditions and circumstances that exists between and among the various countries from which our different organizations spring. The customs and peculiarities of one country may discourage and impede a type of action that may be easily pursued in another; the laws of our different countries may allow or disallow certain courses of action toward the common goal.

Also, coordinative unity in these circumstances facilitates a flexibility and fluidity of action that can give us the maximum results. Adaptability to given country conditions is best facilitated by this principle of coordinative unity. The structure of the Congress and its future operations will attain the highest level of efficiency and desired impact on the basis of this second principle.

#### PRIMACY OF LOYALTY AND DEDICATION

Applicable to both the naturalized and native-born in our respective countries is the third principle for the World Ukrainian Congress. This is the principle of primary loyalty and dedication to our respective countries. Indeed, to even state this principle seems unnecessary, but you and I know how opponents and enemies have distorted our motivations with imputations of divided or no loyalties in order to besmirch our endeavors in the eyes of our fellow citizens. The best of causes have been impeded by such slander.

Whether in Europe, in Latin America, on this continent, or in Asia, those of Ukrainian background have loyally and strongly served the national interests of their respective

countries; countless have died for them. There is absolutely no discrepancy between our common convictions and the national loyalties represented here. In fact, an honest and objective understanding of our convictions and ends can only lead to the one conclusion that in pursuing the goals of freedom for our given countries and for captive Ukraine and the other captive nations, our individual loyalties are perhaps even more pronounced than those of fellow citizens who are indifferent or apathetic to the mortal threat that confronts us all. And, needless to say, we serve best the invincible aspirations of the captive Ukrainian nation and those of all captive nations by loyal dedication to the countries of our origin or adoption.

#### THE INTERMEDIATE OBJECTIVE

With these principles underlying our combined action and policy is the fourth point of intermediate objective in our respective countries, in effect a guideline for constructive action. This guideline is one of systematic education aimed at a gradual revision of your country's policy toward the Soviet Union, i.e., if it requires it; but most, if not all, do. Such revision would necessarily found the country's policy on more accurate and realistic conceptions of the Soviet Union, and especially of the captive non-Russian forces prevailing within that empire.

The intermediate objective, therefore, is essentially educational in nature and thoroughly practical in effect. Here in the United States we have been striving to have our fellow citizens recognize the incorrect and misleading bases of our foreign policy toward the Soviet Union. Some of these misleading notions showed up clearly in the debate and hearings on the U.S. Consular Convention with the Soviet Union. This same problem exists in Canada, Great Britain and several other countries from which many of you have come to this World Congress. This intermediate objective is a most urgent one for all of us.

#### INTERNATIONALIZED ACTIVITY

Finally, there is the principle of internationalized activity which should guide our operational policy. Though the Congress is international in character, though each organization represented here engages itself not only domestically but also with non-Ukrainian groups in foreign areas, there is no question that this principle must be greatly extended. It involves greater representation and participation in international conferences and seminars devoted to problems of mutual concern to us.

It is regrettable, for example, that even among our various groups in many different countries little attention and action have been paid to an international Captive Nations Week movement. In a number of countries represented here no evidence of any annual Captive Nations Week observance has as yet appeared. Yet, through this principle of internationalized activity the idea has caught the attention of numerous non-Ukrainian groups in Asia, Latin America, and the Middle East where the observance is held annually. Is it important? The U.S. Captive Nations Week Resolution expounds all the fundamental principles we stand for; it properly places the Ukrainian problem in a world context that more than anything else will attract world attention to captive Ukraine; and the record of 1959-67 shows clearly how Moscow and its puppets regard the resolution, with vehement denunciation, derision, and well-evident apprehension. If this Congress accomplishes anything—and it will many things—it must adopt this principle of internationalized activity, particularly in the sphere of the Captive Nations Week movement.

#### A PETITION

In conclusion, these then are the five principles and guidelines of policy for the World

Ukrainian Congress: Free World Ukrainian activism, coordinative unity, primacy of loyalty and dedication, the intermediate objective, and internationalized activity. Upon the foundation of these principles, the Congress cannot but make enormous strides in combatting Soviet Russian imperio colonialism, in advancing the goals of world freedom, and in liberating the captive nation of Ukraine and twenty-six other captive nations. I suggest that we consider the proposal for a world petition, made up of signatures of people in as many countries as we can obtain, to press upon our Heads of State the urgency of the Ukrainian problem. This can be done efficiently and in preparation for the 50th Anniversary of Ukrainian Independence next January. This might well be the first concrete step of the World Ukrainian Congress, which has an important future, but only on the basis of firm principles.

Dr. LEV E. DOBIANSKY,  
President, Ukrainian Congress Committee of America.

#### H. RES. 14

Whereas on the all-important issue of colonialism the blatant hypocrisy of imperialist Moscow has not been adequately exposed by us in the United Nations and elsewhere; and

Whereas Presidential proclamations designating Captive Nations Week summon the American people "to study the plight of the Soviet-dominated nations and to recommit themselves to the support of the just aspirations of the people of those captive nations"; and

Whereas the nationwide observances in the seven anniversaries of Captive Nations Week have clearly demonstrated the enthusiastic response of major sections of our society to this Presidential call; and

Whereas following the passage of the Captive Nations Week resolution in 1959 by the Congress of the United States and again during the annual observances of Captive Nations Week, Moscow has consistently displayed to the world its profound fear of growing free world knowledge of and interest in all of the captive nations, and particularly the occupied non-Russian colonies within the Soviet Union; and

Whereas the indispensable advancement of such basic knowledge and interest alone can serve to explode current myths on Soviet unity, Soviet national economy and monolithic military prowess and openly to expose the depths of imperialist totalitarianism and economic colonialism throughout the Red Russian Empire, especially inside the so-called Union of Soviet Socialist Republics; and

Whereas, for example, it was not generally recognized, and thus not advantageously made use of, that in point of geography, history, and demography, the now famous U-2 plane flew mostly over captive non-Russian territories in the Soviet Union; and

Whereas in the fundamental conviction that the central issue of our times is imperialist totalitarian slavery versus democratic national freedom, we commence to win the psychopolitical cold war by assembling and forthrightly utilizing all the truths and facts pertaining to the enslaved condition of the peoples of Poland, Hungary, Lithuania, Ukraine, Czechoslovakia, Latvia, Estonia, White Ruthenia, Rumania, East Germany, Bulgaria, mainland China, Armenia, Azerbaidjan, Georgia, North Korea, Albania, Idel-Ural, Tibet, Cossackia, Turkestan, North Vietnam, Cuba, and other subjugated nations; and

Whereas the enlightening forces generated by such knowledge and understanding of the fate of these occupied and captive non-Russian nations would also give encouragement to latent liberal elements in the Russian Soviet Federative Socialist Republic—which contains Russia itself—and would help bring

to the oppressed Russian people their overdue independence from centuries-long authoritarian rule and tyranny; and

Whereas these weapons of truth, fact, and ideas would counter effectively and overwhelm and defeat Moscow's worldwide propaganda campaign in Asia, Africa, the Middle East, Latin America, and specifically among the newly independent and underdeveloped nations and states; and

Whereas it is incumbent upon us as free citizens to appreciatively recognize that the captive nations in the aggregate constitute not only a primary deterrent against a hot global war and further overt aggression by Moscow's totalitarian imperialism, but also a prime positive means for the advance of world freedom in a struggle which in totalistic form is psychopolitical; and

Whereas in pursuit of a diplomacy of truth we cannot for long avoid bringing into question Moscow's legalistic pretensions of "noninterference in the internal affairs of states" and other contrivances which are acutely subject to examination under the light of morally founded legal principles and political, economic, and historical evidence; and

Whereas in the implementing spirit of our own congressional Captive Nations Week resolution and the eight Presidential proclamations it is in our own strategic interest and that of the nontotalitarian free world to undertake a continuous and unremitting study of all the captive nations for the purpose of developing new approaches and fresh ideas for victory in the psychopolitical cold war: Now, therefore, be it

Resolved, That there is hereby established a nonpermanent committee which shall be known as the Special Committee on the Captive Nations. The committee shall be composed of ten Members of the House, of whom not more than six shall be members of the same political party, to be appointed by the Speaker of the House of Representatives.

SEC. 2. (a) Vacancies in the membership of the committee shall not affect the power of the remaining members to execute the functions of the committee, and shall be filled in the same manner as in the case of the original selection.

(b) The committee shall select a chairman and a vice chairman from among its members. In the absence of the chairman, the vice chairman shall act as chairman.

(c) A majority of the committee shall constitute a quorum except that a lesser number, to be fixed by the committee, shall constitute a quorum for the purpose of administering oaths and taking sworn testimony.

SEC. 3. (a) The committee shall conduct an inquiry into and a study of all the captive non-Russian nations, which includes those in the Soviet Union and Asia, and also of the Russian people, with particular reference to the moral and legal status of Red totalitarian control over them, facts concerning conditions existing in these nations, and means by which the United States can assist them by peaceful processes in their present plight and in their aspiration to regain their national and individual freedoms.

(b) The committee shall make such interim reports to the House of Representatives as it deems proper, and shall make its first comprehensive report of the results of its inquiry and study, together with its recommendations, not later than January 31, 1968.

SEC. 4. The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times within or outside the United States to hold such hearings, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, and to take such testimony as it deems advisable.

SEC. 5. The committee may employ and fix the compensation of such experts, consult-

ants and other employees as it deems necessary in the performance of its duties.

SEC. 6. The committee shall enjoy a non-standing status, performing its duties in the course of the Ninetieth Congress and subject to renewal only as determined by needs in the completion of its work and further purposes of the House of Representatives.

Mr. McCORMACK. Mr. Speaker, the fair and fertile historic Ukraine is the largest country in Eastern Europe, and the Ukrainians are the most numerous of all nationality groups in that region, some 45,000,000 sturdy souls. The country has rightly been regarded as the breadbasket of Eastern Europe. Its hard-working people, the solid core of the whole European peasantry, have tilled their fertile soil tirelessly and ceaselessly not only for their own well-being but also for their neighbors, and in recent times for their heartless Soviet taskmasters. The fact that the fair land of Ukraine is fertile and rich in natural resources seems to have been a cause of the misery and misfortune of the Ukrainian people. Its wealth has roused the envy and anger of its powerful and greedy neighbors, and has occasioned its conquest by alien tyrants.

For some 300 years the Ukraine has been submerged in the huge Russian land mass, and during all that time autocratic czars and Soviet tyrants have done their utmost to suppress and eradicate the best and most worthy national traits among the Ukrainians, but fortunately the efforts of these alien regimes have not succeeded, and the Ukrainians have kept their free spirit very much alive. They have longed for their national goal, the attainment of their national independence. Only once in the course of three centuries there was a chance of attaining that goal; that was in 1918. In 1917 when the czar's autocracy was overthrown, the Ukrainian leaders seized upon the occasion and proclaimed their national independence. This they did on January 22, 1918, and then came into being the Ukrainian Republic, ushering in a new day for the Ukrainian people.

That memorable day has become a great landmark in the modern political history of the Ukrainian people, and remains as a bright spot in their struggle for freedom. Unfortunately the Ukrainian Republic did not live long. Being surrounded by foes, its days seemed to have been numbered. Early in 1920 the Red army treacherously attacked and overran it. Then the country was incorporated into the Soviet Union. To this day it remains a province of the Soviet Union and the people there suffer under the unrelenting Soviet tyranny. Even under such unenviable conditions the people of the Ukraine have not given up their hope for freedom, for national independence.

On the occasion of the celebration of Ukrainian Independence Day we all hope and pray that these stout-hearted and sturdy people attain their goal in their beloved homeland.

Mr. GERALD R. FORD. Mr. Speaker, a half century ago the noble people of the Ukraine united to form a new government. On January 22, 1918, after centuries of oppression by czarist Rus-

sia, the Ukrainian National Republic was formed. One year later this republic united with Western Ukraine to form the Republic of the Ukrainian People.

The cherished and hard-won freedom of these brave men and women—many of whom had sacrificed their very lives to achieve it—was short lived. In less than 4 years, the Red Army of Communist Russia sent its legions sweeping over the already war-devastated countryside of the new nation, slaughtered many of the outnumbered Ukrainian defenders, and destroyed the new government. Even though their country has been absorbed into the Soviet Union, the Ukrainians hold fast to the national folkways, ideals, and traditions. They also wish prayerfully and fervently for their lost freedom which they were able to taste but briefly.

Millions of Ukrainians now live in bondage under a government to which they owe no allegiance. They live in oppression but love liberty and long for its return. They die in hope that their sons and daughters might some day be free.

It is altogether fitting that we in this Nation, also born in a struggle for freedom and independence, pause and gratefully recognize this anniversary of Ukrainian independence. Our kinship is found in the mingled blood of men who die that others might be free. Ukrainian patriots, living and dead, serve as an inspiration to freedom-loving people everywhere. Many Ukrainians left all material goods as well as loved ones and family to live in liberty in the United States and in other free nations. They eagerly await the day when their brothers, who live in the land of their fathers, might once again be freed from the cruel yoke of tyranny and govern themselves as they would be governed.

Today we solemnly honor these people and their nation. May we not forget them in their continuing struggle for freedom and independence. We join with them in the hope that their sacrifices might be justified by the return of liberty, and the day might soon come when the people of the Ukraine will again be numbered among the free and independent nations of the world.

Mr. KLEPPE. Mr. Speaker, it is a privilege and a pleasure to join in this special order marking the golden anniversary of the Ukrainian National Republic. North Dakota is proud of its citizens of Ukrainian descent. Through the years they have made a tremendous contribution to our society in the fields of art, science, and agriculture. They are great Americans. They also remember with great pride their heritage as Ukrainians. I include in the RECORD at this point the following letter from Dr. Anthony Zukowsky, of Steele, N. Dak., president of the North Dakota branch of the Ukrainian Congress Committee of America, Inc.:

UKRAINIAN CONGRESS COMMITTEE  
OF AMERICA, INC., STATE BRANCH  
OF NORTH DAKOTA,  
Steele, N. Dak., January 7, 1968.

HON. THOMAS KLEPPE,  
House of Representatives,  
Washington, D.C.

DEAR CONGRESSMAN KLEPPE: For a number of years the 22nd of January has been cele-

brated in America from coast to coast as Ukrainian Independence Day. This year has special significance marking the Golden Anniversary of the Ukrainian National Republic.

So again we wish to call to your attention that on Jan. 22, 1968 Ukrainians in the free world will celebrate the 50th Anniversary of the proclamation of the independence of Ukraine. The day that a free and democratically elected Parliament of Ukraine was re-established which was known as Ukrainian National Republic.

Although the Ukrainian National Republic was recognized by a number of countries, including the government of Soviet Russia, it had no durable peace because communist Russia invaded the Ukrainian State despite its previous pledges to respect and honor the Ukrainian Independence. For nearly 3½ years without assistance from the western world, the Ukrainian people waged a heroic war against communist Russia in the defense of their country but the gallant struggle came to a tragic end. The free Ukraine was subdued to a puppet regime of the Soviet Socialist Republic.

The freedom loving people of Ukraine have not accepted Soviet Russian domination and have been fighting for the re-establishment of their independence by all means accessible to them for 47 years.

During World War II the Ukrainian people organized a powerful underground resistance movement known as the Ukrainian Insurgent Army (UPA), which fought not only against the Nazi regime, but against the Soviet security troops as well. Stalin and Khrushchev unleashed a bloody persecution and reprisals against the Ukrainian people, and it was Khrushchev who stated at the 20th Congress of the Communist Party in February 1956 that, "Stalin had wanted to deport all the Ukrainians but there was no place to which they could all be deported."

Relentless and harsh persecution of Ukrainians continued after the death of Stalin, and it still continues now after the ouster of Khrushchev. The present leadership in the Kremlin is set on keeping the Soviet Russian Empire intact and unified.

Briefly, the Kremlin rule in Ukraine can be described as follows:

Exploitation of Ukraine's economic resources for the benefit of Moscow and its imperialistic ventures in Asia, Africa, and Latin America,

Systematic deportation of Ukrainians to Central Asia, replacing them with Russian settlers for the purpose of augmenting the Russian element in Ukraine,

Arrests and trials of "Ukrainian bourgeois nationalists" who in fact are Ukrainian patriots fighting for freedom of their country,

Terror and assassination of Ukrainians outside Ukraine as demonstrated by the assassination of Dr. Lev R. Rebet, a noted Ukrainian and Stepan Bandara, head of the Organization of Ukrainian Nationalists (OUN) both of whom were slain by KGB agent Bogdan Stashynsky in Munich in 1957 and 1959 respectively,

Persecution of all religions in Ukraine despite the fact that Moscow claims that "religious freedom" is assured to all citizens,

Enforced Russification, aiming at the cultural and linguistic genocide of the Ukrainian people. Recently a number of Ukrainian writers and literary critics, journalists and attorneys were arrested and sentenced by the communists courts in Ukraine for demanding equal rights for the Ukrainian language.

Both the U.S. Congress and the President of the United States have expressed their concern over the captive non-Russian nations in the USSR by enacting the "Captive Nations Week Resolution."

The Ukrainian American communities in North Dakota will observe the forthcoming 50th Anniversary of Ukrainian Independence and the 49th Anniversary of the Act of

Union in a fitting and solemn celebration. We believe that our fellow American citizens regardless of their ethnic or cultural backgrounds, should join us in marking this important anniversary of the freedom of Ukraine. This will demonstrate to both the captive Ukrainians and their captors our unity and determination in upholding the cause of freedom everywhere.

Therefore, since it is now over 70 years since Ukrainians came to our State and made a contribution to its development, we kindly request that you attend the ceremonies in the U.S. Congress in commemoration of this anniversary. This anniversary provides an appropriate occasion not only for the U.S. Government and American people but the whole free world to demonstrate their sympathy and understanding of the aspiration of the Ukrainian people.

We extend our sincere thanks and appreciation for the favorable response in the past on this and other matters and we hope that you continue to accept our expression with meaningful understanding.

Respectfully yours,

Dr. ANTHONY ZUKOWSKY,  
President.

Mr. BELL. Mr. Speaker, today as we commemorate the 50th anniversary of Ukrainian independence, we are reminded as a people of the cherished right of free self-government for all mankind.

The second half of the 20th century will be regarded by future historians as an era of increased recognition of this basic right of self-determination.

Colonial bonds have been breaking. Since World War II more than 50 nations have achieved independence. But during the same period, other areas of our world have suffered the same fate as did the Ukraine in 1918, stifled by the closed fist of Communist imperialism.

A strong nationalistic people, the Ukrainians had the resources, the imagination, and the zeal to seek and obtain membership in the community of free nations. Despite repression of their language, their culture, their religion—even despite wide-scale genocide at the hands of their Russian masters, the Ukrainians' spirit of independence endures even today.

Americans, as all free people, share with the Ukrainians a heritage of courage. We pray that courage will endure until the day when the Ukraine again enjoys the freedom it earned 50 years ago.

Mrs. KELLY. Mr. Speaker, I wish to salute a proud people—the Ukrainians who 50 years ago in the face of incredible difficulties proclaimed their national independence.

Having been under the rule of the Russian czars for 250 years and under the Hapsburg monarchy for 150 years, the Ukrainians made a valiant attempt to establish independence with the overthrow of the czarist regime and the dissolution of the Austro-Hungarian Empire. In spite of an attack on the Ukraine by the Red army, in spite of the Russian occupation of the capital city of Kiev, in spite of terrible bloodshed and oppression, independence was proclaimed on January 22, 1918. With the aid of Germany, the Red army was cleared from the land and a concerted effort was made to establish a stable, constitutional, and independent nation.

But in less than 3 years the Red army

again was hammering at the door of the Ukraine, and by 1920 this nation again felt the weight of Russian oppression. Despite the loss of their independence, the individuality of the Ukrainian people and their cultural heritage have continued to exist. Indeed, centuries of Ukrainian history tell us in the most emphatic way that even the worst kind of oppression will not bend or subdue this vibrant people.

We therefore pause, Mr. Speaker, to salute the 50th anniversary of the Ukrainian proclamation of independence. We pause to pray for the freedom of the 45 million people in the largest captive non-Russian nation in not only the Soviet Union but in Eastern Europe. We pause to admire their continuing opposition to Soviet Russian colonial domination. We pause to remember the sacrifices of a people who have striven for over three centuries to obtain that which many of us take for granted—national independence and freedom.

Mr. BOW. Our annual observance of the founding of the Republic of the Ukraine takes on added significance this year for we are celebrating the 50th anniversary of that historic event.

This is an occasion for both sorrow and rejoicing. We are sad as we contemplate the brief span of months during which the people of the Ukraine enjoyed freedom and self-government before they were defeated by the vastly superior military strength of the Russian bolsheviks. Yet we rejoice in the knowledge that the spirit of freedom is still alive within the people of that enslaved nation and the flame is kindled by the devotion of millions of people of Ukrainian descent, all around the world, who keep alive the hope that the Republic will live again.

I was pleased this year to note that the Canton Branch of the Ukrainian Congress Committee of America conducted ceremonies observing the anniversary, under the chairmanship of Wolodymyr Woloszczuk. Credit is due Mr. Woloszczuk for his service in this cause, and also the secretary of the Canton Committee, Wasyl Juskiw. Canton's Mayor, Honorable Stanley Cmich, participated in the ceremony and issued a proclamation calling upon all citizens to participate in spirit if not in person in this tribute to a brave people so long denied the blessing of independence.

Let this serve also to the people of America as a reminder that only through vigilance, understanding, and participation can our Republic remain free.

Mr. Speaker, I call attention once again to my resolution providing for official recognition of the national holidays of each of the captive nations. I hope it may win favorable consideration in this Congress.

Mr. DELANEY. Mr. Speaker, I am glad to have this opportunity to join with other Members in honoring the great Ukrainian people as they commemorate the 50th anniversary of Ukrainian Independence Day.

During most of modern times the Ukraine has been submerged in the huge land mass of the Russian state, and dur-

ing all that time autocratic czars and Communist tyrants have done their worst to uproot what we in the West regard as the finest national traits of the Ukrainian people: their desire for freedom, their boundless love for their homeland, their undying yearning for political independence, and their readiness to sacrifice their all for the attainment of their national goals. Only once in their long subjection to alien rulers did they have the chance of attaining these goals. That was on January 22, 1918, after the czarist autocracy in Russia was overthrown in the preceding year, and Ukrainian leaders seized the occasion and proclaimed their independence.

That memorable day is of great significance to the Ukrainian people. Unhappily, they were to enjoy freedom only for a brief period. By the end of its second year the Ukrainian state was under attack from its implacable foes, and the deadliest of these proved to be the Soviet Red army. Early in 1920 the Ukraine was treacherously attacked and overwhelmed. Soon it was incorporated into the Soviet Union and thenceforth the Ukrainian Republic became a mere memory.

Today, the Ukraine is a province of the Soviet Union, although it is called a constituent republic. For 48 years these more than 40 million Ukrainians have been held down by the Soviets and denied their national independence. But the spirit of freedom and love of liberty remains vitally alive among these great and gallant people, and we sustain the fervent hope that some day they will attain their cherished goal.

Mr. EILBERG. Mr. Speaker, a few short months ago the Soviet Union celebrated the 50th anniversary of the Bolshevik Revolution. There were parades, celebrations, and speeches, in commemoration of the "10 days that shook the world."

January 22, 1968, is another 50th anniversary, but it is an anniversary that the U.S.S.R. finds it expedient to forget. For on that day, 50 years ago, the people of the Ukraine declared their independence, throwing off a yoke of oppression they had endured for hundreds of years. Before them loomed a glorious future, a future in which they would be free to till their rich black earth, to develop their own culture, and to build the political institutions which would insure a free and ordered society.

But this vision was not to attain reality. Before 3 full years had passed the Ukrainian National Republic had been extirpated by the Communists. It is instructive to read the history of the period, for the Ukraine was an early victim of the tactics the Communists were to make all too familiar in our own day.

Today the people of the Ukraine are prisoners in their own land. The vaunted cultural freedom of the Soviet Union exists for them, as it exists for any Soviet minority, only to the extent that it serves the purpose of the Soviet state and the Communist Party. The Ukraine is living proof that the Soviet Union, which exploits nationalism in the far reaches of the world, is afraid of it in its own backyard.

For the Politburo knows that the peo-

ple of the Ukraine will never bow to the Soviet yoke. It knows that Ukrainian peasants bitterly resisted the collectivization of agriculture in the 1930's, and that as late as the early 1950's there were Ukrainian guerrillas in the field against the Red army. We who enjoy freedom can only admire the spirit and tenacity that holds out against hopeless odds. Our hearts are with the Ukrainian people on this 50th anniversary of their short-lived freedom.

Mr. FEIGHAN. Mr. Speaker, January 23 marks the 50th anniversary of Ukrainian national independence. On that day in 1918 the Ukrainian nation broke the stranglehold of a Russian domination that had controlled their country for over 250 years.

We, in our beloved America, observe this 50th anniversary of the Ukrainian rebirth as a sovereign nation because we are dedicated to the principle of self-determination under which all people and nations have the right to be self-governing and independent. This principle is the foundation of our American political heritage. We cherish it as all freedom-loving people of the world cherish it, although many in other lands are still struggling for its application to their national life.

All of us know the Ukrainian nation is neither free nor independent today. It is among those countries still struggling for the principles of self-determination. This anniversary commemorates a crucial turn in their struggle. It marks, first of all, the anniversary of the breakup of the Russian Czarist Empire and the long-awaited independence of Estonia, Latvia, Lithuania, Byelorussia, Poland, Georgia, Armenia, Azerbaijan, Turkey, Idel-Ural, and Cossackia, among other nations. It marks the fall of the Austro-Hungarian and Ottoman Empires and the rebirth of many other long subjugated nations. I have often referred to this period as the high point of American prestige in world affairs, because so many of the newly independent nations framed their constitutions after the pattern and in the spirit of the founding documents of our own Nation. Ukraine was among them. Our heritage had become their guiding light.

Soon—all too soon for the spirited nations of Eastern Europe—the yoke of czarist autocrats was replaced by the iron harness of the Bolsheviks. Now another despotic force had entered the world arena: Marxist communism. As soon as the Communist tyranny had rooted itself in the Russian soil, it stretched out its insidious branches to strangle, and destroy, the national independence of Ukraine and all the other non-Russian nations which had established their national independence on the ruins of the Russian Czarist Empire. The historic period of 1917–18 witnessed the emergence—and suppression—of true freedom in Eastern Europe.

The significance of the independence of the non-Russian nations as a basis for peace and tranquillity among nations, received little or no recognition from the leaders of the Western World. When the Russian bear again emerged, its newly independent neighbors appealed to the leaders of the Western World for support.

These appeals went unheeded. As a consequence, that heroic period of national independence ended in 1920, and in its place was established a new reign of imperial terror under the Union of Soviet Socialist Republics.

It is a sad fact of history that the Western Powers failed to seize this opportunity to destroy communism in its first bud when they did not support the rightful claims of the non-Russian nations to national independence. History also tells us that the Ukrainian nation, while lacking support from the free nations of the West, fought tenaciously for 3 inspiring years. Although the Russian Communists finally suppressed the Ukrainians under the tight fist of an alien government, it never succeeded in breaking the glorious spirit or the desire of the Ukrainian people for full national independence and freedom.

The story of the Ukrainian nation and the unending struggle of its freedom-loving people is little known to the people of the free world. I have heard eyewitness testimony of Communist tyranny against the Ukrainian people, including the manmade famine of 1932–33, which brought about the death of over 5 million Ukrainians. The Vinnitsia massacre of 1937 involved the ruthless slaughter of almost 10,000 Ukrainian fighters for freedom. Heroically, the Ukrainian insurgent army has struggled right up to our present era, struggled against the tyranny of the alien-imposed government. The Ukraine, a nation of close to 40 million people, possessing tremendous natural resources in addition to being the granary of Europe, and indelibly linked to the culture of Western Europe, stands as an Achilles heel of the Russian satellite empire.

With the outbreak of World War II, the Western World watched as the German Weirmacht marched to the gates of Moscow. With amazement—and total lack of understanding—the West saw Ukraine and Byelorussia submit without resistance to the Nazi advance. It was not until the war had ended that the truth was finally documented: The Ukrainians and their Byelorussian neighbors had been led to believe that the Nazis would liberate them from the tyranny of the Russian Communists, and that after the war they would resume their state of national independence. It was a hard blow to the Ukrainians that the Nazis were no better than their Russian occupiers.

Despite the irony of events which have taken place upon Ukrainian soil during the past 50 years, the national spirit of the Ukrainian people burns brighter today than ever before in its entire history. There is no force on earth capable of stopping the Ukrainian nation from acquiring its position among the nations of the world as an independent sovereign state.

Unfortunately, Ukraine presents one of the most tragic cases in all of history; it is the struggle of a people for their national sovereignty, acquiring it at great sacrifice, losing it only against overwhelming odds. It is the tragic story of failure, too, on the part of the advocates of democracy who withheld support of

Ukraine, prolonging the continued sacrifices of the Ukrainian people seeking independence.

Today, Ukraine is an outstanding leader of the captive nations desiring freedom from alien control. It is incumbent upon those of us who know the reality and meaning of independence to push forward with a vigorous and positive program calculated to support the national aspirations of Ukraine and all the enslaved nations of the world.

There will be no peace worthy of the name until the Ukraine and all nations large and small can choose their own form of government, their own officials and determine their own destiny. May Ukraine soon regain its rightful place among the family nations in a world of peace.

Mr. BUCHANAN. Mr. Speaker, as we observe today the 50th anniversary of Ukraine's independence which was formally declared on January 22, 1918, we are concerned both with the freedom of the bound and the bondage of the free.

We are concerned because the valiant Ukrainian people, who for three all-too-brief years enjoyed their freedom, have since 1920 been bound by Soviet colonialist domination enduring cultural repression as well as economic tyranny.

Ukraine is the largest captive non-Russian nation not only in the Soviet Union, but also in Eastern Europe. These freedom-loving people of the Ukraine have never accepted Soviet domination and have been fighting for the reestablishment of their independence by all means accessible to them since their enslavement.

The Ukrainian tradition is rich in culture, spirit, and patriotism. America, who fought so resolutely for her own independence, is most appreciative of Ukrainian aspirations for national fulfillment. Consequently, we are bound by a moral obligation to seek by word and deed the freedom of those who cherish it just as we do and who are denied it by ignoble aggressors.

The United States has always been the champion of freedom and self-determination, while the Soviet Union, on the other hand, professes to believe in wars of national liberation but refuses to liberate its own subject nationalities. Our country can draw increased devotion to the spirit of freedom from the eloquent example furnished by the Ukrainian people, which is symbolized in their independence day.

Mr. RHODES of Arizona. Mr. Speaker, the freedom-loving people throughout the world give special cognizance to the plight of the Ukrainian people on the day which commemorates the 50th anniversary of the declaration of their independence. Although their cherished national freedom lasted for only a scant 3 years before they were subjected to Communist oppression, the flame of freedom has never been extinguished from their hearts and souls, and because they have never bowed down to the yoke of communism, they are justly deserving not only of our respect and admiration, but of any form of assistance we can give to them.

Americans have great compassion for

the inhabitants of all captive nations, which has resulted in our present involvement in a great struggle in Vietnam to restrict the advancement of Communist suppression of smaller, defenseless nations.

It is a pleasure for me to join with my colleagues in observance of the declaration of independence by Ukraine on January 22, 1918.

Mr. GALLAGHER. Mr. Speaker, while hailing the courage and fortitude of the people of the Ukraine on the 50th anniversary of their independence, I believe that we should place the events of 50 years ago in a broad historical perspective.

After the fall of the Russian czars, many non-Russian nationalities adopted principles of self-determination and declared their independence. Yet each of them subsequently has lost their freedom. In 1920, the people of the Ukraine fought a courageous war and actually won independence for themselves. The Soviet Government recognized the freedom of the Ukraine. At the same time, however, Lenin and Trotsky sent terrorists and agitators across the borders they had sworn to respect and, when this subversion did not bring down the legitimate government, they launched an armed aggression. Thus, the Ukraine was the first of the many nations who have had to endure the weight of cultural repression, political destruction, and economic tyranny of a Communist system imposed by force.

This may be history in the case of the Ukraine, but it is a current bloody reality in other parts of the world at this moment. The leaders of the Communist bloc, no matter what their very real internal differences may be, are united on a course of encouraging and assisting local uprisings in the world under the guise of liberating people from repressive governments. Yet, they have steadfastly refused to recognize self-determination for their own subject nationalities.

The continued determination of the Ukrainian people to escape from foreign domination forces us to carefully evaluate the following question in terms of today's headlines. How different might the world be today if the free nations of the world had banded together in 1920 to support the young and hard-pressed Government of the Ukraine against Communist expansionism?

Mr. NELSEN. Mr. Speaker, as in previous years, I am happy to join with colleagues on both sides of the aisle in calling attention to the 50th anniversary of the proclamation of independence of the Ukrainian National Republic. The government created in Kiev, the capital of the Ukraine, on January 22, 1918, was destined to be short-lived due to its forcible overthrow by the Soviet Union. From 1921 on, this largest captive non-Russian nation in Eastern Europe, some 45 million people, has been dominated by the U.S.S.R.

But the free spirit and love of liberty which led the bold Ukrainians to form their own government is not dead. People the world over join in marking the anniversary of Ukrainian independence. In my own State of Minnesota, Ukrainian-Americans commemorated this highly re-

garded anniversary with solemn prayer and a special program. Free men are proud to support the undying struggle of the Ukrainian people for their freedom and independence. We take this occasion once again to assure our friends behind the Iron Curtain of our genuine commitment to national self-determination and to the cause of individual liberty.

Mr. BATES. Mr. Speaker, each year at this time many of us here join in saluting the valiant people of the subjugated Ukraine—but there is special significance this year as it marks a full half century since the Ukrainians won their brief-lived independence.

January 22, 1918, was a day of great joy for the Ukraine as its people proudly celebrated the attainment of an independence which their forebears had sought for 250 years. Scarcely 730 days later, however, that freedom was wrenched from the Ukrainians by a Soviet Government dedicated to ruling the world with ruthless and godless communism.

Colonization, U.S.S.R. style, has since dominated the 45 million people of what had been the largest non-Russian nation in Eastern Europe. Through religious persecution, economic exploitation, genocide, and the omnipresent iron hand of despotic militarism, the Ukrainians have been subjugated throughout most of the existence of the Soviet Union.

What has happened to these people and those of the other captive nations of Russia and her satellites stands as a constant reminder of the need for free nations everywhere to remain on the alert to defend their very existence from the threat of the sword and hammer. Never can we afford to let down our guard nor cease to dedicate ourselves to the objective of peace and freedom for the people of the Ukraine and other oppressed nations of the world.

Mr. LANGEN. Mr. Speaker, I am privileged to join with the gentleman from Pennsylvania [Mr. FLOOD and Mr. FULTON] and the gentleman from Illinois [Mr. DERWINSKI] in marking the 50th anniversary of the proclamation of independence of the Ukrainian National Republic. It is particularly fitting that we raise our voices on this occasion, since the 45 million captive people of that non-Russian nation are not allowed to speak for themselves. It is up to us, who enjoy the fruits of freedom, to speak for them.

We can have nothing but admiration for the Ukrainian people, who have fought against Soviet Russian colonialist domination for nearly 50 years. They have never accepted Soviet domination, and during these days of frequent talk about building bridges to the Communists, we should not accept that domination either.

No greater illusion and eventual harm can we suffer than to believe that eased tensions and so-called peaceful relations with Moscow can be served by ignoring the truths surrounding Ukraine and the many other captive non-Russian nations in the U.S.S.R. In this International Human Rights Year we have a definite responsibility in calling world attention to the crass denial of human rights in the U.S.S.R.

It is a pleasure to join with my many

Ukrainian friends in paying tribute to the will of the Ukrainian people and their desire for freedom. We must pledge our full support in the efforts to achieve that goal.

Mr. QUIE. Mr. Speaker, it is an honor to join in the observance of the 50th anniversary of Ukraine's independence, which was formally declared on January 22, 1918.

The Ukraine is the largest captive non-Russian nation not only in the Soviet Union but also in Eastern Europe. An understanding of and friendship with its 45 million people are of vital interest to the United States. As believers in the principles of the American Revolution and the historic American tradition we cannot but admire a people who have fought against Soviet Russian colonialist domination for half a century.

The Ukrainian people have suffered greatly from the aggression of the Soviet Union. They have also during the past centuries been neglected by the non-Russian world. From the time when they became entangled with the Empire of Moscow by the Treaty of Pereyaslav in 1654, Moscow has resorted to all possible measures to deny their national existence.

Today, the Ukrainian Soviet Socialist Republic, as one of the Union Republics of the USSR, is a charter member of the United Nations, but is not allowed to enter into direct relations with any of the free nations of the world. It still remains, in the opinion of the masters of the Kremlin, raw material to be remodeled and shaped to fit their fancy, without regard to the principles of democracy or the wishes of the people.

It is fitting that on this observance that we recall the early history of this great nation. Since the mid-17th century, the Ukraine was submerged and almost lost in the czarist Russian empire. During all that time, the Russians did their utmost to blot out and eradicate the Ukrainian national traits, and make them Russians. But their efforts were of no avail, for these brave Ukrainians clung to their national traditions and ideals. Toward the end of the First World War, when the Russian czar was overthrown by the Revolution of 1917, the Ukrainians felt free and their leaders proclaimed their independence. Thus the Ukrainian National Republic came into existence.

Unhappily, the new state was under severe handicaps at the very beginning of life. It was weak and in dire need of help. But there was no one to extend it. The war-torn nation was in ruins, and the fertile Ukraine was a wasteland. Most of its inhabitants were uprooted from their homes, and the normal course of life disrupted. Thus the Government of the Republic was faced with great difficulties, and even more serious was the threat from the Communist government in the Kremlin. Before the Ukrainian Government had any chance to bring some order out of the existing chaos, the nation was attacked by the Red army and overrun in early 1920. The Republic was brutally extinguished and was absorbed into the U.S.S.R.

Since then the Ukrainians have suffered much under the Soviet regime, much more than their forebearers under the czars. For decades the country was effectively sealed off from the outside world, and it was almost impossible to know the sad lot of the Ukrainian people.

We know they survived the Soviet Union's iron age somehow, although many millions lost their lives. Today their lot is reported to be somewhat better, but they still fight for their freedom and independence. On the observance of the Independence Day of the Ukraine, I wish them ultimate success in their struggle for freedom and self-government.

Mr. FASCELL. Mr. Speaker, Ukrainian Independence Day, January 22, is an occasion on which all Americans and all men everywhere should commit themselves to deep reflection on the beauty and bounty of national freedom and independence.

How humble we Americans, who have enjoyed almost 200 years of unchallenged and undisturbed independence, should feel in considering the Ukrainian plight.

The Soviet Revolution of 1917, leading to the overthrow of the czarist regime of Russia, made it possible for the Ukrainian people to establish their independence. On January 22, 1918, after more than two centuries of foreign subjugation, the Ukrainians were able to declare their land a free and separate republic.

Sadly, the declaration of independence did not mean maintenance of independence for the Ukrainian people. While natural disasters ravaged their country's terrain, political disaster struck their government as foreign foes—especially Communist Russia—became more and more aggressive. Early in 1920, the Soviet Army forcefully entered Ukrainian territory and the Ukrainian Republic ceased to exist.

Today, the Ukraine is considered a part of the Soviet Union geographically and politically, but psychologically and nationalistically, the Republic of Ukraine still lives. In the hearts of these brave people independence continues to live, providing an example of national spirit and pride to freemen everywhere.

I wish to salute the courage and patience of the people of the Ukraine. I pray that their cherished hopes of today will be the promises of tomorrow.

Mr. MURPHY of Illinois. Mr. Speaker, in commemorating the 50th anniversary of Ukraine's independence, Ukrainians throughout the world will observe their greatest holiday. Unfortunately, those in the Ukraine will only observe it in secrecy.

In this free country, there is a particular significance on this anniversary. It reminds us that there are people in this world who cherish freedom and peace, just as we do, and who do not cease to fight for it.

We of the free nations must hold out our hands to these people who do not share with us the light of freedom. For several centuries the Ukrainian people bravely defended their country. During this long period there arose a spirit of determination and dedication to con-

tinue their struggle in quest of freedom. This spirit, so evident in the Ukraine, is probably the free world's most effective weapon in our continuing fight against the powerful forces of communism.

Today, the Ukrainians continue to cherish the memories of the short period of freedom they once knew. Their dedication cannot be ignored as their spirit lives on.

My hope and prayers go out to these people, and I look forward to the day when they can be free and independent to pursue their God-given right to live without fear of oppression.

Mr. DERWINSKI. Mr. Speaker, I am honored to join the distinguished gentleman from Pennsylvania [Mr. Flood] in commemorating today the 50th anniversary of Ukrainian independence.

Today, while we are preoccupied with a struggle being waged by South Vietnamese and U.S. forces in the jungles and rice paddies and cities of Vietnam, we pause to remember the fate of another people—who also struggled, who lost, but who have not given up hope. January 22 was the 50th anniversary of Ukrainian independence, an independence proclaimed in 1918, only to be lost again in 1920.

The people of the Ukraine suffered as a divided nation under the role of Russian czars for over 300 years. When the czarist regime crumbled during 1917, the long-awaited opportunity for independence came. A group of Ukrainian patriots declared their intention to seek independence in December 1917, and declared it achieved on January 22, 1918. The newly independent Ukraine was a war-torn country and the preservation of independence was to prove impossible. The Red army invaded the Ukraine in the spring of 1920. In 1923, the Ukraine was forcibly made a constituent republic of the Soviet Union, making the Ukrainians among the first victims of a new imperialism, through which the Soviet Union has now become the world's greatest colonial power.

The Ukraine experienced no respite during World War II. Its land again became a battlefield for the contending forces of East and West. The Soviets withdrew only to be replaced by other cruel masters—the Nazis. Following World War II, Soviet authority was reasserted, and tightened. Cruellest of ironies, the Ukrainians, on Soviet insistence, were given a delegation to the United Nations. But this delegation is a sham. The facade of independence cannot disguise the ugly fact of subservience.

With a population of more than 45 million, the Ukraine has a territory which exceeds in area that of several Western European nations combined. Rich in human and material resources, the Ukraine's history and culture are more than a thousand years old. In an era which has seen the rise of many new nations, some of them throwing off colonial bonds after long periods of subjugation, is it not a singular injustice that the Ukrainians, along with their neighbors in Eastern Europe, continue to be subject to exploitation by the worst colonial system of modern times?

Today, as we fight in Southeast Asia on

behalf of a small, brave people striving to maintain its freedom and independence, let us not forget that there are many areas of the world where the cause of liberty has yet to prevail, and that we must not relax our vigilance or abandon our struggle until that cause has prevailed.

Mr. Speaker, how can we best observe and commemorate Ukrainian Independence Day? I recommend that we in Congress, first, set up a Special Committee on Captive Nations; second, reject the President's hope to subsidize the Soviet Union and East European dictatorships through trade concessions; third, hold a full congressional debate on U.S.-U.S.S.R. policies; and, fourth, use every means available, including the Voice of America, to expose the fraudulent Russian Bolshevik revolution, which the Russians are continuing to use this year in a massive propaganda drive.

Throughout this year, Mr. Speaker, there will be commemorative events to cover the proclamation of independence of many nations that have been forcibly captivated by the Soviet Union. I am very pleased to note the interest of the Members of the House in today's commemorative events since it signifies the growing awareness of true conditions within the Soviet Union and further recognizes that the dictators in the Kremlin, for that matter, cannot be peaceful law abiding statesmen due to the fundamental falsehood of the Communist philosophy.

Mr. MINISH. Mr. Speaker, on this, the 50th anniversary of the Ukraine's independence, I rise to join my colleagues in assuring this captive people that they are not forgotten.

The Ukrainian revolution of 1918, in contrast to the Russian revolution, with which it coincided chronologically, paralleled the ideals and spirit of the American Revolution of 1776. Its laudable goal was a free and independent democratic state for the Ukrainian people, heretofore enslaved by czarist Russia.

Unfortunately, the freedom-loving Ukrainians enjoyed only 3 years of independence before they were compelled to exchange one totalitarian master for another. The tyrannical power of Red Russia fell heavily on the Ukraine and through armed force and infiltration, reconquered the Ukraine and subjugated the people. Their churches were destroyed, their religious leaders murdered, and their language usurped by an alien tongue. Despite this persecution, the fire of liberty continues to flicker today within the confines of an all-pervasive Communist system. On this auspicious anniversary, I express the hope and prayer that these brave people may someday be able to fully exercise their love for freedom and their respect for the inherent dignity of man.

The Ukrainian people, wherever they have ventured, have brought great credit to their heritage. In the United States they have been noted for their industry, ingenuity, and tenacity for hard work in many vocations. These people of solid character have contributed their full measure to the building of our free and democratic institutions, and have exem-

plified the courage and stamina that have enabled their kinfolk in the Ukraine to remain unbowed and unconquered under their cruel yoke.

Mr. ST GERMAIN. Mr. Speaker, I rise today to offer expressions of our deep friendship and kinship with the captive nation of the Ukraine on the 50th anniversary of Ukrainian independence.

Today, I wish to pay tribute to those 45 million captive people and to those Ukrainian sons and daughters who have come to our shores and made such worthy contributions to our culture and heritage. The Ukrainian independence and freedom were short lived, but commemorating this day serves as a brilliant reminder that the candle of freedom burns as brightly now, despite long years of tyranny, as it did in 1918. No tyranny can extinguish the desire for liberty that dwells within the heart. Ukrainians everywhere have retained their strong national feelings and they live and work in accordance with their heritage. One strong feeling has been uppermost in their minds and action—resistance to Soviet domination. Let us now reaffirm our own dedication to the freedom of all men and reassure the Ukrainian people, as well as all others who are held captive, that we have not forgotten, nor will we ever forget, that we do not consider their oppression and enslavement as final.

We know that the Ukraine has continued its internal battle for independence and we should not falter now, but should intensify our efforts to bring hope to those oppressed people behind the Iron Curtain.

I speak with great personal feeling, as one of Ukrainian descent and, therefore, it gives me renewed strength to fight the cause of these depressed people, who have suffered untold hardships throughout these many years.

If we all join together in the effort and if the nations of the free world continue their support, some day the Ukraine and other captive nations will once again enjoy freedom, independence, and self-government.

Mr. MADDEN. Mr. Speaker, I wish to commend our colleague from Pennsylvania, the Honorable DANIEL J. FLOOD, for setting aside this time today to pay tribute to the liberty-loving nation of Ukraine. This is the 50th anniversary of Ukrainian independence and the world admires its constant fight to regain its self-government and liberty which it has fought for so valiantly over the centuries.

The year 1917 brought great tidings and joy to millions of Ukrainians with the hope that victory had finally been won and that freedom would permanently be had for these long generations battling for independence. Unfortunately, one of its oldtime neighbors and enemies terminated this dream of self-government and today we find Ukraine under the tyrannical domination of the Soviet Socialist Republics.

Ukraine lies on the shores of the Black Sea and extends from the Carpathian Mountains to the Donets Basin and Kryvy Rih and Don River. This area comprises the richest and most productive soil in the world. Unlimited coal and iron deposits are in this section. By reason of

the unlimited wealth in nature's soil and mineral deposits the powerful tyrants in history have sought to control Ukraine. It is the earnest hope of the people throughout the world that a nation which has fought for centuries for liberty will some day be rewarded with self-government and permanent peace.

When the Soviet Communists first invaded Ukraine after World War I, they were as much interested in plundering the peasants to secure grain and food as they were in capturing the country. The peasants resisted and the leaders of the nation fought to the bitter end to maintain their independence. After heroic resistance by the Ukrainian people in 1930 came the Soviet order for compulsory collectivism, organization of all the land and products of the nation. Naturally this aroused tremendous opposition. In many places the Ukrainian people killed their cattle rather than turn them over and the general revolt against the Soviet tyrants was rampant among the farmers of the nation.

In 1931 and 1932, Stalin and his henchmen inflicted their man-made tyranny which caused starvation to millions and sent others into Soviet prison and labor camps. The story of Ukraine since that time has been sad and sorrowful but to the everlasting credit of Ukrainians throughout the world, their spirit and desires for freedom and independence still survives with the same intensity that it has back through the centuries. With the aid of free nations and the fact that millions throughout the world are rapidly learning the true facts about atheistic communism and its leaders, it is our hope that the day is not too far distant when internal rebellion behind the Iron Curtain, with the aid of freedom-loving people on the outside, will bring independence to the Ukrainian people and other satellite countries now under the Soviet tyranny.

Mr. PATTEN. Mr. Speaker, I am honored to join my colleagues today and help commemorate the 50th anniversary of the declaration of Ukraine independence.

This commemoration is not only observed in America, because the unconquerable spirit of the Ukrainian people is admired by all nations that love freedom and hate tyranny.

Since January 22, 1918, when Ukraine formally declared its independence from despotism, its 45 million people have lived with the hope that liberty will be regained.

It is hard for people who cherish freedom to live under any kind of tyranny, whether it is communism, fascism, or any other form of dictatorship. In some hearts, hope turns to despair, and in some, courage to fear.

But, Mr. Speaker, my hope remains strong. I know that some day, the people of Ukraine will be free again and enjoy the liberties they have been denied all these dark and unhappy years. I find great solace knowing that no dictatorship endures, because it is based on force, violence and injustice.

The moving slogan of the Ukrainian insurgent army helped inspire its members to fight—and often die—for life's

greatest cause: "Freedom to individuals; freedom to nations."

That slogan, Mr. Speaker, will continue to inspire the brave people of Ukraine until freedom is not merely a hope, but a joyful reality. And because of their sacrifices, few nations have deserved freedom more.

Mr. BRASCO. Mr. Speaker, today marks the 50th anniversary of the Ukrainian people's declaration of independence.

As we commemorate this occasion, we necessarily have mixed emotions—pride for the spirit of nationalism with which these patriots issued their proclamation; admiration for the dedication to the to the principle of self-determination which prompted their action; compassion for the courageous struggle they maintained against the Soviets, who were determined to crush their independence; and finally, sympathy, because their defense was not strong enough to prevent a Soviet victory after 3 years of resistance.

Today, in an atmosphere of severe oppression, their dream of independence still lingers; and, with a feeling of kinship for all peoples dedicated to the principle of self-determination, we must reaffirm our sincere hope that for the Ukrainians, freedom may soon be a way of life, not just a distant dream.

Mr. ROTH. Mr. Speaker, a half century ago today the people of Ukraine asserted their right to independence and self-determination by casting off the chains that bound them under czarist Russian domination. The flame of freedom flickered brightly for but 2 years before it was brutally crushed out by force of Soviet arms.

Yet, despite the efforts of successive Kremlin leaders from Lenin to Brezhnev and Kosygin, the yearning of the Ukrainian people for freedom remains strong. The cruel subjugation of the country and its people, the exploitation of its resources, the continuing attempts to destroy Ukrainian culture and language stand as grim testimony to the utter moral emptiness of the Soviet Communist system.

Ukraine, gained by conquest, kept by force, wholly under Soviet Russia's thumb politically, economically, and militarily, daily mocks the world with its standing as a member nation of the United Nations. There is no option left its people to pursue their own destiny, no wavering from the line laid down by the Kremlin masters. It is in every way held captive by its Soviet conquerors.

We, as Americans, Mr. Speaker, steeped in traditions of liberty and independence cannot and must not forget the courageous Ukrainian people who, so long in harsh bondage, still long for the freedom that is their birthright as men.

Mr. MORGAN. Mr. Speaker, this week marks the 50th anniversary of the independence of Ukraine. The overthrow of the czarist regime led to the first brief period of independence in modern times for the Ukrainian people, when they established a republic of their own in 1918. Sadly disrupted by the ravages of war, and before they had even an opportunity to rebuild the economy, the Ukrainians were overrun early in 1920

by the Soviet Army and have been under Soviet dictatorship ever since.

The people of this captive nation, in the ways available to them, still oppose and resist their domination. Their desire for freedom is as strong as ever. On this occasion of the 50th anniversary of their independence, it is fitting that we join with them in hoping they will soon win their goal of freedom and achieve their aspiration to live in peace.

Mr. NEDZI. Mr. Speaker, the strongest "ism" in the world today is nationalism. It is resilient, it is enduring, and it is, more often than not, prevailing. It must never be underestimated.

This week, Congress again focuses on the Ukraine as we mark the 50th anniversary of the proclamation of the Ukrainian National Republic. We acknowledge the determination of Ukrainian patriots for genuine self-determination for the Ukraine.

The Ukrainians, as much as any captive peoples, have maintained their language, their culture, and their national spirit. They have done so against the heavy odds of centuries of Russian domination.

The Ukraine is not a pseudo nation. It has existed as a distinct society for hundreds of years. In 1918, a republic was proclaimed, only to fall 2 years later to superior Russian Communist military forces.

The tides of national independence are rising in Eastern Europe, make hazardous any prediction of tranquillity and stability.

There are those who do not want the discomfort of thinking about the consequences of these trends. Well, this is an uncomfortable world. There are some, fortunately, who will not be embarrassed out of thinking about what others call ethnic and hyphenated American interests. They will not be embarrassed because these are, or should be, American interests.

We, as Americans, should not turn our backs on humanity's restless craving for the blessings of life. And for freedom.

Moreover, we should not romanticize the state of the world. While welcoming whatever trends appear in the Soviet Union, we must remember the dark side of its nature.

I am pleased, therefore, to join my colleagues in observing this 50th anniversary of Ukrainian Independence Day.

Mr. BURKE of Massachusetts. Mr. Speaker, a half a century ago a nation of freedom loving people fulfilled a dream of long standing by declaring their national independence.

For centuries the Ukrainian people had been ruled by other principalities and foreign nations. Their land had been ravaged and attempts had been made to destroy their culture and to extinguish that fire of freedom which burns in every man. But on January 22, 1918, the Ukrainian Central Rada demonstrated in a dramatic gesture that this fire cannot be quenched when it proclaimed the Ukraine a sovereign nation, the Ukrainian National Republic.

Even though within 2 years the Ukraine had once again been engulfed by a new and even more oppressive Russia,

that flame still burns in the hearts of those enslaved in that brave country.

It is fitting indeed that the year of the 50th anniversary of Ukrainian independence should also be International Human Rights Year. The struggle of countries such as the Ukraine impresses more deeply on our minds the meaning of self-determination and freedom. It is only when we are mindful that others are denied this freedom that we realize how truly blessed we are in this great Nation.

In this year dedicated to Human Rights, let us pray and work even more fervently toward the day when all men can share in the dignity and pride that only liberty can bring. And on this day let us dwell on the memory of the sacrifice and courage demonstrated by the citizens of the Ukraine.

Mr. ADAIR. Mr. Speaker, today is the 50th anniversary of the ill-fated Ukraine's independence. It is of interest to note that it is also the 50th anniversary of the Bolshevik revolution this year.

One can say that very little has changed except the actors. Neither the Russian people nor the Ukrainian people got freedom in 1918. In each case they exchanged the rather mild, by today's standards, autocratic yoke of the czarist government for the heavy-handed and bloody dictatorship of the Communists. Those who had revolted for land, bread, and peace received very little of each.

However, the desire of the Ukrainian people for independence remained unshaken during the worst years of Stalin. Not long after the invasion by Hitler's Germany, the Ukrainian insurgents rose again. After seeing the Nazis in action, they turned their guns on both the Nazis and the Red secret police formations sent to quell them. They fought on, largely unknown to the West, from then until about 1950. Finally, overwhelming force drove them from military guerrilla activity to passive resistance and sabotage. There is no reason to believe that the Ukrainian love for freedom has abated one whit in recent years, in spite of heavy Soviet oppression. Perhaps then it is no mere coincidence that a former Red general with the good Ukrainian name of Grigorenko, stood bravely outside the courtroom in Moscow recently at the trial of the four writers and defied the KGB—secret police—authorities in the name of freedom of expression.

Therefore, I am happy to join in a salute to those who love freedom behind the Iron Curtain everywhere and who do so at no small risk to themselves. Let this bond between the people of America and those people of captive nations grow stronger.

Mr. DULSKI. Mr. Speaker, on this 50th anniversary of the independence of Ukraine there is an opportunity for all of us to reflect once again upon these brave people who have opposed and resisted Russian domination for these many years.

The Ukrainian nation became independent and formed its own state on January 22, 1918. But in less than 3 years, Ukraine became one of the first victims of Soviet Russian conquest.

The Ukraine is the largest captive non-Russian nation in all of Eastern Europe, not just within the Soviet Union.

It is vitally important for us in the United States to recognize and understand fully the plight of this Ukrainian nation of 45 million people. We must understand this reality within the Soviet Union for our own national interest and long term security.

No greater illusion and eventual harm can we suffer than to believe that eased tensions and "peaceful" relations with the Soviet can be served by ignoring the truths surrounding the Ukraine and the many other captive non-Russian nations in the U.S.S.R.

What better time than during this International Human Rights Year can we emphasize in every way possible the crass denial of human rights in the Soviet Union?

More than a year ago, I again introduced a resolution in the House, calling for the creation of a Special Committee on Captive Nations. To date, the Committee on Rules has not called hearings on this proposal.

This is indeed regrettable because we have lost all these months in which the special committee could have become an active and authoritative voice on imperio-colonialism within the Soviet Union.

I am again urging the chairman of the Committee on Rules to schedule early hearings on this resolution.

I also renew my support for the issuance of a series of commemorative postage stamps honoring national heroes of freedom. I would sincerely hope that the first such stamp would honor that great warrior and patriot, Taras Shevchenko.

On this mid-century anniversary of the independence of the Ukraine, we in the United States pledge again our sincere friendship for the Ukrainian people in their struggle for true independence and freedom.

We support their drive for a free and independent nation, and we pray that that day of realization may be soon at hand.

With permission, I include as part of my remarks, a study of Communist economic systems by Dr. Lev E. Dobriansky, president of the Ukrainian Congress Committee of America, Inc.:

#### COMMUNIST ECONOMIC SYSTEMS

(By Dr. Lev E. Dobriansky)

Strictly speaking, no Communist economic system with an industrial base exists anywhere in the world. Although the term Communist is generally and uncritically used as a point of political reference, it has no comprehensive objective application in the field of economics. The economies of the U.S.S.R., of mainland China, of the so-called satellites in central Europe, of Yugoslavia, and of other areas claim to be socialist and are ostensibly in the process of creating the foundations for a Communist society. In fact, they are not even socialist in the traditional, democratic meaning of the term. A precise definition of these economies underscores the concept of economic totalitarianism with a primary orientation toward global imperio-colonialism in the more powerful states.

In the vast totalitarian empire, the most formidable economic power is centered in the U.S.S.R. and is the very foundation of the totalitarian dominion. Any essential change in this economic power, or even more, its destruction, would spell the collapse of

the empire, for, in a fundamental sense, all other parts of that empire ultimately depend for their collective and individual survival on this power base. Ideological scuffles and rifts cannot conceal this reality.

**Common Characteristics.** A systematic analysis of these totalitarian economies must rest on recognition of several prominent facts pertinent to all of them. One is the increasing amount of data released by the totalitarian governments concerning almost every sphere of their economies. There have been notable differences, and the material, both statistical and empirical, still falls quite short of acceptable standards of economic reporting. But since the mid-1950s, and particularly from the U.S.S.R., the annual releases of economic data that have appeared contrast sharply with the dearth of information that characterized previous periods. Analysis of these data results in deeper understanding of the workings and problems of these economies, in a steadily growing capacity for checking the accuracy of totalitarian economic claims, and in the easier confirmation of conclusions reached by independent critical research. Some of the disadvantages of relying on such controlled data, however, are a proneness to accept statistical material as definitive of the progress achieved by these economies, and indulgence in economic generalizations formed in a void of political and cold war contexts.

Second, to appreciate the nature and functions of these economies, it is imperative to maintain a constant long-range view of their developments, one that balances the transiency of short-run movements and all the unfounded optimism or pessimism associated with them. The long-range view necessarily encompasses an institutional analysis of the structure, character, basic operations, and paramount tendencies of these systems. All too often a pragmatic shift in economic policy or an economic reversal in these economies is mistaken for a major structural or institutional change.

The third prominent fact about the totalitarian systems is their basic concept of the meaning of political economy. In all cases heavy ingressions of political motivation, control, and objective color the performances of these systems. Although distinctions must be drawn in abstract analysis between political and economic components, in operational analyses (holistic and concrete treatments taking all determining factors into account) it is extremely difficult to separate these forces. From the viewpoint of the Red totalitarian conspiracy, the economy itself is an institutional means for the accomplishment of the global objective. The totalitarian character of these economies is derived from this fundamental fact. Socialization, for example, has for them come to be an essential instrument of political control rather than an agency for socioeconomic betterment. To designate these economies as examples of "state capitalism" (a self-contradictory term) would indicate a complete misunderstanding of the philosophy and nature of capitalism itself.

**False Comparison with Free World Economies.** Finally, these guiding facts lead to a point of the utmost importance, namely, the need to avoid false comparisons between the so-called Communist economies and those in the free world. For instance, the economy of the U.S.S.R. is by character and composition different from that of the U.S. The former is an empire-state, the latter a nation-state economy. In addition, comparisons on the bases of production and growth rates can be most misleading if they are not properly qualified by determining considerations of structural economic change and the product-mix of the compared economies. Relevant questions of quality, precision, and ordered specification complicate such comparisons to the point of practically worthless speculation.

#### THE EMPIRE-STATE ECONOMY OF THE U.S.S.R.

One of the gravest errors with regard to the U.S.S.R. has been to conceive it as nation, nation-state, or homogeneous country. This common error flouts both the history of the area and the inescapable truth, upheld even by Moscow itself, of the multinational composition of the U.S.S.R. The fallacy has unfortunately led to various misinterpretations of economic as well as of other developments. It precludes, for example, any thoughtful consideration of the constant economic friction and jockeying for investment resources between the non-Russian republics of the U.S.S.R. and the Russian center in Moscow, and it arbitrarily excludes the highly important phenomenon of Soviet Russian imperialism within the U.S.S.R. itself.

The U.S.S.R. is more than twice the size of the U.S. In 1965 its population was slightly more than 230 million, against 194 million in the U.S. The average annual population increase in the U.S.S.R. has been 1.7 percent since the 1930's, although there are marked differences between the rural and urban populations and also between the non-Russian and Russian. Excluding the heavy losses in World War II, which amounted to 25 million actual deaths and about 15 million lost births, if there had not been the many genocidal onslaughts on the non-Russian populations in the 1930's and 1940's, the non-Russian component of the U.S.S.R.'s population would substantially exceed its estimated 117 million people. It is important to bear in mind that the U.S.S.R. is in reality made up of a dozen compact national entities and well over a 100 different ethnic groups. The nominal existence of the non-Russian republics in some measure reflects this fundamental fact.

Under expanding industrialization and urbanization, the U.S.S.R. has been encountering problems similar to those in the West. Increased concentration in the cities, smaller family units, congestion and pressures for adequate living accommodations, evidences of juvenile delinquency, and a shifting labor supply are only some of the problems facing the totalitarian planners. Meanwhile, supported by the still extensive rural section, the total population continues to increase, and though the density of population in the U.S.S.R. is one of the lowest among the major countries, much of its territory is hardly suitable for normal habitation. These problems threaten to increase in the years ahead.

**Natural Resources of the U.S.S.R.** The U.S.S.R. is even richer in soil and mineral resources than the U.S. A major portion, such as the agricultural basics, oil, manganese, coal, iron ore, and a variety of metals, is located in the non-Russian territories of the U.S.S.R. The Ukraine is especially rich in agriculture, and Turkestan in central Asia in mineral resources. The exploitation and disposition of these and other resources at the command of Moscow raise the fundamental issue of imperialism in the U.S.S.R. Related to this is the gross mismanagement of these resources, for, despite their overall abundance, there are critical shortages in tin, copper, nickel, and lead. A progressive exhaustion of high-grade ore deposits has been noticeable for some time. The economic consequences of recurring mineral crises in the U.S.S.R. have become quite evident in the lower quality of manufactured goods. Moreover, the pressures emanating from a basic policy of self-sufficiency and the increasing raw material demands from the so-called satellite economies have tended to accentuate the critical aspects of the U.S.S.R.'s position with respect to minerals. A major result of these developments is the significance of Moscow's policy regarding minerals in the cold war. Moscow still strives for self-sufficiency, but seeks to overcome critical shortages through

bilateral trade and development, particularly with the underdeveloped areas of the free world.

**Economic Priorities.** Moscow's capacity to resolve such problems without undue concessions rests in large measure on the totalitarian nature of the economy in the U.S.S.R. With all the essential industry in the hands of the state and with agriculture extensively collectivized, the economy is frequently referred to as a "command economy," one centrally directed, the highest priorities being determined by political objectives. There is no mystery about Moscow's scale of priorities: it is (1) military superiority, with emphasis on nuclear arms and rocketry; (2) supremacy in space flights; (3) the highest advancement in technology and heavy industry at strained tempos of development; (4) steady infiltration of, and the displacement of the Western powers from, the underdeveloped countries; (5) rapid increases in agricultural output; and (6) substantial improvements in the living standard. To realize each satisfactorily requires enormous amounts of capital, which the U.S.S.R. has not had. It has thus been compelled to concentrate its allocations on the top priorities.

For over 40 years official promises to meet the lowest priorities have been frequent. It is safe to say that, by virtue of the nature of the U.S.S.R. and its fixed global objective, the first four priorities will continue to be emphasized. In precise terms, the U.S.S.R. economy has always been a war economy.

**Agriculture and General Living Standards.** Since 1956 sporadic efforts have been made to satisfy in some degree the demands implicit in the lowest two priorities. The economic benefits of Nikita Khrushchev's so-called liberalization program occasioned much discussion. The plan envisioned the doubling of the house-building rate, increased investments in food production, fewer hours of labor, greater job mobility, the institution of installment credit, and augmented pensions and peasant incomes. The projection of these marginal concessions has led some to hope that they presaged an evolution that would somehow transform the U.S.S.R. into a more democratic and peaceable state. On the basis of decades of evidence, however, it would be a misreading of long-run trends to expect the Moscow regime, under whatever leadership, seriously to sacrifice its global political positions by a major diversion of resources.

Again, although it is not a decisive directive force, the pressure for a higher living standard in the U.S.S.R. is an important factor with which the Kremlin is attempting to reckon by means of balanced calculation and pragmatic control. The pitifully low standard of living in the U.S.S.R. has always been a sore spot in its propaganda. Past and even future concessions in this area should be viewed as a pragmatic adjustment in a continuous plan to win over the underdeveloped areas and to overtake the West. For Moscow's own global objectives, as well as for a correlative impact on the underdeveloped countries, the emphasis has been and will indefinitely continue to be on more production for expanded industrial capacity in a hectic rush for recorded "growth" and as a clear proof that the U.S.S.R.'s is the type of system the underdeveloped countries should adopt. This emphasis stands to provide additional resources for Moscow's worldwide cold war operations. The staggered concessions, in addition to concealing somewhat the propaganda sore spot, function as a carrot dangling before an exploited donkey in the expectation that more intensified efforts may be exacted from the laboring populace.

This perspective should be borne in mind when seemingly radical changes are proposed in the U.S.S.R.'s planning process. Historically the U.S.S.R.'s inner councils have always debated the most effective means of maximizing production and consumption. The

alternation of administrative centralization and decentralization is nothing new. Stalin's regime in the 1930s and 1940s was punctuated by such zig-zags, as was Khrushchev's in the 1950s and 1960s. It should be noted that the most radical departure from totalitarian economic control occurred in the 1920s with the New Economic Policy, and expedient retreat that ensured the survival of the regime. Such shifts, however, do not signify any real change in the totalitarian framework, least of all a change in the direction of a consumer-oriented free market economy. The crucial fact is that centralization or decentralization is only a means chosen to effect most economically the ultimate decisions on priority performances made at the center, i.e., by the Council of Ministers, the leaders of the Communist party of the U.S.S.R.

Khrushchev's widely heralded reform of 1957 was of this kind. Many in the West mistook the creation of 102 regional economic councils—the *sovnareshes*, whose jurisdiction was roughly coincident with the territories of the republics—as a significant drift toward a more liberal, decentralized economy. Actually, this administrative change in no way altered the basic economic pattern of centralized decision-making on the allocation of investment funds and the pursuit of established priorities. Because of the disturbing growth of "localism" (non-Russian economic nationalism) and the unsolved problems of shoddy products, cost-price maladjustments, disjointed distribution, quota racing, misplaced investments, and even admitted statistical fabrications (not to mention a startling deceleration in production rates), the Khrushchev regime reversed itself in 1962. Outdoing even Stalin, it launched a program of party economic surveillance, dividing the party into industrial and agricultural branches for this task, and aimed to reduce the economic councils in favor of fewer, but ever more regionalized, bodies closely attached to the central planning agencies in Moscow.

This new scheme was not fully carried out, although a long-run trend toward an economic, and thus a smothering political, regionalization seems assured in the Baltic, Caucasian, and central Asian republics. In fact, the succeeding Brezhnev regime scotched the policing part of the scheme in 1964, only a month after Khrushchev's downfall, and reaffirmed the policy of executing economic improvements without radical changes in the framework of the system. The intention then appeared to be to restrict the regional councils to industries producing consumer goods and foods for the local market and to allow such production to be determined by market supply-and-demand conditions. Industries considered to be of "Union importance," such as heavy industry, iron, steel, fuels, chemicals, and machinery, would fall under the jurisdiction of specialized central agencies. In theory, this change constitutes a compromise between the highly centralized situation before 1957 and the more decentralized condition that prevailed to the end of 1964.

**Continuing Top Priorities.** Whatever the changes, administrative and other, centralized decision-making, particularly in connection with top priority state requirements, is still obvious.

The basic planning process remains intact, following the experience of the past 4 decades. The method of balances is the chief technique used to synchronize the flow of materials, goods, labor supply, funds, and other economic units according to planned objectives. If the basic scale of priorities is to be maintained, this technique will become increasingly important as some areas for free market determination are experimented with. In a totalitarian economy, inflation is far more dangerous than in a consumer-oriented free market economy, and thus the policy of neutralizing the role of money is fixed and fundamental. The financial plan, which consists of cash and credit plans and an all-

comprehensive budget, reflects the economic plan and is designed both to lubricate it and to prevent the incubation of inflationary pressures. The economic history of the U.S.S.R. is rife with such pressures. Moreover, to make the planning process as efficient as possible, Moscow has placed a heavy premium on the use of computers and the advancement of automation. It has also come to recognize that growth for growth's sake, regardless of the quality of goods, the availability of spare parts, or a harmonious co-ordination of plants, enterprises, and industries, is not the measure of a sound and strong economy.

Whatever its time length, no economic plan in the U.S.S.R. can be compared with a railroad timetable. The different plans—and there are several, such as a 15-year developmental one, 7- or 5-year ones, and concurrent annual and quarterly plans—are in the nature of attainable goals of economic performance. Since the first Five Year Plan was launched in 1928, flexibility in their realization has always been allowed for, with quotas in certain items being exceeded and in others falling below targets. Top priority items are usually supported successfully to the end of the plan. The 7-year plan embarked upon in 1959 was in part a cover-up for the failure of the sixth 5-year plan, which had set goals far beyond the capacity of the U.S.S.R. to meet. Even this plan was subjected to a number of revisions when it had become obvious that a 40 per cent increase in average real income was unrealizable, largely because a projected 70 per cent increase in total agricultural output by 1965 turned out to be fictional. In line with the percentage distribution of investment by economic sector for the preceding period, the original 3 per cent allocation of investment in light industry under this plan gave further evidence of the planned neglect of consumer goods even up to 1970.

**Role of Non-Russian Areas.** In addition to being wedded to a totalitarian war economy, the U.S.S.R. is also essentially committed to an empire or impericolonial economy, not a national one. Conceptually, to compare this economy seriously with that of the free world makes as much sense as comparing the U.S. economy at the beginning of the 20th century with that of the British Empire. The captive non-Russian nations in the U.S.S.R. have long been subjected to the economic colonialism of Moscow, and without their resources, the U.S.S.R. would be a second- or third-rate power. Without the Ukraine, Turkestan, White Ruthenia, the Baltic nations, and the Caucasus, the U.S.S.R.'s agricultural base would be no more than that of a united Germany. The loss of coal deposits in the Ukraine's Donets Basin, Turkestan's Karaganda, and in other non-Russian territories would seriously deplete the U.S.S.R.'s annual coal output. The iron ore of eastern Ukraine and Transcaucasia, the oil of Azerbaijan and Idel-Ural, the manganese of Georgia and the Ukraine (over 90 per cent of the U.S.S.R.'s total) the copper, lead, zinc, silver, and other resources in Turkestan (over 50 per cent)—all these and more of colonial resources play a major role in colonialist Russia's position as a great power.

Estimates of the net value extracted from these non-Russian colonies range from 20 to 45 per cent, depending on the area and the nature of the products. Despite Moscow's misapplication of the term "national economy" to the U.S.S.R., as a whole, the non-Russian republics properly report their respective annual economic performance under the caption of the national economy of the Lithuanian S.S.R., Georgian S.S.R., or Ukrainian S.S.R. The Ukraine, for example, the largest non-Russian nation in the U.S.S.R., accounts in all-Union production on the average for over 50 per cent of pig iron output, 55 per cent of ore mining, 30 per cent of manganese, 41 per cent of hard coal, 52 per cent of coke, 25 per cent of mineral fertilizer, 44 per cent of casitic soda, 23 per cent of tractors, 75

per cent of long-haul locomotives, over 25 per cent of meat and milk, and 70 per cent of sugar beets. In per capita production of wheat, sugar beets, potatoes, milk, and butter, this nation of over 40 million has exceeded production even in the U.S.

Accented stress on metallurgy, chemicals, and natural gas production has attached a higher economic significance to this non-Russian republic in terms of all-Union product percentages. In exports, the national economy of the Ukraine sends products to more than 50 countries, with percentage ratios of total U.S.S.R. exports ranging as high as 93 per cent in pig iron exports, 57 per cent in rolled steel, 97 per cent in iron ore, 54 per cent in coke, and 69 per cent in sugar. It is evident that Moscow utilizes its internal colonies to the utmost in implementing its global objectives. Their role is extremely crucial in the type of economic warfare developed by Moscow against the free world. The protracted ignorance of the West concerning these colonies is one of the mysteries of the cold war.

**U.S.S.R. Product a Gross Imperial Product.** In light of the above, it is more accurate to classify the annual gross product of the U.S.S.R. as a gross imperial product (GIP), rather than a gross national product (GNP). For years there has been much controversy about the scope and growth of this GIP, controversy occasioned largely by the doctored character of Soviet Russian statistics. The vulnerable apologia offered in 1963 by J. Malyshev, deputy director of the Central Administration for Statistics, and the outbursts in 1964 of the Soviet press and officialdom against the unprecedented disclosures of the U.S. Central Intelligence Agency amply confirmed the spurious elements found in Moscow's statistics.

Following World War II, the U.S.S.R., with additional annexed territories, speedily undertook a reconstruction program that was completed by 1953. Operating from a base comparable to that of 1939, the economy progressed rapidly along the scale of priorities indicated above. Despite the disputed growth rates of 11 per cent per annum for industrial production and 7 per cent for GIP, the advance was as remarkable as that in Japan, West Germany, or Yugoslavia, though by no means so well balanced. In the short run, particularly after a war, such industrial and total gross product advances appear spectacularly impressive; in the long run, by far a more realistic measure, the growth trend of the U.S.S.R. economy at about an annual 3 per cent increase since 1928 assumes the more normal proportions of a maturing industrial economy.

**U.S.S.R. GIP and U.S. GNP.** As was anticipated by a few Western economists, the Soviet GIP slowed down markedly at the beginning of the 1960s. In both 1962 and 1963 the growth rate slipped to about 2.5 per cent, or one-half the rate of the U.S. In terms of absolute value the U.S.S.R. has lagged substantially behind the U.S. Its 1964 GIP hovered about \$270 billion, or roughly 43 per cent of the U.S. GNP of some \$630 billion. Since the U.S. output of goods and services exceeds the U.S.S.R.'s by more than two times, the U.S.S.R. would have to maintain a rate of over 10 per cent in order to realize an annual growth product equal to that of the U.S. Barring the most unforeseen circumstances, this feat over a period of time would be virtually impossible, and this for the many reasons explained so far, as well as for others that have accounted for the U.S.S.R.'s industrial stagnation, agricultural fiasco, and poor showing in improved living standards in the early 1960s.

Turning to industry, overall Soviet development is at a stage that the U.S. had reached by the 1920s. This area, particularly the light goods sector, has been affected, as have all others, by an acute shortage of capital and skilled labor. For manufacturing, mining, electric and gas utilities, the U.S.S.R. product in 1962 was \$86.7 billion, while that

of the U.S. totaled \$180.2 billion. Some Western analysts have estimated Soviet industrial production as low as 35 per cent of the U.S. output. To produce its industrial goods, the U.S.S.R. employs 20 per cent more labor than does the U.S. and its productivity is approximately one-third of the latter. The 7-year plan aimed at a 47 per cent increase in per capita industrial productivity. But this was an overambitious, unattainable goal negated by the fact that, just as extensive mechanization is no complete substitute for a fair remuneration of workers, the process of expanding capacity and increasing capital per worker cannot in itself guarantee necessary changes in the training, skill, and application of labor and management. Time is capital, too.

Where top priority items are concerned, certain plants in the U.S.S.R. are as efficient as any in the world. When viewed as a whole, however, Soviet industry lacks depth, as do agriculture and other activities. The leading-link principle operative in the successive plans, i.e., forced concentration for the accomplishment of top priority requirements, has been instrumental in shaping this state of affairs. As evidence of this super-concentration, the gross imbalance of Soviet industrial production is seen in the fact that nearly 70 per cent of it is devoted to capital and producer goods and the remainder to consumer goods. Emphasizing the bias against the latter, capital goods output rose in 1963 by 10 per cent, consumer goods by only 5 per cent. Careful item-by-item comparisons with the U.S. also indicate the relatively backward state of overall Soviet industry. Steel in the U.S. is no longer "modern," having given way to synthetic materials, but in the U.S.S.R. it still is over-emphasized. Coal has been largely displaced by natural gas in the U.S., but it still bulks large in U.S.S.R. production. Electric power production in the U.S. exceeds that of the U.S.S.R. by almost three times, and when it comes to motor vehicle production, the U.S.S.R.'s is only a 16th of the U.S. output. The U.S.S.R. is far from being an automotive economy. The total mileage of its paved roads scarcely measures up to Great Britain's. Instead, it is a thoroughly overtaxed railroad economy, with steam locomotion in command.

In 1962 and 1963 Soviet industry suffered a sharp decline, down to about a 4 per cent rate. This was no surprise: capital had been severely overstrained, the growth rate of investments increased by no more than 5 per cent, far less than in preceding years, and diminishing returns from existing plants had to set in sooner or later. Moreover, the diversion of investments from comparatively simple operations, such as raw materials and power production, to far more complex sectors has also contributed to this inevitable slowdown. The U.S.S.R. has been woefully inadequate in the chemical industry and only in 1964 inaugurated a \$2 billion accelerated program. Unproductive investments in armaments and space exploration are another source of industrial drain. Then, of course, the perennial drags of a totalitarian economic system take their toll.

Of the perennial problems, U.S.S.R. agriculture has been plagued in every decade since the 1920s with serious crisis. The discriminatory food prices of the 1920s, the collectivization and man-made famine of the 1930s, the war in the 1940s, and the uneconomical virgin lands policy and inefficient farming of the 1950s and 1960s are only some highlights of failure in this basic economic activity. In 1963 a most serious decline in production occurred, the output being only 3 per cent above the 1956 level, the per capita output 7 per cent lower than 1956, and wheat production dropping 10 million tons from the 1962 level. Moscow was compelled to purchase from the free world some 7 million tons of wheat to feed its increasing

populations and to meet commitments in its external empire. It is noteworthy that in that year almost every so-called Communist economy was in serious agricultural trouble.

Normally, when such trouble crystallizes, concessions are temporarily made, particularly with regard to garden plots. Soviet agriculture is almost completely collectivized, with some 39,700 collective farms and 8,570 state farms, the latter cultivating more land. The private garden plots of the collective farmers account for only 3 per cent of the cultivated land and yet produce about 33 per cent of the gross agricultural output and 50 per cent of livestock output. These plots generally do not exceed an acre.

The unbalanced condition of U.S.S.R. agriculture may be gleaned from these dominant facts. Agricultural output makes up about 17 per cent of the GIP. The agricultural productivity of the U.S. is ten times that of the U.S.S.R., where about 40 per cent of the total labor force is engaged in agriculture, as against 10 per cent in the U.S., which nevertheless produces 33 per cent more. Meat production amounts to only 40 per cent of the U.S. production. The same lag applies to milk, eggs, and butter. Comparisons in farm equipment are equally startling; for example, in 1964 the U.S. used 5.2 million tractors to the U.S.S.R.'s 1.3 million, and four times as much fertilizer. Indeed, so retarded have conditions been in U.S.S.R. agriculture that new plans were initiated for 1964 and 1965, providing for a redistribution of investment funds for the chemical industry and farm machinery and greater incentives for the collective farmers.

*Living Standards in the U.S.S.R. and the U.S.* Under this pattern of an essentially technocratic, Spartan, and totalitarian economy, it is not difficult to visualize the standard of living. Differing from nation to nation in the U.S.S.R., the average amount of goods and services available is approximately one-third that of the U.S., and on a per capita basis, one-fourth. Although aggregate income has increased on an average of 3 per cent a year since 1928, the real income has remained virtually the same, with the Soviet real wage about one-quarter of the American. The average monthly wage of the Soviet worker was estimated at \$90 per month in 1964. The minimum wage for unskilled workers has been slightly more than \$40 per month, if one accepts the dubious ruble-dollar ratio, and the minimum pension has amounted to \$30 per month. For some time more than 6 million farmers had been excluded from pensions, but in 1964 Khrushchev announced plans to include them at a monthly minimum rate of \$13.20 and a maximum of \$112.20.

Disregarding the unavailability of many consumer items and pronounced quality differences, cost estimates for 1963 showed that for a hypothetical weekly food basket a family of four in Moscow had to pay \$36.38 against \$18.43 by its counterpart in New York. But to earn this basket the Russian household head had to work nearly 65 hours, the American less than 9. As for housing, this has been a crisis area since the inception of the U.S.S.R. Whereas in the U.S. there are 28.5 square meters per person, in the U.S.S.R. there are scarcely 10, and it is not uncommon for families to share such limited space. In 1963 the construction of urgently needed dwelling units even decreased. In the area of services and appliances, the U.S.S.R. is notably behind. Conspicuously a service economy, the U.S. produces more than three times as many TV sets, refrigerators, washing machines, and a host of other items as the U.S.S.R. The disparities are even worse when it comes to automobiles, vacuum cleaners, and numerous other goods. The Soviet populace continues to be exploited by a harsh program of forced saving executed

through a turnover tax averaging 46 per cent of every ruble value.

Despite the tremendous economic advantage of the U.S., however, nothing could be more disastrous than to lapse into complacency. To do so would indicate a continued misunderstanding and ignorance of the totalitarian system—an economy based on the empire concept, inextricably given to centralized decision-making, technocratically devoted to those expansive power elements found in the top priority requirements, successfully concentrating on military, space, rocket, and heavy industrial accomplishments at the extreme cost of human needs and wants, and tightly dominated by a new class of vested interests with fixed global objectives.

In 1965 Moscow was faced with a dilemma. Industrial production had slowed down, agriculture lagged badly, pressures for improved living standards increased, and the issue became one of sharply reducing investments channeled into the top priority categories, such as an annual \$50 billion outlay into the military, of cutting back consumption still more or trading to procure the necessary machinery, plants, and other equipment to build up further the type of economy described here. Upholding the principle of empire autarchy, about 70 percent of U.S.S.R. trade is with its external empire and in 1962 totaled a \$7 billion turnover. In the period from 1954 to 1963, U.S.S.R. economic aid, which really has not been aid but rather a low-cost commercial undertaking, amounted to \$3.3 billion, with only \$1.2 billion drawn upon mainly by countries in Asia, Africa, and the Middle East. The U.S.S.R. has never been a major trading state, and its exclusive bilateral trading arrangements are normally facets of its economic warfare. It has little to offer the Western powers in return for the requisites it seeks, and with a gold reserve of approximately \$2 billion it can scarcely pay to cover the full value of these requisites. The alternatives are long-term Western credits and the opportunity for industrial copying and reproduction. The paramount question is whether the West again, as it has in the past, will assist the further rapid buildup of this empire-state that makes no pretense about its determined goal of eventually overtaking the West.

#### THE TOTALITARIAN ECONOMY OF RED CHINA

The important, but not generally recognized fact, is that if all the other so-called Communist economies are combined with that of the U.S.S.R., the total aggregate gross product is still substantially less than the U.S. GNP. Red China's \$90 billion, the \$110 billion for the minority captive states in central and southern Europe, the approximately \$3 billion for Outer Mongolia, North Korea, and North Vietnam, Yugoslavia's \$7 billion, and Cuba's \$2 billion fall short of even the U.S.S.R. GIP. Add to the U.S. GNP the gross products of the most advanced free world economies in Western Europe and Asia, and the ratio becomes almost 3 to 1. The total industrial production of the Communist Empire is only about 25 percent of world output. It is therefore no exaggeration to maintain that, on the scale of genuine economic progress, it, including the U.S.S.R., is a conglomerate of basically underdeveloped economies. This is conspicuously clear in the totalitarian economy of mainland Red China.

*Reform Programs.* Upon seizure of power in October 1949, the Red Chinese announced a rapid industrialization program designed to build up modern industry in the short span of 18 years. Structural changes started that year, with land reform as the first step. This involved more than land redistribution; it aimed at eliminating the rural ruling classes. An estimated 10 million households belonging to the landlord and rich peasant classes and those regarded as "reactionaries" were liquidated. About 700 million *mou* (116

million acres) were confiscated and redistributed among 300 million peasants.

**Collectivization of Peasants.** When the land reform was concluded in 1952, the regime immediately commenced to collectivize the Chinese peasants in three consecutive moves. The first was to organize individual peasant households into "mutual-aid teams," each team consisting of 6 to 8 households accumulating common property, such as implements and cattle. This "embryonic socialism" was followed in 1953 by the elementary cooperative, characterized by land pooling according to share under single management, while the ownership of land and other means of production continued to be private. As the third step, in 1955 the elementary cooperatives were reorganized into the advanced cooperatives, in which, as in the Russian *kolkhoz*, a peasant's land and other principal means of production were transferred from private to collective ownership and payment for the land shares was abolished. Each peasant household was allowed to keep a small plot of land not to exceed 5 per cent of the total land. By the end of 1957, China's 120 million peasant households had been organized into 752,000 cooperatives.

**People's Communes.** In April 1958 the radical program of the people's commune was launched. By October, 90 per cent of the peasant households were merged into 24,000 communes. All property and belongings, including the small plots of land, were surrendered to the commune. Peasants ate together in public mess halls, placed their children in communal nurseries, and worked under a central management. After a year of experimentation the system proved to be unworkable. In the summer of 1959 Peking began its grant retreat, which lasted through 1963. The small plots of land were returned to the peasants, mess halls were disbanded, and the authority of the commune was shifted to the production brigade, a unit equivalent to the former advanced cooperative, and later to the smaller production teams. The whole system reverted to the position prevailing before 1958. After some restoration of agricultural output by 1964, Peking has again placed considerable amounts of peasants' private plots under collective cultivation and has extended state control over the limited free agricultural markets.

**Control of Industry.** After the 1949 seizure, state ownership and control over industry moved with equal swiftness. Private enterprises in any way connected with the ousted Nationalist government were immediately confiscated. By 1952 almost all foreign enterprises were seized. In the next 5 years approximately 70,000 private enterprises were reorganized under joint state-private management; nearly 2 million commercial establishments were converted into state-private or cooperative stores; and the banking system was basically nationalized. In short, private ownership gave way to state ownership. Moreover, these structural changes facilitated the concentration of all available resources for a high-speed industrialization program.

Under each of the two 5-year plans (1953-57 and 1958-62), gross industrial production was to be doubled, whereas gross agricultural production was to rise by about one-quarter during the first plan and by about one-third in the second. This divergent rate of increase was designed to elevate the proportion of gross industrial production to total gross production from 42 per cent in 1952 to 52 per cent in 1957. To permit this high rate of growth, the first 5 year plan called for an \$18 billion capital investment, or about 14 per cent of the total national income in the same period. As one would expect in this type of economy, of the total industrial investment, 89 per cent or \$9.3 billion was for heavy industry and only 11 per cent for light industry. The investment ratio between industry and agriculture was 7.5 to 1.

During the first 5-year plan, the average

annual growth of industrial output reached 19 per cent, but that of agriculture was only 4.5 per cent. The growth of industrial production in physical terms was quite impressive, as pig iron increased four times to 5.9 million tons, steel 4 times to 5.4 million tons, and coal doubled to 130 million tons. Light industry lagged behind heavy, and growth in agriculture was even more moderate. Food gain, for example, increased by only 14 per cent to 175 million tons. The annual growth rate of food production was as low as 2.6 per cent, barely more than the natural rate of increase in population, which was officially reported at 2.2 per cent a year.

The Big Leap. In 1958, the first year of the second plan, Peking suddenly advocated the "Big Leap Forward" movement, and production targets for the same year were double those of 1957. This fantastic leap proved to be catastrophic. The regime first confirmed the success of the Big Leap and then admitted the falsification of published figures. The movement also had a disastrous effect on agricultural production, because approximately 60 million rural workers were transferred to participate in the backyard furnace campaign to produce low-grade steel. Thus, agricultural output began to decline in 1959 and fell to its lowest point in 1961. A critical shortage of food forced Peking to use its scarce foreign exchange to import 6 million tons of grain in 1961, 4.5 million in 1962, and 5 million in 1963. The agricultural collapse not only slowed down the industrialization program, but also offset a great part of the economic achievements of the period from 1953 to 1958.

By suddenly suspending all economic assistance to Peking in the summer of 1960, Moscow further and seriously weakened the Chinese economy. Aid from the U.S.S.R. represented the most important source of support for the first 5-year plan; the 156 major projects constituting the backbone of this plan would not have been possible without it. In the period from 1950 to 1959 Moscow dispatched more than 10,000 technicians and specialists to work in Red China. It supplied more than 21,000 sets of scientific and technical documents, including over 1,400 blueprints for large enterprises. Trade between the two totalitarian states increased constantly, reaching a turnover of \$2 billion in 1959. With the rift, this declined sharply, so that by 1962 the turnover was only a third of the 1959 high and the lowest since 1950.

**Revision of Program.** All these economic adversities forced Peking to revise its program for economic development drastically. The tempo of industrialization was decelerated in 1960 in order to concentrate all available domestic resources on agricultural recovery. In primitive economic fashion, a "whole country support agriculture" movement was pushed by the government, as 20 million laborers, city dwellers, bureaucrats, and students were mobilized for work on the agricultural front. The Big Leap Forward was suspended. Almost all heavy industrial resources were assigned to the increase of agricultural production. In 1962 the output of chemical fertilizer and steel products for farm purposes exceeded the 1961 levels. To stimulate initiative, private land plots were returned to the peasants, who now, although but temporarily, could sow whatever they chose and market the produce freely. In short, this Red Chinese retreat resembled the New Economic Policy of the U.S.S.R. 40 years before.

The outcome of these extreme readjustments was a slow agricultural improvement, virtual industrial stagnation, and sharp decreases in foreign trade in the period from 1961 to 1964. From a low of about 155 million tons in 1960, grain output rose to 165 million in 1961 and 182 million in 1962, which still was behind the 1957 figure. Cotton production stood at 1.55 million tons in 1960, dropped to 1.45 million in 1961, and slowly rose to 1.56 million in 1962, but it, too, was

below the 1957 mark of 1.65 million. On the industrial front, steel output declined from 13.3 million tons in 1959 to 10 million in 1962; coal decreased from 347.8 million tons in 1959 to about 240 million in 1962. Sparse official statistics for 1963 and 1964 indicated marginal agricultural increases while heavy wheat imports continued and substantial progress was achieved in the production of chemical fertilizer, petroleum, and farm machinery. All of this suggested a critical shortage of raw materials as well as of capital for industry.

**Foreign Trade.** Red Chinese foreign trade was markedly affected by these various developments. In 1958 its total value reached \$5.5 billion; by 1963 it sank to \$2.3 billion, lower than that of Malaysia and India. Red China's position improved in 1963 with a trade turnover of \$3 billion and a favorable balance of \$300 million. Trade with Japan soared to \$158 million, but mainland China still received 40 per cent of its imports from other parts of the Red empire and sent 48 per cent of its exports there. However, since Chinese exports are composed chiefly of agricultural products, unless agriculture shows immense progress, the outlook for the Red Chinese market must not be overestimated.

At the beginning of 1965 Peking was faced with three major problems: the restoration of planned economic processes, the promotion of peasants' incentives, and the generation of capital formation. The basic pattern of the Red Chinese economy is to follow the Russian type of planned economy. During the 1960-62 debacle, Peking not only failed to formulate a long-term plan, but also failed to execute an annual plan. A third 5-year plan was to have begun in 1963. Secondly, since collective production occupies 95 per cent of the arable land, agricultural output can scarcely increase substantially without peasant cooperation. With a population of 700 million in 1965 and the prospect of 1 billion by 1980, a pronounced uplift in agriculture is an unquestioned necessity. Finally, if any plan aims at the same level of investment the second one aspired to, some \$7 billion would have to be allocated for capital investment annually. Conditions in 1965 appeared to make this impossible.

Yet, despite all these marks of acute underdevelopment, crisis, and at times famine conditions, Peking wrote into its imperiocolonist plans the subjection of the population to the heavy costs of nuclear development, as highlighted by the nuclear explosion of October 1964, and makes it suffer the equally burdensome costs of a 2.6 million army and a huge militia of men and women. Like Moscow, Peking pours resources into the support of both peaceful and violent penetration of the underdeveloped countries. Briefly, at these incalculable costs and by the same totalitarian policy, Red China is the imperiocolonist competitor of the U.S.S.R.

#### THE CAPTIVE ECONOMIES OF CENTRAL AND SOUTHERN EUROPE

Behind the imperiocolonist giants stand the dependent totalitarian regimes of central and southern Europe. The economies ruled by these regimes are captive systems like those found within the U.S.S.R., in several Asian countries, Yugoslavia, and Cuba. The nations in this area, consisting of the Albanian, Bulgarian, Czech, Slovak, Hungarian, Polish, Rumanian, and East German peoples, constitute a third of the contemporary family of captive nations. Their total population, approximately 100 million, is less than that of the captive non-Russian nations in the U.S.S.R. As indicated earlier, the aggregate GNP of the area is just slightly higher than Red China's.

Totalitarian economic planning was soon instituted in these areas. Allowing for differences among the various countries, programs were launched at a start of the 1950s for the "construction of socialism" as a prelude to Communism. The most developed of the group, the binational state of Czechoslovakia,

rapidly embarked upon full agricultural collectivization, industrial socialization, and the abolition of private commercial and professional enterprises. The less developed countries of Albania and Bulgaria followed closely in this radical development, with Rumania, Hungary, East Germany, and Poland struggling behind. Spurred on by Moscow, the area intensified its industrial investment, raised production targets, accelerated various growths at the expense of higher living standards, and became increasingly dependent on U.S.S.R. raw material supplies. In the span of 10 years more rapid progress was realized, especially in the industrial realm. East Germany, Czechoslovakia, Poland, and Hungary, which form the industrial tier of the area and account for nearly seven-eighths of the total industrial output, achieved most of this progress, while Bulgaria, Rumania, and Albania participated but continued largely in agricultural pursuits.

Construction of "Socialism." However, the first half of the 1960s was highlighted by an extensive controversy over planning, industrial slowdowns, severe agricultural difficulties, demands for improved living standards, and apparent friction with Moscow on long-range area development. As for the general course of constructing "socialism," the achievements were far from being synchronous and symmetrical. Poland, for instance, had collectivized only 13 per cent of its farms, while East Germany allowed some degree of private trade and industry. The 1953 East German uprising, numerous Slovak resistance forays, the 1956 Poznan riot, and the Hungarian revolution graced the decade with overt opposition to the politicoeconomic tyrannies of the totalitarian Red network and also contributed positively both to impeding "socialist construction" and to the empire's troubles of the 1960s. By 1963-64 even advanced Czechoslovakia found itself in the throes of reorganizing its economy along so-called Titoist lines, involving decentralization, greater plant autonomy, production geared to consumer demand, and incomes partially determined by profitability. East Germany, Poland, and Bulgaria moved somewhat in the same direction. The points on politicoeconomic perspective considered earlier in the section on the U.S.S.R. apply here, too.

*Industrial and Agricultural Reverses.* These essentially pragmatic experiments with new techniques of economic planning were precipitated chiefly by both industrial and agricultural reverses. During the 1950s the area enjoyed increases in production as high as 61 per cent, especially in coal, crude oil, steel, and electric power, and the rate of industrial output for the advanced countries ranged annually between 9 and 11 per cent. By the end of the decade Czechoslovakia was a major world exporter of machine tools and industrial equipment, and East Germany attained to the status of Europe's fifth largest industrial economy. Plans for the 1960s called for still more impressive strides in heavy industry, chemical production, and machine equipment. Yet, as in the U.S.S.R. and Red China, a stringent capital shortage overshadowed these plans, while blunders in planning and high costs of production blighted their industrial phase of realization. Czechoslovakia, for example, had been in an economic crisis since 1961 and industrially produced less in 1963 than in 1962. East Germany was plagued with insufficiency of skilled labor and, like most of the others, with scarce foreign currency to import needed industrial and agricultural goods. Despite its riches in raw material, Rumania was steeped in a visa blackmail racket to acquire dollars, and Poland found itself overinvested in far too many unfinished factories. In 1963 much of the area was afflicted by a deceleration in industrial output. Significantly, in the following 2 years, and like the U.S.S.R. and Red China,

all these economies looked to Western trade for their further industrial buildup.

When we turn to the area's agriculture, the pattern of totalitarian economic crisis assumes even more exact contours and proportions. In order to offset population increases of roughly 1 million a year and the contraction of arable land area because of industrial projects, highway construction, and urbanization, intensive agricultural investments were made during the 1950s for raising low acre yields and expanding total food production. Tractor production more than doubled, reaching about 300,000 in 1960, the fertilizer supply also doubled, and, with qualitative seed improvements, yields per acre increased. Nevertheless, total output of the principal produce for the area lagged behind prewar levels: grains and potatoes, for example, fell by about 6 per cent. Although the area is capable of producing over one-third more foodstuffs and had achieved a new high in pigs, sugar beets, and other production, it turned into a food-importing region. Renewed pressures for extended collectivization in 1958 scarcely helped the situation; indeed, the curtailment of peasant initiative and "planned mismanagement" from above darkened the agricultural picture. By 1963, with the exception of Rumania, which fell below expectations but enjoyed favorable harvests and lent 400,000 tons of grain to the U.S.S.R. country after country in the area sought free world relief in this fiasco. A self-sufficient grain producer before World War II, Czechoslovakia entered into a 3-year contract, with Canada for 1.2 million tons of grain; despite its undercollectivization, Poland did likewise and in addition purchased 2.3 million tons from the U.S. and France; Bulgaria also contracted with Canada for 3 years, while Hungary turned to the U.S. and France, and Albania to Red China, which in turn tapped Australia and Canada.

Unable to feed their populaces with a modicum of constant adequacy, these captive economic systems have been harried not only by food shortages but also by other depletions in the standard of living. As in the other capital-intensive totalitarian systems, they have employed the concession technique when acute strains were felt in basic popular consumption. Following the Korean War and the East German uprising and again after the Hungarian revolution, temporary concessions were effected in prices, availability of consumer goods, and a reduced tempo of heavy industrialization. Housing construction, on a per family basis worse than even in the U.S.S.R., has continued to be a perennial problem.

At times, as at the close of the 1950s, the area's consumption of shoes, television sets, sewing machines, and many other items lagged behind the low per capita consumption of the U.S.S.R. Despite some improvements in the area, the workers' condition by 1963-64 appeared to have become graver. Food costs absorbed as much as 64 per cent of a skilled worker's average monthly income of \$63 in Rumania, as high as 75 per cent in Bulgaria and 50 per cent in Poland. It took a Hungarian skilled worker at least 2 weeks of labor time to earn the purchase cost of a cotton dress. As everywhere else in the empire, female labor as utilized to a maximum as families strove to elevate incomes to a living standard. Czechoslovakia, which in the previous 40 years had had the highest standard of living and the closest contacts with the West, had to proclaim meatless days.

*The Evolving Pattern.* On the basis of all these major developments, the pattern that has evolved in the central and southern European area is featured by capital-strained industrialization, unbalanced agriculture, concession-qualified consumption, a progressively limited raw material base, and an increasing dependence on trade with the U.S.S.R. and China, and, when acute emergencies arise, with free world suppliers. One

of the principal features of the Eurasian complex has been the steady integration and interdependence of these captive economies in the economic plans of the two imperio-colonial giants. Except for periods of shortage, both the U.S.S.R. and Red China are unlimited markets for machinery and also sources of raw materials. Most of the area's more than \$15 billion trade has been intra-empire, as high as 73 per cent for Czechoslovakia and 63 per cent for Poland. Operating bilaterally through the Council of Economic Mutual Assistance (CEMA) and its policy of country-by-country specialization, the captive systems have actually been trading on a smaller scale than comparable capitalist nations. In 1963 the Bank of Economic Collaboration was established to encourage multilateral trading. Although colonialist Moscow's exploitation of these economies is not so crude as in the past, it has been conservatively estimated that almost \$2 billion has been extracted through price discrimination. CEMA has always been an arena of intraempire problems, as for example, the supposed deviation of Rumania (1964-65), but it can hardly be denied that it carries out Moscow's mechanism for external colonialist exploitation, basically serving both the U.S.S.R. economy and the common goal of penetrating the underdeveloped free world countries.

#### THE SATELLITE ECONOMY OF YUGOSLAVIA

The Socialist Federal Republic of Yugoslavia is an integral part of the Red empire, though it enjoys a different status because of geographic, historical, and other circumstances. It is not under any direct domination of Moscow nor does it possess either a potential or actual power base (as does Red China) to qualify as a junior imperio-colonial partner, but its totalitarian character and essential actions in both internal and global affairs plainly show that its future and very survival are inextricably tied to the advances of what is called world Communism.

This small state of some 19 million people is essentially an underdeveloped, agricultural area. It is a forced federation of six republics consisting of five distinct national entities, the largest being the Serbian, followed by the Croatian, Slovenian, Macedonian, and the Montenegrin. These nations are as completely captive as those in other parts of the Communist empire.

*Moves Toward Socialization.* When the topics of "Titoist techniques of economic planning" and "Yugoslav economic pluralism" are discussed, it is well to review the haphazard, makeshift course of the satellite's development since 1945. The earliest phase was punctuated by blunders and failures, and if it had not been for timely Western and particularly U.S. grants, the new totalitarian state probably would not have endured. In the period between 1945 and 1950, Belgrade was determined to move more rapidly toward complete socialization and collectivization than all other parts of the extended Communist empire. In industry and commerce, most enterprises were seized in 1945 on grounds of "collaboration" with the enemy, a confiscatory action formalized the subsequent year by the Law of Private Economic Enterprises. Modeled on the U.S.S.R. plans, the first 5-year plan (1946-51) typically overemphasized centralized planning and heavy industrial projects, and ended in a fiasco as capital, labor, and other factors were grossly overestimated. By 1950 the Fundamental Law on Management of State Economic Enterprises was passed by the Federal Peoples' Assembly to infuse some economic rationality into the system with a more expedient plan of decentralization under the theme of "factories for the workers." A whole series of regulatory changes ensued throughout the entire decade. The Economic Reorganization Law of 1956 and the Federal Social Plan for that year reduced heavy industry investment by 17 per cent and increased the agricultural by 19 per cent, but

real economic recovery was not achieved until 1957. Industrial production by the end of the 1950s had increased by 88 per cent, but the levels, when compared in absolute terms with those of the central and southern European area, make one view such percentage changes with caution. Electric power production, for example, reached over 7 billion kilowatt hours against 103 billion in the captive area, steel nearly 2 million tons against 19 million, cement 2 million tons compared with 20 million. Though still at a comparatively low level, industry continued to expand, production in 1963 approximating 11 per cent over the 1962 level.

Foreign trade, too, showed prominent percentage increases, well over 100 per cent during the 1950s, from a half billion dollars to \$1.2 billion. By 1964 more than 70 per cent of this trade was with the free world, notably Western Europe.

Agricultural Development. Yugoslavia has experienced an erratic farm development. With the Law on Agrarian Reform and Colonization in 1945 it plunged into a wholesale confiscation of farm lands, peasant distribution, and rapid collectivization. About 39 per cent of the land was collectivized by 1951, but characteristic farm failures necessitated a major retreat in 1952, not unlike that of the U.S.S.R. earlier and Red China later. Decollectivization was decreed, and by 1956 only 22 per cent of the land was in the socialized sector. Further agricultural reorganizations failed to reduce the satellite's increasing dependence on imported foodstuffs during the 1950s. As late as 1958, average grain production in Yugoslavia was below that of the prewar period, 7.8 million tons to 8.1 million. Bumper harvests in 1957 and 1958 helped to raise the average for the decade. With its goal set for an increase of 70 per cent in overall production in the 5-year plan for 1961 to 1965, Yugoslavia did not experience the scope and depth of reverses felt in other parts of the empire during the early 1960s.

Totalitarian Character. In evaluating Yugoslavia's institutional changes it is important to recall that Hitler's Germany maintained all the forms and several functions and a private enterprise economy and yet, under the guise of national socialism and its institutional mixture, was thoroughly totalitarian. This should be borne in mind when notions about Yugoslavia achieving a "rapprochement" between capitalism and socialism" and tending toward "a socialist democracy" are entertained. At the foundation of the entire structure is the ruling, totalitarian party, working gradually but assiduously through "voluntary association," "education," and "persuasion" toward internal "socialist" goals and through diplomatic brokerage, chiefly with the uncommitted and underdeveloped countries, toward "world Communism" externally.

In Agriculture. The methods of "voluntary association" and "education" are well illustrated in both agriculture and industry. After the hectic collectivization debacle, Yugoslavia decollectivized, but the law of 1953 on the Agricultural General People's Land Fund reduced the maximum size of private farm holdings to 10 hectares, although the 1945 law allowed the maximum of 30, and excess land was banked into a general people's land fund for use by the instituted "agricultural working cooperatives," near-collectives which underwent further reorganization in 1958 along with the industrial management model. In 1953, Marshal Tito candidly explained the change in these words: "We are not going back to the old system. We are only changing the methods of our socialism, and we are reorganizing. But we are still heading toward the same goal. . . . We are not renouncing the idea of creating big farms, but they will be created entirely on a voluntary basis and gradually." On numerous occasions Edward

Kardelj and other leaders enunciated the "educational" aspects of these measures to inculcate "Communist consciousness" into the peasants. The technological difficulties of employing machinery on small land units, the costliness of farm machinery, the tax benefits and subventions meted out to the "voluntary" cooperatives, and discriminations in prices and quality of inputs are some of these aspects that have led to an exodus of countless peasants to the urban centers and to the enlargement of the land fund.

In Industry. In industry the same adroitness of control and passion for efficiency can be observed. Again, after the industrial chaos of the earliest period, Belgrade relinquished direct planning of the Soviet type, but necessarily retained general control and regulatory functions through the Social Plan, which broadly defines the scope and direction of investments and the obligations of economic enterprises toward the community. In decentralized conditions of "social management," the enterprises are run by plant-elected Worker's Councils, management committees, and directors, and goods are competitively produced at council-determined specifications for markets where prices are not rigidly fixed and are frequently at variance in the same market. A number of prices, considered as "key prices," for salt, bread, steel, and so forth are predetermined in the hope of stabilizing other prices. From their total revenue the enterprises pay a number of different taxes, contribute to the amortization fund, and pay rent to "society" for the use of the means of production.

Within limits set by the government, successful enterprises can divide their profits for increased wages, plowed-in investments, or bonuses in the form of constructing for workers, houses, recreation halls, and the like. However, all this is subject to the final approval of the local government that provides plants and facilities for the enterprise in the last analysis according to plan. If enterprises fail to meet the wage bill, the government guarantees 80 per cent of the worker's wage. Where profits are distributed for wages, a heavy tax is imposed when inflationary considerations arise.

This economic organization is further complicated by the syndicalism that has emerged with industrial chambers, professional associations, and economic committees replacing on a voluntary basis the former administrative associations of economic enterprises. Also, in 1958, rationalized as a step toward "the withering away of the state," communes were established as basic territorial and administrative units. They enjoy autonomy in local government, workers' affairs, and social management.

Despite all these innovations, Yugoslav industry and agriculture require further rationalization as do the other economies in the Communist empire. But in terms of the decisive cold war and the basic directions of this satellite economy, one cannot but wonder about the "investment" of some \$3.5 billion made by way of Western grants and credits to sustain and reinforce this economy. Its seemingly devious course should not cause one to lose perspective of its short development and its instrumental role in the world Communist movement.

Mr. LUKENS. Mr. Speaker, it is entirely fitting at a time when the United States has hundreds of thousands of its men committed to a war against Communist aggression that we in Congress should pay tribute to a nation of 45 million people that has opposed and resisted and writhed under Soviet Communist domination since the year 1921.

My reference, of course, is to the Ukrainian nation which became independent and established its own govern-

ment 50 years ago yesterday. That was in 1918. But just 3 years later, the Ukraine became the first victim of Soviet Russian conquest and domination. And it is today the largest captive non-Russian nation in Eastern Europe.

Mr. Speaker, as we consider the case of the Ukraine and pay humble tribute to the American-like spirit of independence shown by this nation half a century ago, it is important for those of us in the West to realize that this spirit and the yearning for freedom still burn brightly in the Ukraine and the other Russian captive nations.

This year has been designated as "International Human Rights Year." As we ponder the meaning of international human rights, we cannot overlook the fact that the greatest transgressor of human rights on a worldwide basis is international communism. We must think of the plight of the people in the Ukraine and the other captive nations every time we are told that the Soviet Union and its Communist dictators are softening and mellowing and seeking a "detente" with the West.

It strikes me that any time the Soviet wants to join the family of honorable nations concerned about international human rights, its course is simple and plain. It can begin by granting such rights to the people of the Ukraine and all other captive non-Russian nations in the U.S.S.R.

And to this end, I want to say I subscribe 100 percent to the proposal for the creation of a Special Committee on Captive Nations to agitate for such action on the part of the Soviet Communists.

Mr. Speaker, I include the following material as part of my remarks:

UKRAINIAN INSURGENT ARMY (UPA)—THE BEACON FOR FREEDOM AND LIBERATION OF UKRAINE

Ukrainians throughout the world are observing this year the 25th Anniversary of the Ukrainian Insurgent Army (UPA), the organization of which took place in Ukraine in 1942. The cradle of this Army—which has served since its very beginning as a beacon for freedom and liberation of Ukraine—was in the least accessible territory of the Ukrainian lands—the northwestern part of Ukraine. Born to the sounds of gunfire between two armored giants—Nazi Germany and Imperial Soviet Russia, the Ukrainian Insurgent Army (UPA) defied both of them, as both equally aspired to subjugate the Ukrainian people.

With such a courageous attitude the UPA inspired multitudes of Ukrainians—young and older, men and women alike—who, streaming into her ranks, made her grow to an unprecedented magnitude. By 1944, the UPA ranks swelled to about 200,000 fighting men, thus able to successfully withstand both enemies' endeavors to bring about her destruction and to liquidate Ukrainian resistance. The latter proved to be impossible as both smaller and larger detachments of the UPA defended the Ukrainian population against those aggressors, fighting both simultaneously on occasions, during the Russo-Nazi battles on Ukrainian soil. Valliantly and without outside help, with unyielding fervor and zeal these Ukrainian fighters served gallantly their nation giving their utmost—their love, their strength and their lives—in defense of Ukraine's sovereignty and freedom for her people.

We Ukrainians in the United States of America, observing the 25th Anniversary of the creation of UPA, bow in grateful recog-

dition and with pride before that deep and dedicated love, before that readiness to sacrifice for the noble principles of human dignity and freedom so well demonstrated by our kin in Ukraine. Our deepest gratitude goes to the leaders and fighters of the heroic UPA who in those difficult yet glorious days of Ukraine's fight to be masters on their own ethnic territories gave new hope and identity to the people.

The historical achievements of the UPA—the Army of Ukrainian popular resistance against the aggressive plans of Russian-Communist colonial imperialism—were always heroic and frequently incredible. There were glorious examples of success on missions that seemed impossible; there were scores of shining displays of invincible spirit, imaginative resourcefulness and boundless initiative which characterized so well the fighters of the Ukrainian Freedom Army. The heroic exploits of the UPA under the valiant leadership of General Taras Chuprynya have been well documented not only in the archives of the Ukrainian Liberation Movement but also in the historical records of Ukraine's adversaries. UPA's operations were so damaging to the Russians that they were compelled, in 1947, to conclude a treaty between the U.S.S.R., Red Czecho-Slovakia and Communist Poland in an effort to stem the tide of Ukrainian insurrection. In the face of extraordinary odds, the Ukrainian leadership in general and the UPA leadership in particular saw fit to suspend military operations for the time being and to disperse the UPA Army into very small groups, until a more favorable climate and more opportune situation develops. And such time will surely come . . . as surely as day follows night.

The creation of UPA had a powerful, revitalizing effect upon the morale and hopes of the Ukrainian people. It served as a forceful impetus for a productive surge of national pride and, by necessity, had and shall continue to have far reaching effects. The new generation has produced such Ukrainian giants as Wasył Symonenko whose literary works show clearly a deep seated disenchantment of Ukrainian intellectuals with Russia and Russians. Symonenko was and is followed by scores of others—known and yet unknown. This means that the spirit of the UPA is not only living but breathing and charting a new course for Ukraine through the poetry of Symonenko and his followers, open and underground, among Ukrainians as well as among others oppressed by Russia. Thus the Ukrainian Insurgent Army serves as a beacon for freedom and liberation not of Ukraine alone but for all nations held in captivity within the Russian colonial empire. For, the UPA symbolizes to those peoples, just as to the Ukrainian people, an unquenchable longing for national freedom, independence and sovereignty. On the other hand, since the UPA—after many years of open insurrection—has changed her tactics to quiet and peaceful but also more perseverant work in opposition to the Communist-Russian efforts to further oppression of Ukraine, she has earned the wrath and unhidden fury of Moscow-Kremlin rulers.

"We shall not put down our arms, neither shall we stop our struggle until Ukraine will have been liberated" swore the Ukrainian Freedom Fighters and they remained faithful to their promise.

We—the Ukrainians in America—do understand the forceful words uttered with such determination by these modern knights—the UPA Freedom Fighters. For, we have learned that the wave and the power of Ukrainian resistance against captivity and subjugation carry deep affinity—moral and political—to the principles and traditions of the American Nation and her people. We would not hesitate, therefore, to render any proper assistance or encouragement to this Ukrainian Freedom power. For we also believe that such assistance in the realm of political warfare would

strengthen most significantly a powerful deterrent to a new world war and/or atomic-nuclear disaster.

Should the Russian imperialists take recourse to a general war, the UPA fighters and groups are potentially best equipped to support the Free World military forces. UPA's military experience and guerilla warfare tactics, we are confident, would be of most valuable significance.

Let us all, then, be well aware that in the vast lands of Ukraine and many other countries, now under the dark shadow of the Russian bear, are those Ukrainian Freedom Fighters of the first line, carrying the greatest burden of the Free World's struggle against Communism and Russian colonial imperialism, for human dignity and liberties and for genuine peace with justice for all, including U.S. And—in return—let U.S. stand firmly behind them for the sake of our common ideals and objectives. And stand behind them we shall until peace with justice shall prevail.

AMERICAN FRIENDS OF AEN, INC., UKRAINIAN DIVISION.  
NOVEMBER 1967.

FIFTY YEARS OF RUSSIAN IMPERIALISTIC FRAUD—FIFTY YEARS OF UKRAINE'S STRUGGLE FOR LIBERATION AND NATIONAL SOVEREIGNTY

Soviet Russia is making ostentatious efforts to mark with pomp the 50th anniversary of the October Revolution using every ruse to impress upon the world the strides and achievements this event brought to the peoples of the so called U.S.S.R. and to the world in general. It is, of course, nothing but a mixture of self-delusion and fraud, for in reality there is no reason neither for the Russian imperialists and Kremlin rulers to be triumphant, nor is the reason for the non-Russian nations, captive within the Russian colonial empire, to be in mournful tears. The time of decisive confrontation hasn't yet arrived and it is yet to be seen which side shall be the final victor: That of deception and fraud or that of truth and justice. Such is the Ukrainian argument, and such is the imperative postulate of the Ukrainian people.

We must not forget, that it was the Ukrainians who, having endured centuries of Russian Czarist oppression, were first to raise armed resistance to the Bolsheviks. With the innate perception of a nation in bondage, the Ukrainians recognized the grandiose plans of the Russians, launched in 1917, to forge a new colonial empire under the cloak of Communism. It was Ukraine, though exhausted by long years of oppression, who first rose to the new challenge against freedom and sovereignty, when the rest of the West stood by, and, either silently or in confusion, observed this unequal struggle. For the Ukrainians had to fight two foes—the newly emerging Bolshevik-Communist regime and the forces of the old Czarist autocracy. In these circumstances the Bolsheviks destroyed the national independence of Ukraine. The Free World has paid and is now paying a heavy price for failing to support the national independence movement in Ukraine and elsewhere within the crumbling Russian Czarist empire.

Today Bolshevism threatens world peace and the freedom of all nations and peoples. This threat is carried out by deception and criminally expert maneuvering by the new Russian ruling class. The most deceptive and dangerous maneuvers are carried out under the banners of "peaceful co-existence", "war of national liberation" and "peace movements", which are skillfully yet so evidently under the pushbutton control of the Kremlin, the source and promoter of the Russian drive toward world domination.

There can be no clearer proof of this strategy than the battlefields of Vietnam. Anyone with a sane mind can unmistakably see that the front line there is not really between South and North Vietnam but between the United States and Imperial Rus-

sia. Soviet Russia is playing the clever role of an aggressor by proxy. This strategy does not prevent Russia's deceptive and fraudulent overtures toward the United States government with an objective of promoting so-called "bridges of understanding." Nor does it interfere with Russia's undermining of American society by organizing various types of "Vietnik" movements with the help of politically illiterate intellectuals, direct or indirect agents of Soviet Russia, persons whose allegiance to the Russian empire and her drive for world domination prevails over their allegiance to the United States. Many of these people are victims of Russian cunningness and deception.

It is undeniable fact that Russian imperialism and its policy of aggression, overt or by proxy, are the actual cause of ever-increasing tensions throughout the world. Historical and political events in the past two decades have brought about the dissolution of all colonial empires except one. The Russian empire remains and its rulers continue to divert world attention from her illegal occupation of once free and independent nations.

The young Ukrainian Republic fought valiantly, in the period 1917-23, to re-establish freedom and national sovereignty in the ancient land of Ukraine. Many heroic deeds of those times have entered the annals of world history. The people of captive Ukraine have maintained their traditional love of freedom and yearn for a return of their national independence. Soviet Russia endeavors to conceal these hopes and aspirations of the Ukrainian people and those of all captive non-Russian nations in the U.S.S.R.

It is a well known fact that the Russians have over centuries mastered the evil arts of deceit, deception and fraud. The famous "Potemkin Villages" are well known to students of history. But, with the advent of the October Revolution, the "new apostles" of Russian colonial imperialism, this time under Lenin's and Stalin's leadership, have perfected the arts of deceit, deception and fraud to the fullest. Numerous theories have been advanced to account for this dark imprint on the Russian mind, but what seems to be the undisputed truth is that the Russians have never experienced fully the civilizing and liberating eras so well known to the Western world. The secret police system—a typically Russian institution—was instrumental in regulating all phases of life in the pre-revolutionary Russian empire. The new masters—Lenin and Stalin, as well as their present disciples, merely changed the name of this oppressive organization and then perfected it as an instrument to hold their empire together. This system serves as the jailers for all the non-Russian nations held in the historic Russian prison house of nations.

We know that any just and ultimate solution to the cancerous problem of Russian imperialism calls for the dissolution of the Russian colonial empire and the restoration of independence and freedom for all nations now in Russian captivity. The imperial Russians have been scrupulous in urging the same treatment for other colonial empires in Asia and Africa. Obviously the Russians will object and protest such a just solution for world tensions. Nevertheless, the non-Russian nations enslaved by Soviet Russia have every right to be self-governing, to be masters of their peaceful destinies and to be free of the Russian chains which now stifle their national cultures and their ancient heritages. Ukraine stands among those nations awaiting national emancipation.

During the past 50 years of Soviet Russian domination over Ukraine, her national and independent identity has been gradually yet surely increasing in both quantity and quality. This progress toward complete separation of Ukrainian national life from that of imperial Russia grows more and

more evident and is noteworthy in all aspects of human life—religious, cultural, scientific and literary as well as military. Despite genocide, terroristic and despotic methods employed to control Ukraine, and other enslaved nations, the Ukrainians have carried on a relentless crusade against the Russian oppressor in order to restore an independent Ukraine, while helping or leading the liberation movements of other nations in mutual efforts and a common front for freedom for all nations and men, for peace with justice for all.

No wonder the Moscow rulers intensely dislike the Ukrainians. It is no mystery why Russians and the Kremlin evade, begot, or deny the existence of Ukrainian national identity. They are apprehensive, they attempt to destroy the spirit of Ukraine—her people, culture, church, natural resources, the intellectuals and the political leadership. They are busy on two fronts—on native Ukrainian soil and in countries of the Free World where they mislead, confuse, blackmail or kill.

But Ukrainians have and will continue to resist Russian imperialism everywhere. They have fought and shall fight again. They shall be victors on their own soil, they shall be masters of their own land, Ukrainians outside Ukraine are one with their kin in their just struggle.

We are confident that not one drop of blood shed by Ukrainian Freedom Fighters of the UPA or the Ukrainian Liberation Movement will be shed in vain. Each drop of blood and every life given for the liberation of Ukraine shall surely give the Ukrainian people new hope, new inspiration and renewed determination to continue the struggle until final victory becomes a reality.

We—Ukrainians in U.S.A.—do not seek to build a Ukraine in America. What we seek here is to build a stronger America, always just in her purposes and secure from all enemies. In this spirit we extend our brotherly hands to our kin in bondage overseas in order to build a genuine bridge of understanding between the free and the oppressed. Further, we shall seek, and seek fervently, a genuine and warm understanding by all American people and our Government for the struggle of Ukrainian people for their liberation, freedom and peace with justice.

AMERICAN FRIENDS OF ABN, INC.,

UKRAINIAN DIVISION.

NOVEMBER 1967.

UKRAINIAN CONGRESS COMMITTEE OF AMERICA CALLS BOLSHEVIK REVOLUTION AN "UNABASHED FRAUD"—DECLARATION ON 50TH ANNIVERSARY OF BOLSHEVIK REVOLUTION CALLS ON AMERICANS TO SHUN SOVIET FETE

NEW YORK, N.Y.—"We advise the American people to view critically all pronouncements from Moscow on the 50th anniversary of the Bolshevik Revolution, especially the claims that it brought freedom and social equity," stated the Ukrainian Congress Committee of America, a national body of Americans of Ukrainian descent, in a Declaration made public November 7, 1967, the 50th anniversary of the Communist takeover in Russia.

The Declaration, entitled, "Fifty Years of Fraud and Oppression," stressed the fact it was the Ukrainian National Revolution which brought freedom and national independence to Ukraine fifty years ago, and charged that the Russian Bolsheviks stifled the genuine freedom of Ukraine, and introduced the tyranny and dictatorship of the Communist Party.

Rejecting the claims of Moscow as they pertain to the 45-million Ukrainian people in Communist Slavery, the Ukrainian Congress Committee of America charged the Soviet government with the willful and unbridled oppression of Ukraine, despite the fact that the Kremlin boasts that Ukraine is

"free and sovereign" and a charter member of the United Nations.

The document further charged Moscow with political subjugation, economic exploitation, religious persecution, cultural Russification and the outright genocide of the Ukrainian people.

"The free world should take careful note of these inhuman acts perpetrated upon the Ukrainian people. It must also be remembered that Ukraine was not the only victim experiencing these cruel deeds committed in the name of the Bolshevik revolution," the Declaration stated.

In conclusion, the Ukrainian Congress Committee of America appealed to the U.S. government "not to let itself be lured into any pact or agreement that would sanction the permanent enslavement of Ukraine and other captive nations."

(A copy of the Declaration of the Ukrainian Congress Committee of America is attached herewith.)

Mr. ST. ONGE. Mr. Speaker, today marks the 50th anniversary of the independence of Ukraine, and in recognition of this event observances are taking place throughout the country. It is also fitting for Congress to pause in its busy routine to observe this significant event.

The continuing subjugation of Ukraine completely refutes the dreary Soviet harangue that the Western powers are the sole practitioners of colonialism. While Russia ceaselessly slanders the efforts of the United States to stop aggression in Vietnam by calling them colonialistic, it continues to be the outstanding practitioner of imperio-colonialism in the world today. All nations should be aware of the hypocrisy which the Soviet Union practices when it attempts to mask the ruthless suppression of minorities within its own arbitrary borders by imputing this very crime to others.

Our Nation was founded upon the proposition that all men should be at liberty to determine their own destinies and govern themselves free from outside interference or domination. This is a basic principle of our foreign policy and one which we actively seek for all nations. No people are more deserving of our efforts in this behalf than the valiant citizens of Ukraine and their friends and relatives in the United States.

Francis B. Randall, in his incisive biography "Stalin's Russia," notes that the distinguishing characteristic of Stalin's personality was his paranoia. It is ardently desired that the present Soviet leadership does not suffer from a similar disability, and that they will come to realize that no people can long be denied their freedom. By accepting this reality, the Soviet Union will not only contribute to their own stability but will also enhance the peace and well-being of the entire world community.

On its 50th anniversary, I extend my warmest praise to the brave and noble spirit of the Ukrainian nation, and offer the hope that we may soon welcome it to the company of free and independent states.

Mr. GREEN of Pennsylvania. Mr. Speaker, I am proud to join with the many thousands of Americans throughout this land today in commemorating the 50th anniversary of the proclamation of the Ukrainian National Republic. It was on January 22, in 1918, at Kiev, that the Ukrainian people, after a long and

bitter struggle, were able to proclaim freedom, a cherished but quickly vanishing dream.

As it was in our own American Revolution, the people demonstrated that sacrifices and pain must be endured to win a just cause. In the Ukraine, people showed that a band of courageous and dedicated men and women could indeed affect the course of their country's history. They showed what true patriotism and honor really mean.

Mr. Speaker, not only were they able to successfully declare their country a republic, but exactly 1 year later in the proclamation of the act of union, it was declared that all Ukrainian inhabited lands were united into one sovereign Ukrainian Republic.

How stirring it must have been for those gallant Ukrainian patriots who partook in the winning of their country's independence. They must have felt honored to pass on the stories of their beloved Ukraine's liberation. Independence was short lived. It was trampled under the familiar Russian boot which this time marched in as the Red army.

Today, we honor the memory of those events of 1918 and 1919. The Ukraine is under the control of foreign rulers in Moscow. But because the spirit of freedom and self-determination persists, we cannot waver in our devotion to the ideals of the men and women who fought and won a free Ukraine. Let us pledge to work faithfully for the redemption of this land for which so many thousands so freely offered their fortunes and their lives.

Mr. TENZER. Mr. Speaker, the 22d of January marks the 50th anniversary of Ukrainian independence. It is important that we pause for a moment to honor this historical day in the history of a valiant people's struggle for freedom from slavery.

Today we observe the anniversary with mixed emotions, for today, the Ukraine is once more a captive nation in bondage. Independence was declared in the Ukraine on January 22, 1918. Yet barely 3 years were to pass before this new freedom was to disappear when a brave people saw their land invaded and overrun by Soviet Russia.

Despite the brevity of their liberty and freedom, despite long centuries of foreign domination, despite the anguish and despair of the Ukrainian people, the fervor of their commitment to Ukrainian independence has never been diminished. Today more than 43 million Ukrainians in the U.S.S.R. not only desire freedom for themselves but share our desire for freedom for all peoples, throughout the world.

As Ukrainians everywhere commemorate this anniversary, the people of the United States and of all freedom-loving countries join with them in the conviction of the righteousness of their cause and the hope of eventual attainment of their national independence. The Soviet Union may through coercion and fear continue to maintain the Ukrainian people in captivity, but they will never succeed in extinguishing the Ukrainian burning desire for freedom, liberty, independence, and equality. While the Soviet Union may attempt to eliminate the national identity of the Ukrainian

people they will never be able to destroy the Ukrainians desire for independence; the history of their long struggle for independence is a testament to their unyielding, indomitable spirit and free will.

It is most significant that 1968 has been declared International Human Rights Year. In this connection I have introduced a resolution—House Resolution 1020—expressing the sense of the House of Representatives that the United States should—

First, ratify the Convention on the Prevention and Punishment of the Crime of Genocide unanimously recommended by the United Nations General Assembly for ratification by member states on December 9, 1948;

Second, ratify the Convention Concerning the Abolition of Forced Labor adopted by the International Labor Conference on June 25, 1957;

Third, ratify the Convention on the Political Rights of Women adopted by the United Nations General Assembly on December 17, 1952; and

Fourth, ratify the Convention Concerning Freedom of Association and Protection of the Right To Organize adopted by the International Labor Conference which closed on July 10, 1948.

The people of the United States like all people of good will throughout the world, condemn the suppression of the spiritual and cultural life of any people. There can be no doubt that any government which pursues a program calculated to break the will of a people not only violates fundamental human rights but also acts contrary to the guarantees of international and moral law.

The Genocide Convention has been ratified by 71 nations yet the problem of genocide continues in the world today—even among some of those nations who have signed the pact. Of particular significance is the Soviet Union.

There appears to be no question that the Soviet Union—one of the signatories to the convention—has as its policy the restriction of the practice of religion. This policy of religious discrimination is particularly pronounced against Soviet Jewry to the point where it amounts to a policy of spiritual genocide.

The United States has protested this policy toward Soviet Jewry as violative of human rights and contrary to the asserted policy of the Soviet Union. But how can we justify our opposition to Soviet treatment of its Jewish citizens when we have yet to ratify the Genocide Convention?

There is no distinction between the spiritual genocide of the Jews in the Soviet Union and the spiritual genocide of the Ukrainians. But because the United States has not ratified the Genocide Convention we are powerless to invoke the terms of the Convention against the Soviet Union.

On this anniversary day of Ukrainian independence, it is well that we remember that the United States is also engaged in a struggle to secure self-determination for those who would be free to choose their own destiny.

It is my hope and prayer that the people of the Ukraine will, in the not too distant future, regain their independence

and equality. That is why, on this day, I salute the gallant Ukrainian people and join with them in prayer for their early liberation from the yoke of Communist imperialism.

Mr. JOELSON. Mr. Speaker, all too often we fail to realize that the original movements for national self-determination developed, not in the British and French colonies, but among the subject peoples of the former great empires of Eastern Europe and the Middle East: Austria-Hungary, the Ottoman empire and the Russian empire. Each of these states suffered defeat in World War I, which gave the oppressed nationalities the long-awaited opportunity for independence. In 1918, the three empires collapsed under the weight of the drive for national self-determination. Austria, Hungary, and Turkey responded by turning their energies inward. However, in Russia, the new force of Bolshevism refused to accept the breakup of the old empire and systematically set out to restore the Russia of the czars.

Ukrainian Independence Day exemplifies the first great struggle between the principle of Wilsonian self-determination and Communist imperialism. For a brief period, from 1918 to 1920, a free Ukrainian state warded off Bolshevik attempts at subversion only to succumb to Red army invasion. Since then, Ukrainians have fought, subtly and sometimes in the open, to maintain their identity as a nation. They have suffered through collectivization, purges, deportations, and Russification campaigns. They still struggle today against the Kremlin's aim of creating a Soviet man, void of any feeling of nationality. Their culture remains suppressed; they are not permitted to express feelings of national loyalty; and their religion has been blotted out in favor of the Russian brand of orthodoxism.

Yet hope remains. Even Soviet census figures identify the majority of the population of the Ukrainian S.S.R. as Ukrainian; the Ukrainian is not yet a Soviet man. Periodically, Ukrainian intellectuals risk the expression of national sentiment. And the Ukrainian peasant retains his loyalty to the soil.

January 22 reminds us of this struggle. The problem of self-determination in Europe will not be solved until the Ukraine and the other non-Russian nationalities of the Soviet Union receive the right to decide their own future. Hope remains that such a day will soon dawn in Eastern Europe.

Mr. STANTON. Mr. Speaker, this January marks the 50th anniversary of Ukrainian independence. It was on January 22, 1918, that a national council at Kiev proclaimed the Ukraine to be a free and independent republic. This was a proud day for the Ukrainian people, for they had endured domination by foreign nations for many centuries preceding. Under happier circumstances, this 50th anniversary would be a time of great national celebration. This is not, however, the situation in the Ukraine today.

The triumph of 1918 proved to be all too brief. Having overthrown the oppressive rule of czarist Russia, the Ukrainians in 1920 found themselves again sub-

ject to Russian tyranny, although in a different form—that of Russian communism. One tyranny had merely been replaced by another. That these people, during 50 years of Red Russian rule have not been able to throw off the Communist yoke should not, however, be taken as an indication that they are lacking in courage or love of freedom. We remember that it was the Ukrainians who, after putting up fierce resistance to the Nazi Germans in World War II, were the people who turned against the Red army when it drove the Germans back to the West. The Ukrainians did not want to be dominated by either nation. Their tragedy is that they were overwhelmed by far superior military force in 1920, they have continued to be militarily overpowered, and the people have been kept in subjection by the well-known terror tactics of the police state. Nevertheless, the Ukrainian spirit has remained unbroken despite all Russian efforts to crush it. The people have kept alive a fervent hope that they may one day again be free. Let us help sustain them in that hope by sending them these words of reminder that the people of the United States have not forgotten them and that we too earnestly look forward to the day when they shall once more be free.

Mr. WOLFF. Mr. Speaker, 50 years ago on January 22, 1918, the national consciousness of the Ukrainian people, which had grown in momentum in the latter part of the 19th century, was manifested. On this momentous date in Ukrainian history, the independence of the Ukraine was declared. For centuries preceding this date the Ukrainian people had fallen prey to foreign domination, witnessing the division of their nation by neighboring states in an ever fluctuating pattern. Finally, out of the chaos of World War I and the Russian revolution, the Ukrainians seized upon the opportunity to assert their right to freedom and to national identity and unity.

Tragically, the rebirth of the Ukraine was to be quickly terminated, the hopes and aspirations of the Ukrainian people to be denied attainment. The vast resources of the Ukraine beckoned the Soviet Communist regime. By December of 1919, the Red Army controlled the Ukraine. A treaty of alliance forced upon the Ukraine on December 28, 1920, by Lenin constituted an act of incorporation.

For nearly 50 years the Ukraine has existed under a superimposed Communist political structure, and the Ukrainians have been subjected to intensive Communist indoctrination reinforced by the psychological weapon of terrorism. Yet the rich unique cultural heritage of the Ukraine and the legacy of a commitment to an independent Ukrainian nation which has been passed from generation to generation have served to preserve the indomitable character of the Ukrainian people.

Today we acknowledge with deep respect the proud history of the Ukrainian people, their historic commitment to freedom, and their inextinguishable national character. We join our prayers with theirs on this occasion for a hasten-

ing realization of their national aspirations.

Mrs. DWYER. Mr. Speaker, the 50th anniversary of the proclamation of independence by the Ukrainian National Republic is an occasion which greatly deserves the attention of this House, and I am delighted to join with our colleagues in paying tribute to a people whose love of freedom has withstood generations of oppression.

The people of Ukraine have a special claim to our understanding and support, so the House honors itself when it commemorates the bravery and continued devotion to freedom of Ukrainians everywhere. Not only do the people of this ancient land seek for themselves what we have found and firmly established here at home—the right to self-government—but our country has been the proud beneficiary of the two million or so people of Ukrainian descent who are contributing the spiritual qualities and human values of an old, distinctive and rich culture.

As the Representative of a congressional district whose residents include many persons of Ukrainian descent, I have appreciated at first hand the important contributions they have made to our way of life. Because of their friendship, I have obtained a closer, more personal understanding of the dedication of Ukrainians everywhere to the goals of individual liberty and national self-determination.

Mr. Speaker, Ukraine is the largest and one of the oldest of the captive nations of Eastern Europe. Yet, because of a variety of unfortunate circumstances, she became one of the first victims of Soviet Russian conquest and domination, only 3 years after fighting and winning a valiant struggle for freedom from the corrupt czarist government of Russia, the brutal forces of the new Soviet Government. Thus it is that Ukrainians know, perhaps better than most, the evils of tyranny and imperialism for they have suffered the loss of their rights, the subjugation of their religion, the exploitation of their resources, prohibitions against their own national language, and a systematic effort to wipe out any sense of national consciousness. At the very time the Soviet Government inveighed against alleged "Western imperialism," it conducted the most oppressive colonial policy of any nation in the world—in Ukraine and elsewhere.

Under these stark circumstances, to have kept alight the ideals of freedom and liberty, to have refused to succumb to virtually permanent persecution—as Ukrainians have—is worthy of our deepest respect and admiration.

On this occasion, however, we should do more than salute a people's courage, more than indicate our understanding of their problems, more than pledge our support in general terms. We owe them action, effective action, even though we must recognize the limits of our own national power. We can, for example, better inform ourselves about conditions in Ukraine and other East European captive nations; we can ceaselessly remind the world of Soviet Russian imperialism; we can utilize this International Human

Rights Year of 1968 to demand respect for the rights of captive nationalities; we can use every opportunity to insist on justice and liberty for all people.

As the years pass, Mr. Speaker, it is easy to forget. But as the mainstay of the free world, it is our continuing responsibility to sustain hope and encourage freedom wherever it is denied.

Mr. ROONEY of New York. Mr. Speaker, when the polyglot Russian Empire went to pieces after the revolution of 1917, nearly all non-Russian ethnic groups began to clamor for freedom and national independence. Some 40,000,000 Ukrainians, the most powerful and the largest of these, were most anxious to do likewise. Even before the end of the First World War they had the chance, and early in 1918, they proclaimed their national independence and established a republic. That proclamation, issued on January 22, is a definite landmark in the modern political history of the Ukrainian people. It represents the culmination of their centuries-old struggle for the attainment of their national goal.

Thenceforth for about 2 years the Ukrainians, under their patriotic leaders, fought against invaders from the north and from the east, and managed to safeguard their hard-won independence. Unhappily, very early in 1920 they were forced to submit to brute force and surrender their independence. The Soviet Red army, which invaded and overwhelmed the country, was too much for the comparatively weak Ukrainian fighting force. The country was overrun and then made part of the Soviet Union. Since then, for 48 years, Ukraine has been a constituent republic of that Union, but its freedom-loving people have not been reconciled to their subservient status, and they long for their full freedom. On the 50th anniversary of their Independence Day let us hope that these gifted and gallant people will attain their national goal.

Mr. HELSTOSKI. Mr. Speaker, on January 22, 1967, Americans of Ukrainian descent observed the 50th anniversary of the proclamation of the independence of Ukraine. This was a culmination of the centuries-long aspiration of the Ukrainian people.

After 2½ centuries of foreign oppression and domination, Ukraine regained its freedom and national independence. The sovereignty and independence of Ukraine was recognized by a number of governments, including that of the Soviet Russia. However, the Russian Government, led by Lenin and Trotsky, at that time, launched a military aggression against the free Ukrainian state, despite previous pledges to honor and respect Ukrainian independence. After almost 3½ years of heroic and unequal struggle, the Ukrainian people, deprived of all military, economic, and diplomatic assistance on the part of the Western Powers, succumbed to the numerically superior forces of Soviet Russia.

Since 1920, Ukraine has remained under the Communist and totalitarian yoke of Moscow, but it has never surrendered the spirit of freedom, nor has it ever given up the hope for regaining its full freedom and national independ-

ence. In the half century the Ukrainians have amply demonstrated their love for freedom by the unceasing uprisings and large-scale resistance warfare waged by the Ukrainian insurgent army against the Nazis and the Bolsheviks.

The Ukrainians paid a high price in their defense of freedom and independence, as they were ruthlessly persecuted by Moscow. These persecutions included such inhuman measures as mass trials of Ukrainian patriots, mass deportations of Ukrainians to Siberia, and through a systematic genocide of the Ukrainian people.

Today, the Ukrainian people enslaved in Ukraine are continuing to fight for their freedom and independence. They wage a stubborn and ceaseless struggle by passive resistance, economic sabotage, and unrelenting opposition to the Russian alien rule imposed upon that country.

The Congress of the United States and the President have recognized the plight of the Ukrainians by the enactment and signing of a Captive Nations Resolution, which lists Ukraine as one of the captive nations enslaved by Communist Russia and entitled to full freedom and national independence.

On this day of Ukraine's independence anniversary we should rededicate our efforts and our thoughts to the principle of freedom, not only of the people of this country, but for the freedom of all people in the world.

In honoring the 50th anniversary of Ukrainian independence we are upholding the right of all people to the God-given right to freedom and national self-determination. These are the basic tenets and principles on which our own great Republic has been established.

The principle of freedom is indivisible. Therefore, we honor the anniversary of Ukrainian independence because we believe that the Ukrainian people, and all other people enslaved by Communist Russia, are entitled to the same fundamental rights as we so blessedly enjoy—freedom and independence.

Mr. O'HARA of Illinois. Mr. Speaker, with firm commitment to the cause of a free Ukraine, and abiding faith that soon the sunshine of freedom again will bathe the fields of that unhappy land, I join with the distinguished, eloquent, and dedicated gentleman from Pennsylvania [Mr. Flood] in observance of Ukrainian Independence Day. On October 7, 1966, I was given the Shevchenko Freedom Award by the Ukrainian Congress Committee of America, and I take this opportunity to express my deep appreciation. There is no award that stands for nobler individual virtues, and for more enduring concepts of national freedom, than that which bears the name of Ukraine's immortal poet and bearer of the torch of liberty.

The Ukrainians are one of the oldest and largest of the Slavic peoples. For centuries they have not been allowed to live in freedom in their homeland, and have not reaped the full benefit of their hard work. The reason for this misfortune is that, except for the very short 2-year period of national independence in 1918-20, they have been suffering un-

der alien yokes for more than three centuries.

Up to the middle of the 17th century they survived the onslaughts of invading Asiatic hordes. Then in 1654 Ukrainian leaders were induced to sign a treaty with the Russian czar, culminating in the union of the two countries. Soon Ukrainian leaders realized that they had been tricked into a trap by the Russian czar, for the wily autocrat nullified the terms of this compact and put an end to the Ukraine's independence. Nearly all of subsequent misfortunes of the Ukrainian people seem to have stemmed from this act of the czar.

Then the czarist government set out to Russianize the Ukrainian people. Imperial decrees banned the use of the Ukrainian language; in schools the teaching of that language was not permitted, and the country was treated as a colonial adjunct of imperial Russia. But the czarist government could not eradicate Ukrainian nationalist feelings. The more oppressive became the hand of the government, the more the Ukrainians resented and rebelled against their overlords.

As a result, Ukrainian nationalism was kept alive and became a living force in the country. And finally when the Ukrainians had the chance to regain their freedom toward the end of the First World War, they seized upon it and proclaimed their national independence on January 22, 1918.

The republican government set up by Ukrainian leaders was of course weak, and could not avail itself of friendly aid from its sympathizers abroad. The country was surrounded by implacable foes, and all seemed prepared to pounce upon the new state. And the inevitable occurred in 1920. Early in that year the country was invaded and overwhelmed by the Red army. Thenceforth the Ukraine became part of the Soviet Union.

Today Communist totalitarianism reigns in Ukraine, but the dauntless Ukrainians still cling to their national ideals, confident that one day they will attain their national goal, freedom, and national independence. And in the faith of the people of the Ukraine I, with Americans everywhere throughout our great land, join with the fervor of partners in a cause none will abandon until triumph has rewarded our efforts and answered our prayers.

Mr. McCARTHY. Mr. Speaker, today we commemorate the 50th anniversary of the independence of the Ukraine.

We here in the United States have a more-than-verbal interest in this nation of fighters. Our own traditions and our own drive to escape the thumbscrew of colonialism were a prelude to that of the Ukraine. And this struggle is of especial interest to me—a man of Irish extraction—because it also parallels the long struggle of Ireland to win its independence.

For 800 years, Ireland remained under the colonial cloak of Great Britain, yet it was not under the domination of Great Britain. When Ireland eventually gained its freedom, it emerged as a distinct nation—a nation with an Irish culture and an Irish heritage, proof positive

that, while under Britain's heel, Ireland's head was, in the words of poet William Henley, "bloody, but unbowed."

These same words—"bloody, but unbowed"—can well describe the spirit of the Ukraine. For the last 50 years, it has winced under the weight of Russia. A nation of 45 million people, it stands as the largest nation in the Soviet Union and in Eastern Europe. And although it is today within the Soviet Union, it has gallantly and successfully resisted forces that would submerge its identity. It stands today, much like Ireland, a nation with its own indigenous culture and heritage, a nation determined eventually to regain its independence.

Mr. Speaker, I believe I speak for all the American people when I say: We salute this valiant people in this their 50th year of Ukraine independence.

Mr. GIAIMO. Mr. Speaker, today I am proud to join my colleagues in paying tribute to the Ukrainian people on this the 50th anniversary of their independence.

This day we pay homage to the undying spirit of liberty and the desire for self-determination which has characterized the people of the Ukraine and we recall the valiant efforts of the Ukrainian peoples to ward off attacks upon their independent state. Although short lived, the brief period of the free Ukrainian state culminated centuries of the struggle from brutal oppression waged by the people of the Ukraine. Ukrainian Independence Day commemorates the spirit of a people who while tyrannized refused to capitulate and who while enslaved continued to maintain human dignity.

Unmercifully crushed under the force of Communist tyranny, the spirit of the free Ukrainian state lives on. The national identity and cultural independence of the Ukraine has overcome all efforts at Soviet Russification. The desire for freedom and justice has not succumbed to the barbaric persecution of the Communist. The spirit of liberty and the hope for national self-determination continue to kindle in the hearts of the subjugated people of the Ukraine.

Last Sunday evening, Mr. Speaker, it was my pleasure to address the New Haven branch of the Ukrainian Congress Committee. I was humbled by their unquelled sense of pride and high respect for freedom. The proud heritage of these people has become an inspiration to free men the world over. Their spirit is testimony to the fact that tyranny, in whatever brutal form it manifests itself, cannot conquer the soul of a nation and its people.

Mrs. GRIFFITHS. Mr. Speaker, this year the sons and daughters of the Ukraine mark the 50th anniversary of the Ukrainian National Republic. The world is aware and history records the steadfast commitment of these proud people to the principle of national self-determination proclaimed a half century ago in Kiev. Not the military might of the Red army that crushed independence in 1920 nor the Communist oppression that followed dimmed the spirit of freedom living in the hearts of the Ukrainian people.

Let us observe on this anniversary the

dedication of Ukrainians everywhere to freedom. The suffering and agonies their nation endures is the plight of mankind's enslaved. Their hope is shared by all free men.

Mr. KUPFERMAN. Mr. Speaker, after a long and bitter struggle against czarist Russia, on January 22, 1918, the Ukrainian people declared their independence and established the Ukrainian National Republic, a sovereign and free nation. The fall of the czarist nation had provided the Ukrainians with the chance to fight back for and win back the free expression of their own national ideals and aspirations. However, their victory was sadly short lived. In 1920, the Ukrainian nation was attacked and overrun by the Red army. Within 2 years their hard-fought freedom was suppressed and their ideals subjected to the imposition of new Russian domination, that of the Soviet Socialist Republic.

Here in America we believe in freedom and self determination. It is because of this that we join with those Ukrainians who have achieved freedom in the United States, in the celebration of their 50th independence day on January 22, which helps to continue the flame of hope and courage for those who have been subjugated by a foreign power.

It is our hope that at some date in the not too distant future the Ukrainian people, in a free and open election under democratic procedures, will be able to join with other democratic nations in celebration of true independence.

In light of today's critical problems the Ukrainian experience cannot go unnoticed. It serves as a warning and demands the maintenance and preservation of national self determination everywhere. We in the free world observe the 50th anniversary of Ukrainian independence day and hope that they will again regain their freedom and live in peace in their homeland.

Mr. BYRNE of Pennsylvania. Mr. Speaker, with the collapse of the Russian empire and the Hapsburg monarchy at the end of World War I, many national and ethnic groups in Eastern and Central Europe saw a chance to regain their freedom and proclaim their independence from their former masters. The most numerous of these divided and subjected peoples were the Ukrainians. On January 22, 1918, a cherished dream was realized with the promulgation of the Ukrainian National Republic. A year later, the Central Rada proclaimed the Act of Union, whereby all Ukrainian lands were united into one independent and sovereign state.

Unfortunately, the Ukraine, with her fertile agricultural lands and important coal and iron mining districts, was too rich a booty to be left alone. Known as the "breadbasket of Europe," the Ukraine was coveted by her neighbors. The fledgling state had to wage war, alone and unaided, against the Red and White Russians in the East and the Poles in the West. Eventually, the Soviet forces succeeded in reoccupying the Ukraine in the summer of 1920. In March 1921, the Treaty of Riga between Communist Russia and Poland put an end to the Ukrainian National Republic.

The Ukrainians have suffered untold hardships and mass genocide under Russian domination. In the 1930's Moscow liquidated the Ukrainian Orthodox Church and at least 6 million farmers perished for resistance to collectivization. Yet the memory of national existence is too strong for the Ukrainians to resign themselves to their present fate. They remain deeply committed to the cause of freedom. On the 50th anniversary of the proclamation of the Ukrainian National Republic I wish to express my fervent hope that the heroic sacrifices made by Ukrainian patriots will soon be rewarded and that the afflictions they have endured will soon come to an end.

Mr. McCLODY. Mr. Speaker, as the 50th anniversary of Ukrainian Independence Day is being observed among freedom lovers everywhere, I should like to add a few words.

Addressed primarily to that brave nation of 45 million people who have struggled on for a half century, it is not inappropriate to speak to the hearts and minds of any single nation resisting the tentacles of communism. Once liberty is lost, a constant resistance against tyranny is the price one must pay to regain it. Such is the history of the Ukrainian people.

What happened to Ukraine can happen to other nations. Communism is relentless as it presses on to subjugate nations, their will, their culture, their customs, their desires, their faith, and their freedom. Communist infiltration portends Communist domination and the loss of the rights of the subjugated citizens. An ever-present threat, the loss of liberty means a slavery of the spirit as well as of the flesh.

For almost 200 years, the United States of America has waged an unceasing battle for freedom of those nations which look to it for leadership among freemen. I have faith in our Nation and the strength it derives from its struggle to maintain its freedom. I have faith in the source from which the Ukrainians, the Americans, and every nation under God derive their strength and by whom we are endowed with the will to exert that strength.

To our friends in the Ukraine and in the far-flung frontiers of freedom around the world, I commend the resolution of Abraham Lincoln, our great defender of freedom, who said:

Let us have faith that right makes might, and in that faith, let us to the end, dare to do our duty as we understand it.

Mr. BURKE of Florida. Mr. Speaker, I wish to add my voice to those of my colleagues who have spoken out on this, the 50th anniversary of the Ukraine's declaration of independence.

Ukrainian Independence Day, January 22, continues to exemplify the basic struggle between our theory of self-determination for every nation throughout the world and those of Communist imperialism.

After a bitter struggle, the Ukrainians took the step and declared themselves to be an independent nation on January 22, 1918. Regrettably, the peoples of this new nation believed the sweet words of self-determination and noninterference, as preached by the Russian Bolsheviks, who

at the same time systematically subverted the nationalist movement. And Ukraine freedom lasted but 2 short years.

This all too familiar pattern was repeated in Cuba and has succeeded in dividing Korea and Vietnam.

Ukrainians have struggled to maintain their identity as a nation and as a culture. They have suffered through collectivization, purges, deportations, and Russification campaigns.

We can be under no greater illusion than to deluge ourselves into believing that eased tensions can mean that peaceful coexistence with the Soviet Union and her satellites is possible. The truths surrounding the Ukraine, Cuba, Korea, and Vietnam should serve as a constant warning that it could happen here too.

We are currently fighting a war so that a small nation, Vietnam, can enjoy self-determination. Lasting peace cannot become a reality until all nations, including the Ukraine and her sister nations in captivity have the right of self-determination.

Mr. O'NEILL of Massachusetts. Mr. Speaker, this week the 50th anniversary of the independence of the Ukraine is being celebrated around this Nation and around the world.

More than 45 million stalwart Ukrainian citizens have struggled for over 50 years to obtain freedom and independence for their rich and fertile land. But they have been prevented in their worthy endeavors by the oppressive, ruthless Government of the Soviet Union. Yet, these invincible and proud people have not relinquished their fight.

The Ukrainian national revolution of 1917-18, unlike the Russian revolution, was very much like our own war of independence in 1776. It was a revolution seeking the free and independent state of the Ukrainian people, as our revolution sought freedom from colonial subjugation for the 13 Colonies.

There is a kinship between the American people and the people of the Ukraine that lies deeper and is stronger than the natural kinship among all men. It is a brotherhood dedicated to freedom and self-determination. It is an alliance of men born with the taste of freedom and the drive to fight for that freedom. It is a tie so strong that no oppression and no separations could ever destroy it.

I take great pride in joining with my colleagues and with the people of the United States in saluting the wonderful, freedom-loving people of the Ukraine. May their never-ending struggle for the freedom they so desire soon end in their true and final independence.

#### GENERAL LEAVE TO EXTEND REMARKS

Mr. FULTON of Pennsylvania. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks in the RECORD on the subject of the address by the gentleman from Pennsylvania [Mr. FLOOD]—the 50th anniversary of Ukrainian independence.

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

There was no objection.

#### FREEDOM DAY CELEBRATION IN REPUBLIC OF CHINA, TAIWAN, KOREA, AND OTHER FREE COUNTRIES AROUND THE WORLD

The SPEAKER. Under previous order of the House, the gentleman from Louisiana [Mr. WAGGONER] is recognized for 10 minutes.

Mr. WAGGONER. Mr. Speaker, this is a significant day for those of us who live on the free side of the Bamboo and Iron Curtains. This is the 14th anniversary of that day in 1954 when 22,000 former Communists taken prisoner in the Korean war chose to cast their lot on freedom's side rather than return to the hell-on-earth they had known under communism.

According to the terms of the Korean armistice, a 90-day period was set aside during which the former Communist prisoners would be visited by representatives of freedom and by representatives of their former Communist masters. At the end of this 90-day period, each was permitted to choose which side he wanted to go with; back to communism or over to freedom. Now, it must be remembered that each of these prisoners had left behind his family, his home, and his friends. The sentimental tug to return to them, even though they were still communism's captives, must have been strong.

As the first of the prisoners were taken into the so-called explanation huts, the Communists used every conceivable threat to compel them to come back to their homes in Communist territory. The Indian forces guarding the compound in Panmunjom were forced, time after time, to step in to prevent physical violence being done to the prisoners. But no matter how vigilant, no one could prevent the Communists from threatening the families of the Chinese and the Koreans.

As the first groups went through the explanation procedure, it became apparent very quickly that the Communists were going to suffer a devastating setback. Only a few of the prisoners were intimidated into returning to Communist territory in spite of every threat. The Reds called the prisoners into their huts time after time and accelerated their threats unless the prisoners returned to their homes. Finally, the Neutral Nations Repatriation Commission had to step in to protest the Communist brainwashing tactics.

Finally, the Communists gave up. The 22,000 prisoners almost to a man, opted to live in freedom. The 14,000 Chinese went to their new homeland on the island of Taiwan where they live in freedom while they enjoy the blessings of ever more prosperous life. The 8,000 Koreans settled in South Korea and have built new lives for themselves there.

This significant day, known in the Republic of China as "1-2-3," January 23, will be memorialized in Taiwan, in Korea, and in other free countries around the world with a "Freedom Day" celebration. It is well for those of us here in the House of Representatives to share in that celebration. If any American needs to be convinced that people will not live under the heel of communism

if they are allowed a free choice, this day of commemoration should be proof enough for even the most skeptical.

In many parallel ways, Vietnam is another Korea. Just as they did in Korea, the Communists have attacked their brothers who prefer to die in freedom rather than live in slavery. Just as in Korea, this Nation has stepped in to stop the bully. And, just as in Korea, the answer will be the same when peace comes and a freedom of choice is possible among all the Vietnamese: they will not voluntarily live under the Communist tyranny of North Vietnam. I pray that the day is not far away when the North Vietnamese prisoners can be given the same option we extended the North Koreans. There is no doubt in my mind that they will do what the 22,000 prisoners of Korea did, choose to live in freedom even if it means giving up their homes, their families, and all their worldly possessions back in Communist territory.

I salute these valiant Chinese and Koreans of "1-2-3." They echoed in a very positive way the expression of our own Patrick Henry when he said, "Give me liberty or give me death."

The Republic of China and the Republic of Korea can be proud of these men. I salute their courage. They have shown us the way. We can do no less than follow their example.

#### FOREIGN TRAVEL TO THE UNITED STATES

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, a bill is being submitted today, of which I am a cosponsor, to encourage an increase in travel by foreigners to the United States. I strongly enlist the support of my colleagues for this means of redressing the imbalance in the travel account of our balance of payments.

In 1966, the United States suffered a deficit in its travel account of over one billion dollars, and there is every indication that the trend to deficit in this category continued in 1967 at a similar rate. There are two possible means of reversing this outflow: We can attempt to make tourism in this country more attractive to foreigners or we can place restrictions on the traveling which our citizens may do abroad. Although the two are not mutually exclusive, it seems to me incontrovertible that the former alternative is in every way preferable, and I believe the travel incentive bill, submitted today, can make a major contribution in that direction.

Under this plan, initially proposed by my distinguished colleague, HENRY REUSS, the Federal Government and the U.S. travel industry would join in offering travel incentive stamps to foreigners; these stamps could be used as payment for transportation, hotel accommodations, and other expenses incurred in their travels to the United States. The Government would initially foot the bill for one-half of the cost resulting from the use of these stamps; the other half

would be paid for by the travel industry in this country. The expense borne by the Government, however, would be more than offset by increased tax revenues collected as a result of the growth in our gross national product due to expenditures by foreign tourists. Thus, there would be no net Government expenditure caused by this program, and an obvious and highly necessary gain in terms of the benefit to our balance of payments.

It is abundantly clear that a program to increase tourism in this country rather than one to restrict American travel abroad is the most constructive as well as desirable approach to the problem of our travel deficit. Not only is it a contradiction of basic American principles to prevent our citizens from traveling beyond our borders but, furthermore, such a move might provoke retaliation by other nations in the form of restrictions on travel from their countries.

Moreover in seeking solutions to our current balance-of-payments problems, we would do well to choose programs with longer range horizons; the most desirable alternatives are those which would lead to a stronger balance-of-payments picture in the future as well as direct, short-term relief at the present. This travel incentive plan is one such program, promising an immediate inflow of foreign travelers as well as a long-term expansion of tourism in this country.

Mr. Speaker, those of us who have traveled through our great Nation are well aware of the many awesome attractions it has to offer, to both the foreign tourist and to the U.S. citizen. The proposed travel incentive plan would enable foreigners to discover this for themselves, and would simultaneously provide a much-needed boost to the lagging travel account of our balance of payments. I urge my colleagues to give this measure their most serious and affirmative consideration.

#### PRESIDENT JOHNSON'S JOBS MESSAGE A CALL FOR PARTNERSHIP BETWEEN PRIVATE INDUSTRY AND GOVERNMENT TO TRAIN THE UNEMPLOYED FOR JOBS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] 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 Hawaii?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I rise in strong support of President Johnson's call, set forth in his message to Congress today, for a partnership between private industry and Government to encourage more job opportunities for the half-million hard-core unemployed who live in the worst slum areas of our 50 major cities.

Under the program proposed by the President today, private industry and Government will join hands to train the unemployed for jobs in the private enterprise sector of our economy.

Although I realize the President's mes-

sage touched on several aspects of our Nation's manpower policy, I want to draw particular attention to his "Concentrated Employment Program," which is specifically aimed at reaching the hard-core unemployed. A key part of this new program—"JOBS"—or "Job Opportunities in the Business Sector," is based on a three-pronged approach:

First. Government will identify and locate the unemployed.

Second. Private companies will train them, provide jobs, and other needed health and education services.

Third. Government will pay the extra costs incurred by the company.

Mr. Speaker, I am especially glad to see that to promote this partnership between industry and Government, the President has enlisted the services of a new National Alliance of Businessmen, headed by Henry Ford II. The alliance, composed of outstanding business executives from around the country, will provide experienced and imaginative leadership from private industry to help launch this effort to create new job opportunities.

Mr. Speaker, I have had talks with a number of the leading business and industrial executives in my own area of Indiana in recent months about the role they can play in helping meet this challenge to our society—the challenge of providing all our citizens with an opportunity to earn a living. I can say that I have been greatly impressed by the concern and interest the business leaders of my community have displayed in solving this important problem, and I feel certain therefore, that the President's new JOBS program will win widespread support in my area as well as elsewhere in the Nation.

#### HOUSTON FANS RAISE ROOF AT BASKETBALL EPIC

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. CASEY] 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 Hawaii?

There was no objection.

Mr. CASEY. Mr. Speaker, on Saturday night in an Astrodome thriller, the University of Houston Cougars extended their 48-game home-court winning streak and protected their undefeated 1968 record of 16 wins. The Cougars, led by impressive Elvin Hayes, defeated No. 1 ranked UCLA before 52,693 fans, the largest crowd ever to witness a basketball game. I know my colleagues who viewed this great classic contest, share my own deep pride in my alma mater, the University of Houston, and join with me in extending sincere congratulations to this great Cougar team and coaching staff.

All America joins in saluting Hayes, and his outstanding Cougar teammates Ken Spain, Don Chaney, Theodis Lee, George Reynolds, Vern Lewis, Tom Gribber, Hammond, Cooper, Bane, and Bell, and head coach Guy Lewis and his staff on a well-earned victory.

Mr. Speaker, it is indeed a privilege to me to bring to the attention of my colleagues the following articles on this important Cougar victory:

[From the Washington (D.C.) Post, Jan. 22, 1968]

**HOUSTON FANS RAISE ROOF AT BASKETBALL EPIC**

(By William Gildea)

HOUSTON, January 21.—There are noisier places than the floor of the Astrodome during a basketball game. Cape Kennedy on blast-off day, maybe. Or Vesuvius, when it blows its top. Perhaps the Arthur discotheque, in New York.

It was a lot like Arthur, really, Saturday night. The sounds were overwhelming. You could smile at the person beside you, but there was no sense speaking. It was maximum volume. It was wild, willful, woeful and wow.

And when it became 69-69, UCLA and Houston in a frantic deadlock with 28 seconds to play, Christian Barnard should have been there to dispense new hearts all around. Thankfully, college basketball games last only an hour and a half, including timeouts. Any longer and it would have been too much to bear.

It was an epic game. Those who saw it will remember it as baseball fans do Don Larsen's perfect World Series game or Bobby Thomson's pennant-winning home run. It was to basketball as the first four-minute mile to track. It will be the one by which all college basketball games are measured.

It happened 76 years to the day after Dr. James Naismith hung up his peach baskets, Jan. 20, 1892, to provide indoor physical exercise for members of the Springfield, Mass., YMCA. He wouldn't have believed this Jan. 20. This one was played for the edification of Texas.

If a home-arena advantage is worth roughly five points, the Astrodome must have been worth at least three times that to Houston. UCLA was taking on much more than Elvin Hayes, who was quite enough with 39 points, 15 rebounds, and two blocked shots against giant Lew Alcindor, who knew, for once, the feeling of being intimidated.

UCLA also was taking on most of the 52,693 customers, the largest crowd to ever root against a basketball team, and Roy Hofheinz's belching panorama scoreboard, which narrated a final message at the buzzer. "We win. We win. We win." with Houston on top, 71-69.

It was enough to provoke in neutrals a deep sympathy for the overdogs. UCLA's victory streak ran out at 47, 13 shy of the University of San Francisco's record. But some will say there should be an asterisk next to this defeat, USF never played the Astrodome.

[From the Washington (D.C.) Daily News, Jan. 22, 1968]

**ELVIN KEEPS HIS WORD—ALCINDOR FINDS A BUDDY**

(By Milton Richman)

Lew Alcindor will get a half million or more the day he turns pro.

No matter how much he gets, he'll never make a better deal than he did the other night when he lost a ball game but found a friend.

No ordinary one, either. His name is Elvin Hayes and he's a member of the University of Houston basketball team, or, as he was Saturday night, the entire Houston basketball team.

If you weren't among the the 52,693 in Houston's Astrodome or were watching something else on TV, then you not only missed the beat but also the most exciting college basketball game in the past 10 years. Maybe the past 20.

The game had everything. The two best teams in the country, the two best players and unparalleled suspense.

Elvin Hayes played the game of his life.

Then, with only 28 seconds left, he put the icing on a superlative 39-point performance by sinking a pair of free throws for a 71-69 victory over top-ranked UCLA.

Alcindor, outplayed by Hayes, may have a built-in excuse extended by an ophthalmologist at the UCLA medical center who said last night Lew's sight could have been off because he is suffering from vertical double vision and impaired depth perception.

Alcindor will be examined twice before his forthcoming weekend action to insure maximum physical fitness for the games.

UCLA was riding a 47-game winning streak and threatening the record 60 straight owned by the University of San Francisco when the Bruins tangled with the Cougars. UCLA brought its own court to the Astrodome and a No. 1 ranking it held all season in the UPI board of coaches' ratings.

The balloting for this week's No. 1 team should be the most interesting of the season. It should be close.

Elvin Hayes is only 22 and Saturday night he suddenly became a bigger thing in this country than turtle-neck sweaters.

**ELVIN'S NIGHT**

He not only out-scored the great Lew Alcindor, 39 to 15, but out-rebounded him, 15 to 12 and blocked eight shots, including three by Alcindor.

If Hayes ever had a right to boast, this was it. But after the tumult and shouting had subsided, Elvin did something else. He kept his word. Earlier in the week when Hayes and Alcindor were merely "very good acquaintances," Elvin told Lew there would be a house party after the game and he'd come pick him up if he liked. Alcindor said that would be nice.

So long after the game was over, Elvin Hayes and Warren McVea, star of Houston's football team, went by Alcindor's motel and took him and UCLA guard Mike Warren to the party.

"I hope he had a good time because he's a real great guy and I like him," Hayes said of Alcindor. "I knew how he felt. All the time we were at the party the game was never mentioned. Not by him, not by me, not by any of us.

"I left the game on the floor. There was no point in talking about it at the party. I didn't want him to think I brought him there just to talk about it."

**NOT UPSET**

Elvin Hayes wasn't upset too much by the post-game statement of UCLA coach Johnny Wooden, who said the Houston forward was a fine player but he "wouldn't trade Lew for two Hayes."

"I respect the coach for saying that," said Hayes. "It's his ballplayer. Lew is the best, anyway, so his coach didn't really say anything wrong. We got a great coach, too (Guy Lewis). He always sticks by us."

The feeling between Elvin Hayes and Lew Alcindor is best expressed by Hayes when people come up to him and ask him if he and Alcindor are good friends.

"Now we are," says Elvin Hayes.

**MANPOWER**

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. HOLLAND] 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 Hawaii?

There was no objection.

Mr. HOLLAND. Mr. Speaker, manpower is this Nation's most valuable asset. President Johnson has indicated in his message to the Congress that we must

do everything within our power to develop it to the fullest. As chairman of the Manpower Subcommittee of the Committee on Education and Labor, I concur with the President's comments.

In the last 5 years, we have made remarkable progress in the development of our human resources. Under the Manpower Development and Training Act, nearly 700,000 men and women have been enrolled in institutional training programs leading to jobs as welders, cooks, stenographers, licensed practical nurses, automobile mechanics, and in a variety of other essential occupations. Another 240,000 have taken on-the-job training in such skills as welding, machining, food service, and construction work.

More than 1,200,000 disadvantaged boys and girls have received work experience in Neighborhood Youth Corps projects that has helped to prepare them for full-time jobs in the world of competitive enterprise.

This year, as President Johnson has said:

The time has come when we must get to those who are last in line—the hard-core unemployed—the hardest to reach.

We have made a start. A subsidiary of Aerojet-General, manned by so-called "unemployables" from the Watts district of Los Angeles, is successfully turning out tents and wooden shipping crates for the defense establishment. Other hard-core unemployed have been turned into skilled machinists by the Arrow Tool Co. in Wethersfield, Conn. In company after company, semi-illiterates and ex-convicts have proven that, when given the opportunity and the proper motivation, they are fully capable of making their contribution to society.

Now the President has asked the distinguished industrialist, Henry Ford, to help carry this effort forward.

We must, therefore, expand our support and render every legitimate assistance to private industry in its new role as a partner of Government in the training and hiring of the hard-core unemployed. Neither government nor the business community must shirk our responsibility to the thousands of disadvantaged men and women who, heretofore deprived of the opportunity for self-sufficiency, look to us now for the helping hand that will lead them to independence.

Whatever the price—and it will be tiny compared to the cost of inaction—we must pay it now to help our forgotten citizens to help themselves. I urge my colleagues to fully support the President's manpower proposals.

**STATE OF THE UNION MESSAGE**

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. HOLLAND] 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 Hawaii?

There was no objection.

Mr. HOLLAND. Mr. Speaker, I listened last Wednesday to the President's state

of the Union message with renewed hope that the 90th Congress may yet write a legislative record worthy of the traditions of the Congress, and worthy of the great people we are privileged to represent.

Certainly the President has presented us with a challenge which offers us that opportunity. If we wish to repeat the performance of the first session, and ignore the basic problems confronting the Republic, comforting ourselves by passing laws against what is already illegal, we can, of course, do so. But we cannot complain of a lack of Presidential leadership. President Johnson has clearly outlined a responsible and significant program for the Congress to enact.

As chairman of the subcommittee which has a major responsibility for manpower programs, I was, of course, primarily interested in the President's proposals to attack the problem of hard-core unemployment. But the goals he has set for new housing, for consumer legislation, and for the rebuilding of our blighted and decaying cities—these, too, are priority items on the Nation's agenda—items which we will ignore only at grave peril to the American people.

I do not promise what Lyndon Johnson did not ask—unquestioning acceptance of administration proposals, with spelling, punctuation, and paragraphing unchanged. But I do pledge to the President, to the leadership of this House, and to my own employers—the people I represent—my best efforts to reach the goals President Johnson has so eloquently described.

#### CHARLES Q. RODRIGUEZ RETIRES

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. RARICK] 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 Hawaii?

There was no objection.

Mr. RARICK. Mr. Speaker, I am happy to join in tribute to Mr. Charles Q. Rodriguez, who retired as Louisiana State property insurance manager on January 5, 1968. Mr. Rodriguez held this position in our State government in Louisiana for 22 years, serving under six administrations.

A native of Franklin, Tenn., he was born on January 4, 1898, received his elementary education in the public schools of Nashville and Clarksville, Tenn. In April 1917 when World War I was declared, he was attending Southwestern Presbyterian University. He says that he and 98 percent of the non-educational university enlisted en masse with the 1st Tennessee Infantry National Guard.

This organization in the summer of 1917 was combined with the National Guard of North Carolina and South Carolina and other Tennessee units to form the 30th Infantry Division. Mr. Rodriguez served with the division in Belgium and France and participated in the attack on Vimy Ridge, Ypres, and the Hindenburg Line at St. Quintan.

He returned to the United States in May 1919 and was discharged as a ser-

geant of Infantry in the Headquarters Detachment.

Shortly after returning Mr. Rodriguez moved to Monroe, La., where he engaged in the cotton brokerage business. Later he entered the general insurance field and was in this work when called to active duty as a captain of Infantry in October 1940. After serving for 5 years during World War II, he was then released from active duty and assumed the position of State property insurance manager.

During Mr. Rodriguez's military career he graduated from the Infantry School at Fort Benning, Ga., in 1935, the Command and General Staff College at Fort Leavenworth in 1944, the Industrial War College, Washington, D.C., in 1956, and is now retired in grade of lieutenant colonel of Infantry.

Mr. Rodriguez resides in Baton Rouge with his wife, Mary Helen. They have two children; a daughter, Mrs. James S. Bolton, who with her husband and son live in Baton Rouge, and Charles Q. Rodriguez, Jr., who is a student at Louisiana Polytechnic Institute at Ruston.

He intends to remain in Baton Rouge where he has many friends and business associates. He does not plan to retire from the insurance industry, but is looking forward to other activities in the insurance field.

Mr. Rodriguez is a 50-year member of Kappa Sigma social fraternity, a member of the Sons of the American Revolution, American Clan Gregor, American Legion, Military Order of the World Wars, and Veterans of Foreign Wars. He is a member of the Trinity Episcopal Church of Baton Rouge.

Mr. Speaker, I am happy to pay honor to Mr. Rodriguez, who has served his fellowman, his State and his Nation so capably.

#### TESTIMONIAL FOR THE RIGHT REVEREND MONSIGNOR ANTHONY DI LUCA

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] 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 Hawaii?

There was no objection.

Mr. RODINO. Mr. Speaker, it is with great pleasure and pride that I make note at this time of an open house I attended this weekend in honor of my old and very dear friend, Msgr. Anthony Di Luca. After serving for 62 years in the holy priesthood, 34 of which were spent nurturing the growth of Holy Family Church in Nutley, N. J., Monsignor Di Luca is retiring from the active pastorate.

Over 750 of his parishioners turned out last Sunday to honor this outstanding individual, whose long list of achievements include designation as a domestic prelate by the late Pope Pius XII; and as a protonotary apostolic, the highest rank of the monsignorate, by the Holy See; and receipt of an honorary doctor of laws degree from Seton Hall University in 1956.

It is rare indeed to find one man who

has done so much for his parish as well as for the entire community. All of us in Government should be grateful for the example set by this able churchman, who, by his actions, manifests those characteristics which maintain the strength of our great country. His good works are numerous, and I was delighted that the forward vision and dedication of this outstanding clergyman were recognized in congratulatory messages from our President and Vice President. All of us whose lives were touched by this noble man will forever be the richer, and I am most gratified that, as pastor emeritus, we will continue to have the benefit of his counsel and friendship.

#### PRESIDENT JOHNSON URGES PROMPT ACTION ON PROGRAMS TO END UNEMPLOYMENT

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] 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 Hawaii?

There was no objection.

Mr. RODINO. Mr. Speaker, the President has called for a massive program to find jobs for those who are the hardest to reach by enlisting the support of the business community. I thoroughly agree that there is no task before us of more importance to the country and to our future.

Violence and crime in the streets will not disappear unless we attack at the root of the problem—meaningful jobs for tens of thousands of the poorest of the poor. Those who will ultimately escape poverty and become productive citizens will do so in most cases through employment within the private sector of the economy. Thus, an increasing involvement of the resources and efforts of industry is vital in this effort.

The President has outlined a program to start putting the estimated 500,000 hard-core unemployed on the employment rolls. I have seen how a small effort in my home State can help to alleviate the problem of joblessness. The Newark Business and Industrial Coordinating Council, with help from the Government, social service agencies, and industry, succeeded in placing close to 1,000 of the most disadvantaged in productive jobs.

An effort of this type on a large scale—a new partnership between Government and private industry to train and hire the hard-core unemployed—is an effort that we cannot afford to pass by. It is designed to extend to many thousands of people—the young and the old—an opportunity for meaningful and rewarding employment. Only through pulling our resources in this common endeavor can we hope to obliterate the ugly blight of poverty in our Nation. We must support the President's manpower proposals.

#### GOLDEN ANNIVERSARY OF THE UKRAINIAN NATIONAL REPUBLIC

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman

from New Jersey [Mr. RODINO] 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 Hawaii?

There was no objection.

Mr. RODINO. Mr. Speaker, last Sunday I had the great privilege of joining the Newark, N.J., and vicinity branch of the Ukrainian Congress Committee in America in celebrating a truly unique anniversary. It was the occasion of a triple anniversary, for it commemorated the Declaration of Independence of the Ukraine on January 22, 1918, the rebirth of the Ukrainian Armed Forces, and the Ukrainian National Revolution of 1917.

It was a heartening and moving meeting which gave me the great pleasure of renewing my friendship with the many fine citizens of Ukrainian heritage who reside in the northern New Jersey area. The occasion demonstrated again the unwavering hope and faith of the Ukrainian people in the achievement of freedom and human dignity for their homeland. While this magnificent spirit prevails, this cause will never falter.

The Ukrainians have been among the most unfortunate of all the peoples of Eastern Europe. They have been subjected to the oppressive regimes of autocratic Russian czars and of Soviet totalitarian dictatorship longer than any other nationality group in today's Soviet Union. It is sorrowful to realize that these courageous and creative people have not been able to retain their freedom and independence during most of their modern history. Since the mid-17th century they have not been masters of their own destiny, except for a brief 2-year period following the overthrow of the czarist regime in 1917.

For centuries their sole national goal had been to regain their lost freedom and attain national political independence. Early in 1918 that opportunity presented itself, and they seized it. Proclaiming their independence on January 22, they created a fighting force and with its aid hoped to strengthen the newly created Ukrainian Republic. But this proved beyond their power; the Ukrainian forces could not carry on the fight on all the fronts where they were under constant attack. For nearly 2 years they fought valiantly their powerful foes, often against forbidding odds. Finally the Red army overwhelmed them in November of 1920, thus robbing them of their independence and making Ukraine part of the Soviet Union.

Mr. Speaker, the program of the Ukrainian Congress Committee, gathering in East Orange, N.J., last Sunday, contained a most eloquent and inspiring account by Zenon Snylyk of the valiant but tragic history of the Ukrainian people's struggle for self-determination, and I include it in the RECORD at this point:

INDEPENDENCE: UKRAINE'S GOLDEN ANNIVERSARY

(By Zenon Snylyk)

The year 1967 marked the 50th anniversary of the great revolutionary upheaval in Eastern Europe. In 1917 the far-flung Russian empire met its inevitable doom, and its fall unleashed a series of national revolutions which swept the enslaved non-Russian na-

tions and brought them long-awaited freedom and national independence.

Unlike the fraudulent Bolshevik revolution and very much like the American Revolution, the Ukrainian National Revolution, invoking the principle of self-determination and the country's age-long historical claim to statehood, reaffirmed the Ukrainian people's right to a life free of alien domination and their determination to chart a peaceful course in harmony with their neighbors.

Born on the ashes of the crumbling empires and inspired by the ideas of national liberalism that had found its most ardent advocates in the West, the Ukrainian National Republic was the logical consummation of the national revolution, which had commenced in March 1917. By the act of January 22, 1918, known as the Fourth Universal, the Central Rada, the reborn nation's official and duly elected government, proclaimed to the world and its own people that "from this day on," Ukraine was to become a "sovereign and independent state of the Ukrainian people." On February 9, 1918 Ukraine concluded a Peace Treaty with the Central Powers in Brest-Litovsk, by which act it received full-fledged recognition from Germany, Austria-Hungary, Turkey and Bulgaria, the powers that provided military assistance to Ukraine against the Russian Bolsheviks. France and Great Britain also granted de facto recognition of Ukraine. The ideal of Ukrainian statehood was clearly marked by the Hetman period of the Ukrainian independence struggle of those years.

This in capsule form was the rebirth of the Ukrainian nation after centuries of Russian Czarist domination. Indomitable in its spirit and unshaken in its faith that truth and justice will prevail, the young Republic fought valiantly against the enemies from all sides, primarily against the invading force of the Bolsheviks from the north, an aggressive and power-hungry horde that sought to reestablish the Moscow-controlled order under the guise of Red Communism. After a valiant struggle of four years, the Ukrainian National Republic became its first victim only to remain its most persistent foe until the present day. With the blood of her finest sons and daughters shed on the altar of freedom, Ukraine had reaffirmed her claim to freedom and independence which remains her legacy and her insufferable warning to millions who had fallen victim to Communist Russia's insatiable hunger for territorial dominion.

Had the Western World recognized and supported the democratic Ukrainian republic reborn fifty years ago, in accordance with President Wilson's principles, it would have probably prevented the expansion of Bolshevik Russia into a Soviet Russian empire, which has become a menace to the freedom of nations, democracy, and the peace of the world. The free Ukrainians remind the world that the so-called Ukrainian Soviet Socialist Republic was established after the conquest of the Ukrainian National Republic forces by the Russian Red Army and was a concession in the attempt to pacify the conquered people and to appease anti-imperialist and anti-colonial attitudes. The quasi-independent Ukrainian SSR, completely dominated by the Communist government in Moscow, and the quasi-independent phantom delegation in the United Nations are reminders to the whole world that there exists an enslaved Ukrainian nation and an unsolved Ukrainian cause—fifty years after a 45-million nation had spoken its will and had shed its blood in the name of freedom.

Today, the free world is pitted against the Russo-Communist empire, which has been constantly expanding at the expense of free nations, constituting a menace not only to Europe and Asia but to the United States as well. For their tragic mistakes of misjudgment in the revolutionary struggle of 1917 and 1922, Europe has been paying in

the form of the loss of several democratic states which during the Second World War and after became satellites of the Soviet Union, while free America has been paying for its misjudgments through involvement in the Second World War, the Korean War, the Cuban Episode, and in the Vietnam War.

In endeavoring to assess the situation in the world today, we can greatly benefit from the ideas so eloquently and profoundly expressed by the late President of the United States, John F. Kennedy. In his famous speech to the U.S. Senate on July 2, 1957, on the eve of American Independence anniversary, the late President said:

*"The most powerful single force in the world today is neither communism, nor capitalism, neither the H-bomb nor the guided missile; it is man's eternal desire to be free and independent."*

Spoken over a decade ago, these words of a great man are so relevant today, and particularly timely as we observe the triple anniversary of Ukraine's claim to freedom.

For if the world is to be safe for freedom, democracy, and peace—so fervently sought in conference rooms and on the battlefields—the free world must at long last recognize that there is no double standard of morality and justice in the international arena, and that the right of national self-determination that we so staunchly defend in Vietnam must be granted to all nations, particularly those that have for decades borne the brunt of Communist oppression, manifesting repeatedly their right to be free and independent.

Mr. Speaker, since the fatal days when the Ukrainians fell under Soviet tyranny they have been unable to free themselves and were forced to live under the Kremlin-imposed Soviet regime. Even so, after many decades of subjugation the Ukrainian people have not given up hope for independence of the Ukraine.

I fervently hope that they will attain their goal and again live in peace and freedom in their homeland.

A CALL FOR NATIONAL ACTION TO IMPROVE OUR HEALTH CARE

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROSENTHAL] 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 Hawaii?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, during our recent adjournment, I presented a major study of our Nation's health care system and a program for its improvement.

The presentation was at a press conference which I convened which was also attended by six prominent medical consultants who were also concerned about these problems. Each of these eminent men spoke, as individuals, without either direct advocacy of my proposals or in agreement necessarily with each other. We were united only in our concern that our health care system must be improved.

The reaction to this public meeting has been overwhelming. I have been deluged with mail from all parts of the country, much of it from doctors and medical educators who read accounts of this press conference in their local papers.

Some criticized my proposals. Most

found something in them worthwhile. And some suggested even more drastic innovations in our medical education system and in our delivery of medical care.

I am now compiling these spontaneous responses with a number of opinions I solicited from leaders in American medicine who were invited to the press conference but who could not attend. I plan to advise my colleagues in detail, in the coming weeks, of the nature and depth of this national concern for better health for America.

I would like to present now the basic statements I made last month: "The Crisis in America's Health Care System," and its companion paper, "A Program for Federal Leadership," together with the list of medical consultants who appeared with me and the important statistics which illustrate the problems discussed:

STATEMENT BY CONGRESSMAN BENJAMIN S. ROSENTHAL, OF NEW YORK, ON "THE CRISIS IN AMERICA'S HEALTH CARE SYSTEM" AND "A PROGRAM FOR FEDERAL LEADERSHIP," DECEMBER 18, 1967

For the past several months, I have been engaged in a study of this country's medical service and of our medical education system. This study is insignificant, in time and expertise, to the effort devoted by the men with me here today. Their lives have been dedicated to American medicine, its organization, its services and its possibilities.

But the federal government, where I am employed, plays a vital role in the American Medical Establishment. It finances all but a small part of medical research. It is a principal source of income for our medical schools. And by its policies and programs, its acts and its omissions, it helps direct the country's medical service system.

It is the confused and misdirected role of our federal effort and the course of our medical service system which concerns us today. I am in favor of medical miracles as much as the next man. But the plain truth is that medical research has been oversold to the point where it is unquestionably injuring medical education and medical services. Our national health system is badly out of kilter.

If the federal government is one half of the Medical Establishment, the American Medical Association represents the other half.

The newest president of the AMA, in his inaugural address, cited as that group's "single obligation" the protection of capitalism in medicine. I would have thought that proper medical care was AMA's "single obligation."

I believe this country has been built and has prospered on the belief that pure capitalism must be hammered into a socially humane and economically beneficial alloy.

The AMA may not yet recognize it but a similar adaptation of capitalistic medicine to the needs of people has already begun. Nineteenth century capitalism has yielded to society's indignation. So will the belief in the practice of purely private medicine. This country will no longer tolerate outrageous annual doctors' incomes, bloated by Medicare and Medicaid fees, while the country disgraces itself before the world's health care standards.

The detailed presentation in the accompanying paper, "The Crisis in America's Health Care System," and my conclusions, represent only my views. The distinguished doctors and educators who appear here today come as people concerned about our health programs. They speak as individuals and are bound neither to me nor to each other in their views of the problems we discuss.

I have identified certain problems of our

national health system which need urgent attention. *I mean attention now.* And I mean consideration by our government which will be appropriate in scope—and proportionate in dedication of resources—to the problems themselves.

These matters will not await the end of a war, the beginning of a Congress, the results of an election or any other irrelevant event. They demand Presidential and Congressional action now. They cry out for direction from an enlightened medical community. They seek a response in public opinion which, when informed, will not tolerate these conditions. These problems crave, finally, leadership which only the federal government can provide.

We have reached the end of the road where the federal government can finance indefinitely medical research and neglect medical care. Government has financed the construction, by superbly trained scientists, of an exquisitely machined and polished research mechanism which is less and less relevant to the medical needs of the average citizen. A comparable instrument, similarly constructed and comparably manned must be constructed for medical services.

It is extremely important, and even inspiring, that we have just created in the laboratory, for the first time, the living core of a virus, and, perhaps, of life itself. But what comparable federal effort has raised the health care of a New York school child, or provided a needed doctor in Appalachia, or financed the education of a doctor or his assistant?

The five point program which I announce today will confront the federal government with some of its neglected responsibilities to the American medical consumer. These programs aim not at ending federal medical research but at raising the medical service system to comparable heights. This is an ambitious program and a very expensive one. It seeks nothing less than a new era in providing America with the world's best medical services.

#### I. A PLAN TO REDUCE INFANT MORTALITY

I propose a direct attack on the single most crucial indictment of our medical service system, our disgraceful infant mortality. This plan will provide a sharp increase in the number of doctors, doctors' assistants and neighborhood health facilities in those areas and for those people most in need of them.

The heart of this program is Med-Vista. This will provide community medical centers—both urban and rural—and the doctors and medical assistants to man them. It will provide free medical school tuition and subsistence to doctors who agree to spend four years in the medically underprivileged areas. Their pay will be comparable to that received by doctors in the Armed Forces. Four years of "repay" service will also satisfy military obligation.

Alternately, non-scholarship students could spend three years in these needed areas as a substitute for two years of military service.

This program will be administered jointly by the Public Health Service and the Office of Economic Opportunity and would be operated from both existing medical institutions and from a vastly expanded and improved Neighborhood Health Center program.

#### II. A PLAN TO CREATE NEW HEALTH PROFESSIONALS

There is considerable ferment in the medical profession concerning a new class of doctors' assistants who can relieve them of much of the burden of routine tasks. They would work under close supervision of physicians. Several exciting experiments in training and using such workers have already been conducted with very impressive results.

The federal government, which should lead in encouraging such imaginative uses of

new health workers has done just the opposite. It has answered calls for imagination with inertia. For fear of opposition among organized medicine, it has felt safer in doing nothing. For lack of clear legislative mandate, it turns away medicine's own plans to explore the new health assistants.

I will propose amendments to the Allied Health Professionals Training Act to strengthen the federal commitment to match and exceed the innovation which even the admittedly conservative medical profession offers. Instead of following reluctantly, or giving reasons why new health manpower ideas cannot be sponsored by the federal government, we must take the lead.

#### III. A PLAN TO EXPAND PHYSICIAN PRODUCTION

I propose legislation to establish 50 new medical schools over the next ten years and expand the production of existing schools.

These new medical schools need not require completely new building complexes for our medical schools have an average of over three hospital affiliations each. At least 50 of the over 300 teaching hospitals can be detached from their present affiliations to serve as nuclei of new medical schools.

In addition, if every existing medical school expanded its enrollment by 5 per cent we would have almost 400 additional medical graduates a year—the output of nearly four average medical schools. Such expansion involves a minimum of new construction funds and a much faster way to making new doctors.

We must also increase the number of teaching hospitals to bring the benefits of university medical standards to the widest number of our citizens. There is no reason why medical schools cannot extend their affiliation to hospitals hundreds of miles away, considering the ease of transportation and communication today. This radiation of medical competence and performance must be accelerated by expanded federal assistance programs to both the medical schools and to upgrade their potential teaching hospitals.

#### IV. A PLAN TO PROMOTE MORE AND BETTER MEDICAL SCHOOL TEACHING

I will propose basic science faculty fellowships and clinical teaching grants to staff the new medical schools and to expand enrollment at existing schools.

The present research support of medical college personnel by the federal government is helping to create research faculty members for tomorrow's medical schools. We must also provide an increased flow of clinical teachers of medicine if we are to insure quality medical education for the new and existing schools. To do this, we should encourage specialists on the staffs of leading voluntary institutions to teach medical students in the crucial clinical 3rd and 4th years of medical education.

Three kinds of grants can accomplish this:

(a) Teaching grants to encourage residents completing their hospital training to remain for one year as clinical instructors. For a grant of \$15,000 a year, we would have an additional instructor whose duties were strictly teaching clinical medicine;

(b) Part-time teaching grants to practicing physicians would encourage the best local practitioners to teach up to 15 hours a week with university appointments; and

(c) Full-time clinical teaching grants for superior practicing physicians who want to teach full time in new and existing medical schools. Such grants would range from \$20,000 to \$40,000 per year depending on ability and experience of the physicians.

The total cost of such a clinical grant program would be about \$60 million a year. It would provide 1,000 clinical instructors, 1,000 part-time clinical teachers, and 1,000 full-time clinical teachers.

Basic Science Faculty Fellowships would

help create the 4,000 additional MDs and PhDs needed to teach in the new medical schools. Five hundred of these teaching candidates would enter the fellowship program each year under full federal grants. Acceptance of the fellowship would pledge the fellows to serve as basic science teachers in a medical school for a specified period following their training.

#### V. A PLAN TO REORGANIZE THE FEDERAL ROLE

I am convinced that unless there is a reorganization of the federal role within American medicine there is little prospect for essential change. Function changes in government only as organization changes.

I shall propose a federal *Department of Health* to protect and enlarge the citizen's interest in better health care. At present the American people finance medical research; they must also be assured, within the government's structure, that their health care is similarly represented.

Who would believe that Medicare or the decisive federal role in education or expanded Social Security would have resulted without a Department of Health, Education and Welfare? Yet it was only 15 years ago that HEW was belatedly created.

What amazing progress can be anticipated in health services after we create a separate federal Department of Health? I predict a medical bill of rights, so comprehensive and so sweeping in its rebuilding of medical care, as to be properly called a revolution.

The short answer to these complex problems is that we must do more, and do it better. We cannot rest with past standards of false reassurances that we are number one. We are not number one or even number two. If a child were born to my family today, he would stand less chance of survival than children in 17 other nations, including many underdeveloped areas.

This country which split the atom, which comes excitingly close to creating life in the laboratory and which is approaching moon travel can do more, it can do it better and most important, it can do it rapidly, consistent with the urgency of the national need.

#### MEDICAL CONSULTANTS AND THEIR DISCUSSION TOPICS

(1) Dr. Carlton Chapman, Dean of the School of Medicine, Dartmouth College, Hanover, New Hampshire. *Area of Discussion:* "New Possibilities for Medical Education."

(2) Dr. Leighton Cluff, Professor of Medicine, University of Florida, Gainesville, Florida. *Area of Discussion:* "Today's Doctor as a Practitioner of Medicine."

(3) Dr. Lewis Fraad, Professor of Pediatrics, Albert Einstein School of Medicine, New York, New York. *Area of Discussion:* "Training of New Medical Professionals and Subprofessionals: Out-Patient Care in Our Cities; Infant mortality and Child health."

(4) Dr. Malcolm Peterson, Assistant Professor of Medicine, Washington University School of Medicine, St. Louis, Missouri, and Chairman of the Physicians Forum. *Area of Discussion:* "Potentials of a Med-VISTA Program; Improving Health Services for the Poor."

(5) Dr. Edwin Rosinski, Deputy Assistant Secretary for Health Manpower of the Department of Health, Education and Welfare; former Professor of Medical Education, Medical College of Virginia. *Area of Discussion:* "Today's Medical Student: His Recruitment, Motivation, Temperament and Values."

(6) Dr. Samuel Standard, Professor of Clinical Surgery, New York University, New York, New York. *Area of Discussion:* "Need for Increasing Doctor Production."

NOTE.—"Areas of Discussion" do not suggest any limitation on interest or competence of the consultants, but indicate rather only particular areas of discussion related to the subjects of the press conference.

#### THE CRISIS IN AMERICA'S HEALTH CARE SYSTEM I. IS THERE A CRISIS?

Americans have been educated to accept their doctors and their medical services as the best in the world. Obvious discrepancies between this institutional advertising and one's personal experience were usually dismissed as exceptions. This isolation from comparisons with other countries is now shattered by the frequency with which doctors themselves now discuss our persistently inferior rating in the crucial health indices: infant mortality and life expectancy. (Tables I, II).

America ranks 21st among nations in life expectancy at birth for males. We are behind such nations as Malta, France and Spain, and significantly farther behind such medically-advanced countries as Denmark, Netherlands and Sweden.

Our infant mortality rate is 18th among countries reported by the World Health Organization. Statistically, we could save over 40,000 young lives a year if we could match the health record of the Netherlands.

These national averages, by their statistical nature, smother an even more damaging indictment: our medical services for the poor, for the Negro, and for the rural resident are much below these mediocre national averages.

The great social and geographical disparities (Tables III, IV) mean that metropolitan middle-class residents, disturbed and annoyed by over-crowded waiting rooms, delayed medical appointments, assembly-line examining and diagnosis techniques and treatment are relatively well-off compared to the simple lack of doctors and basic medical facilities endured by the urban poor and by almost any rural residential group.

The President's National Advisory Commission on Rural Poverty reported just this year that "We have failed miserably to protect the health of low-income people in rural areas. The health service they get is not only inadequate in extent but seriously deficient in quality. It is badly organized, under-financed, rarely related to the needs of the individual or the family."

Among non-whites throughout the country, the picture is equally bleak. Maternal mortality, related to prenatal care, is four times as high for non-whites as for whites. Infant mortality is an equally dismal prospect for non-whites. Over 40 out of every 1000 non-white babies died before age 12 months, compared to 21.6 white infants in 1964.

How does the richest nation in the history of the world tolerate these conditions? The Medical Establishment, represented by the private practice of doctor-oriented medicine and walking hand-in-hand with the research-oriented federal government, is only somewhat and sometimes concerned about these problems.

Newly elected President Milford O. Rouse, M.D., of the American Medical Association, said at his inauguration last June:

"We are faced with many problems and many challenges. We are faced with the concept of health care as a right rather than a privilege.

"Several major steps have already been taken by the federal government in providing health and medical care for large segments of the population. Other steps have been proposed—these we must continue to oppose.

"What is our philosophy? It is the faith in private enterprise. We can, therefore, concentrate our attention on the single obligation to protect the American way of life. That way can be described in one word: Capitalism.

"The United States (has) a quality of health care unsurpassed anywhere."

Private enterprise, in Dr. Rouse's context, suggests health service should center around

the private practitioner of medicine. I believe that health service must be oriented to the patient. Our criteria of good medical services should be not the self-defensive statements of the AMA President, but the accepted medical indices, like infant and maternal mortality and life expectancy. And when these indices show serious deficiencies of medical care, as they unquestionably do now, the answer is not "more of the same," but rather a complete and thoughtful evaluation of our national medical services.

It is in this context that I see, with many distinguished doctors and medical educators, a crisis in America's medical services. And it is in this context that the following description and analysis of this problem has been made.

#### II. OUR DISORGANIZED HEALTH SYSTEM

The crisis in medicine in America today is a product both of the faulty and inefficient allotment of medical personnel and of a gross shortage of physicians, nurses, and other health professionals.

Inadequate numbers of new physicians are being trained, compared with the growth in both medical needs and the growth of the American population itself. There is one doctor for every 720 Americans, a ratio which has remained stable for the past three decades. Yet patients visit their doctors at least twice as frequently, on the average. If one considers the number of family doctors (internists, pediatricians, and general practitioners), there are fewer than two such available today for every three available in 1931. (Table V.)

Urgent shortages exist in sub-professional personnel—nurses, medical and X-ray technicians, etc. We are faced with a splendid and sophisticated medical technology, developing at a government cost of more than \$1.4 billion per year (spent for medical research by the federal government alone), which remains unavailable to a vast cross-section of medical consumers. (Table VI.) One reason: inadequate training opportunities and programs for doctors and sub-professional medical personnel.

This past June the nation's 89 medical schools graduated fewer than 8,000 physicians, far short of the country's needs. Veteran medical observers estimate present needs to be nearly double that number. Our needs by 1980 will be nearly triple. The corresponding need for a rapid increase in sub-professional personnel, in light of an ever-expanding technology, is even greater.

The number of places for beginning medical students is limited not only by the potential enrollments of the existing medical schools, but equally serious, the lower socioeconomic groups are poorly represented in entering medical school students each year. A survey by Professor Edwin F. Rosinski of the Medical College of Virginia, studying the social background of students from five diverse medical schools, found that more than one-third came from the top economic group which includes only 3% of the population. As the National Advisory Commission on Health Manpower (1967) stated: "Many qualified individuals (are) financially unable to enter the medical profession." Too often we draw doctors from a socially stagnant pool of rather wealthy, socially isolated families. We restrict quality and limit quantity at the same time. (Table VII.)

Insufficient applicants, the smaller number of "A" students (as opposed to the outstanding classes of 15 to 20 years ago when GI Bill subsidies financed World War II veterans' education), and the heavy concentration of upper-class income young men now entering the profession, all call for a drastic revision of recruitment policy.

Medical school expenses and faculty salaries are largely supported by research grants, mostly of federal origin. This serves inevitably both to attract researchers to

medical schools, and to draw practicing clinicians from the hospital bed and teaching to the research laboratory. This situation is dramatically evidenced by the student-faculty ratio during the last two (clinical) years of training, which has decreased from 2 to 1 in 1961 to an incredible 1.2 to 1—almost one teacher per student—in 1967. During this period medical school enrollment hardly increased.

The number of hours spent by clinical faculty members fulfilling teaching obligations on hospital wards is very small, probably fewer than 10 hours per week for an average ward. The actual work of patient care in American hospitals today is largely filled by the interns and residents who work a 70 to 120 hour week. Their inadequate numbers, salaries, working conditions, and long hours funnel college graduates toward other vocations. American medical graduates filled only 7574 of the 13,569 existing internships last year. We fill half of the remaining positions with foreign medical graduates, often from Asian and South American countries. The balance goes unfilled.

We deprive poor nations of their own medical graduates, since many of them stay here after training. Our rich country imports medical manpower, drawing the more poorly trained, often non-English speaking, foreign medical graduates to man our own community hospitals.

We need more medical schools, more doctors graduating from them, and better medical school teaching. But that is not enough. *The solution is not just "more of the same".* A restructuring of medical services must accompany numerical growth.

The forthright dean of one of the country's newest medical schools, Merlin DuVal of the University of Arizona, said last month:

"While we are trying to respond to the shortage of medical manpower by enlarging our existing medical schools, and by starting new ones, I also think we are making the situation worse by continuing to recruit faculty members into a system that is virtually guaranteed to perpetuate the continued isolation of our establishments from the society for which they exist."

Dean DuVal noted that the federal government, with its generous research funds, actually encouraged medical schools toward this social isolation.

"Academic life is very comfortable" . . . "working hours are predictable and they are often under personal control . . ." The medical researcher produces substantial academic results so that Congress "respectful of their achievements . . . has made available enormous resources to ensure that their good work continues."

Citing the Surgeon General's own view that the medical center is now at the periphery of society, Dean DuVal concluded that "the medical center has become an instrument wherein a disproportionate number of resources are made available to support a concentration of efforts which . . . are benefiting a smaller and smaller proportion of our increasing population."

### III. THE FEDERAL ROLE: A CONFUSION OF PRIORITIES

In a growing obsession with medical research the federal government has contributed enormously to the crisis in our medical services. This imbalance between medical research and service has been caused largely by appropriating vast amounts of money for research, with a gross diversion of manpower from medical service. At the same time the government has given comparatively little direct attention to service needs, other than hospital construction.

Federal government figures illustrate this point. In 1950 NIH grants for the conduct of research were about \$14 million. In 1966 NIH provided approximately \$650 million for

the support of outside research, and the federal government as a whole spent \$1.4 billion for health research in its own laboratories, as well as in non-federal institutions. Obviously, the trained manpower for this research explosion had to come from somewhere. A large number of MD's and young people who might have pursued careers in medical service were diverted instead to the heavily financed research area.

Federal programs provide financial assistance for graduate training in the sciences, but not for the training of MD's. This diverts good students from medicine, contributing to the shortage of physicians. A student can obtain liberal government fellowship assistance for graduate training in the sciences leading to a Ph.D., but little for MD studies. Obviously, non-government funds are also available for many Ph.D. fields; they are generally unavailable on the same scale for the MD student. This imbalanced situation is only slightly improved by recent legislation providing loans and some scholarship aid for students already enrolled in medical schools. If we are to have sufficient doctors, of the quality we need, it is imperative that the government take adequate steps to overcome the high cost of medical education which restricts medical careers almost exclusively to the wealthy.

The pouring of research and research training funds into our medical schools has done very little to increase the production of doctors. The number of medical graduates has increased a mere 26%. (Table VI). This increase in faculty has been subsidized mainly by federal research funds which now provide part or all of the salary for nearly half of all full-time teachers in our medical schools.

What are the remedies for this deplorable state of affairs?

(1) We must place much more emphasis on *community medical services*. The amounts the federal government has provided in this area, aside from hospital construction, have been pitifully small as compared with research expenditures. Only this year and last did Congress take significant action to increase formula grants to the states for providing public health services.

While it is true that Medicare and Medicaid do involve the federal government more directly than ever before in the delivery of health services, these programs are restricted, respectively, to our older population and to financially needy families in those states taking the necessary action. Much too little is being done for other segments of the population, particularly children and expectant mothers. We have a sprinkling of federal programs like Maternal and Child Health, but these reach relatively few families and are badly under-financed.

(2) We must shift the federal emphasis from *research* to improving the health of the American people through *medical service*.

Research has an important place in our medical system, but we are now in the posture of chasing shadows at the expense of saving lives which could be saved if current medical knowledge were fully applied.

"The Health Syndicate", as Elizabeth Brenner Drew calls it in the December 1967 issue of "The Atlantic Monthly", has done a very effective job of mobilizing support for federal research funds. The time has come to halt the pell-mell rush to obtain more and more federal research money, to recognize the dangers as well as the benefits of research support, and to achieve a better balance in our national health programs.

(3) With the federal government, there is an urgent need to reorganize the *administration of health programs* in order to infuse new enthusiasm and new priorities.

I believe we need a federal Department of Health, and an overhaul of the Public Health Service law to make a new start in this vital area. At the present time, the health research

tail wags the whole health animal, with Congress appropriating funds directly to each of the NIH Institutes for heart, cancer, etc. The Congress earmarks money specifically for these purposes and even, at times, tells our health administrators what specific project to undertake. This is wrong. In my opinion, we should create a Department of Health in which the Secretary would have a much greater voice than the Surgeon General has now in establishing—or at least in proposing to the Congress—a balanced health program.

### IV. THE NEED FOR MORE AND BETTER PRACTITIONERS OF MEDICINE

It is clear to me that sweeping changes are needed, not only in the funding of medical education, but also in medical services and institutions.

Despite the ponderous and often irrational resistance met whenever changes are suggested for the organization of American medical care, it is clear that modern medicine itself forces physicians more and more toward specialization, group practice, and concentration in large cities where sophisticated laboratory and clinical facilities are available. But such changes lag far behind need, and usually stem from self-interest rather than concern for the needs of people. Too, they involve little or no long-range planning.

There are four broad areas which demand a reorganization of our medical resources structure:

First, the grave need for increased numbers of health-professionals and improved training programs.

Second, the need for a shift toward a more preventive approach.

Third, the need for centralized planning which will assure the provision of personnel and services for particular communities.

Fourth, a positive federal program to explore group practice expansion, national prepaid medical insurance and other plans which will be studied by a national panel of representatives of all segments of the community including the medical consumer, who is grossly under-represented in the medical establishment.

There are many provocative proposals for improving the quality and number of doctors we produce. Most of the original thinking comes from doctors themselves. Unfortunately, little of this innovation finds a response in the Medical Establishment of either the AMA or the federal government.

One striking example of this "New Medicine" is the plan by Dr. J. Gershon-Cohen, Professor at the Temple University School of Medicine. He would take bright high-school graduates and put them through an intensive, patient-oriented 4-year medical school and one year of internship. The result: young doctors (at age 23) whose training and social orientation would make them ideal "primary physicians". These young men, still bearing a youthful zeal and idealism, and unencumbered by family and income demands, would see patients first, refer serious cases to specialists, advise others, and generally bring an important family-physician relation back to American medicine. Primary physicians would be trained to take extensive and careful health histories and give thorough physical examinations. These two functions, done properly to large numbers of Americans on a regular basis, could be one of the most important steps this country could take in preventive medicine.

Expanding the production of doctors from the traditional four-year post-graduate medical schools is a more traditional and costly approach to improving the nation's health services. The production of new doctors is generally keeping up with population growth but such MD/population ratios are deceptive. First, they do not take account of the increasing specialization of doctors. Second, these doctors-per-thousand people figures ignore geographical and economic distribution of these doctors.

We can and should increase doctor production but we must redirect the federal financing of tuition assistance, medical research and hospital aid to insure that the doctors we produce by these government programs (1) are directed to clinical medicine as opposed to an over-emphasis on research, as at present; and (2) that certain critical areas of our country and of our population get more and better medical services than they now receive.

What do we mean by the preventive approach? The striking view advanced by Dr. Thomas Weller, the noted virologist, expert on international medical problems, and Nobel Laureate, from Harvard Medical School, is that developing countries find their entire budget would be inadequate to cure all of the diseased population. While the problems confronting American medicine today are far different from those of the developing countries, the problem of limited resources still applies. The basic truth persists that it is less expensive to prevent a disease than it is to cure it.

With those ideas in mind, we must adopt a more preventive approach and incorporate it into a nationwide structure of medical care. We need only think of mass immunization programs for school children, or water fluoridation to see the proven successes of this approach. But there are large areas, completely untouched, for a revitalized public health concept. Prenatal care is one obvious field where improvement of services would help to reduce the alarming U.S. infant mortality rate. Such care would also stem the rising tide of those diseases which often accompany prematurity—respiratory distress of the newborn and brain damage at birth. These diseases are not only alarmingly prevalent, but tend to be found in just those areas or population groups where infant mortality is rampant—particularly the economically deprived groups of our central city slums. These diseases prove financially and morally costly to our society.

The successful control of infant mortality and morbidity depends upon the reorientation of medical services as they are now rendered in most clinics and hospitals, toward the goal of prevention. Nurse-midwives, for example, as in Great Britain, have improved rather than worsened their health statistics. The training of health educators and public health nurses who can reach the community, improve clinic attendance and dietary practices, give advice on family-planning and serve an educative as well as a traditionally medical function—is a policy imperative for American public health.

There is an undeniable need for teams of health-professionals who would work under medical supervision to increase the number of people receiving adequate care of some kind and to augment the layman's knowledge of certain essential medical facts. Such assistants could be especially useful in the deprived communities of the central city and could also bring services and advice to deprived rural Americans on a kind of mobile-unit basis.

The medical specialties differ greatly in their reactions to these ideas of the new sub-professionals, but some are very enthusiastic. Pediatricians, for example, who spend considerable time in essentially routine or repetitive tasks are especially interested in assistants who can competently do these jobs. Orthopedists, who spend much time doing semi-skilled manual labor, can be freed for diagnostic and other vital medical work.

Where will we recruit the new medical assistants? Dr. Gershon-Cohen would start with high school graduates. Dr. Joseph Stokes, Chairman of the Department of Preventive Medicine at the University of California at San Diego, has proposed a graduate degree of "Medical Practice" which would

start with bright college graduates of any field.

We should not ignore the most obvious sources for a new class of medical assistants: top qualified nurses and other allied health professionals who already know much about patient care; and the thousands of young men whom our armed forces train as medical corpsmen and pharmacist mates who are returned after discharge to a society which has no place for men in medicine except at the top, as doctors, or at the bottom, as orderlies.

Mass screening for diseases which can be prevented or slowed is another example of the preventive approach. Wherever large numbers of persons come together—schools, offices, factories—such screening programs could be administered. In a limited sense, this approach is now used in some areas for mass tuberculin-testing in school children. In many forms of cancer, today, cure is possible in a large percentage of cases, if the signs are picked up early enough. Yet such mass testing goes on in only a limited setting.

The third area is the need for central planning for medically-deprived communities. It is clear that the problems of providing preventive prenatal and other medical services to deprived inhabitants of city slums are entirely different from the needs and diseases of rural populations who simply have no physical access to a doctor. Yet both areas need help badly.

Possible innovations here include: Providing links between rural areas and central medical services, such as periodic visits of health teams where permanent facilities cannot exist; providing communication between health facilities in rural areas and large urban medical centers; and the affiliation of already existing hospitals with the teaching programs of nearby medical centers to improve the flow of new ideas and discoveries down to the level of the community and the practicing physician.

Dr. Ray E. Trussell, Dean of the School of Public Health of Columbia University, has shown in New York that tying medical facilities to academic medical institutions, even on a part-time basis, and even if the facility in question is at some distance from the medical center, improves the quality of community medicine.

Using nurses or newly trained health advisors for many physicians' tasks has been studied in a recent experiment in Kansas City. Nurses were made available to handle patients' everyday complaints for an entire year. It revealed that patients were at first unhappy at the idea of not having a doctor. But at the end of the year these patients were happier than those assigned directly to physicians, and seemed to have fewer medical complaints.

The Public Health Service now has a program where young physicians can spend two years in lieu of military service. This program, coupled with medical tuition assistance, might be extended in numbers, length of service, and salaries, to provide real public health programs. Such federal programs which now exist are limited to the Indian health service, the Public Health Service hospitals (which are in danger of being dissolved), and the federal prison health program.

Even the quality of care offered in the private medical offices of white middle-class suburbia is far out of line with both the present levels of medical knowledge and with the economic outlay made by residents of such communities. We support comprehensive medical care programs for prison inmates, military dependents and the American Indian; should we aspire to lower standards for the rest of our country?

TABLE I.—INFANT MORTALITY: RANK ORDER<sup>1</sup>

(Number of infant deaths under 1 year of age per 1,000 live births)

Rank	Nation	Number
1.0	Sweden.....	13.3
2.0	Netherlands.....	14.4
3.0	Iceland.....	15.4
4.0	Norway.....	16.4
5.0	Finland.....	17.6
6.0	Switzerland.....	17.8
7.0	Japan.....	18.5
8.5	Australia.....	18.7
8.5	Denmark.....	18.7
10.0	New Zealand.....	19.5
11.0	Czechoslovakia.....	21.2
12.0	France.....	22.1
13.0	Taiwan <sup>2</sup> .....	22.5
14.0	Israel.....	22.7
15.0	West Germany.....	23.9
16.0	Belgium.....	24.0
17.0	Canada.....	24.7
18.0	United States.....	24.8
	White.....	21.6
	Nonwhite.....	41.1

<sup>1</sup> Unless otherwise indicated, this rank ordering is based on 1965 data compiled by the United Nations Demographic Yearbook.

<sup>2</sup> The infant mortality rate for Czechoslovakia is based on 1964 data cited in the 1964 United Nations Demographic Yearbook. The data excluded infants born alive after less than 28 weeks' gestation, of less than 1,000 grams weight and 35 centimeters length, who die within 24 hours of birth.

<sup>3</sup> It should be noted here that the per capita gross national product for Taiwan is \$215, roughly 7 percent of that of the United States.

<sup>4</sup> The Israeli rate is for Jewish population only, but since this group comprises 90 percent of Israel's population, the data here are substantially accurate.

<sup>5</sup> The infant mortality rate for the United States is reduced to white and nonwhite components. This is done to show that non-white infant mortality is fully twice as high as that for white Americans. These comparative figures show too that even when the higher nonwhite rate is removed, infant mortality for white Americans ranks only 12th among major nations, behind such nations as Czechoslovakia and Japan. According to the 1965 United Nations Demographic Yearbook, U.S. infant mortality rates are also worse than those of Gibraltar (20.6 per 1,000 live births), the Fiji Islands (22.4), St. Helena (17), and European Rhodesians (23).

Sources: United Nations Demographic Yearbook, 1964 and 1965; Population Reference Bureau, Washington, D.C.; David D. Rutstein, M.D., "The Coming Revolution in Medicine," p. 23.

TABLE II.—LIFE EXPECTANCY AT BIRTH: RANK ORDER<sup>1</sup>

Rank	Nation	Years of life expected	Per capita GNP <sup>2</sup>
1.0	Netherlands.....	71.4	\$1,542
2.0	Sweden.....	71.3	2,498
3.0	Norway.....	71.1	1,880
4.0	Israel.....	70.9	1,325
5.0	Iceland.....	70.7	2,474
6.0	Denmark.....	70.4	2,066
7.0	Switzerland.....	69.5	2,343
8.0	Canada.....	68.4	2,451
9.0	New Zealand.....	68.0	1,986
10.0	England and Wales <sup>3</sup> .....	68.0	1,817
11.0	Greece.....	67.5	650
12.5	East Germany.....	67.3	( <sup>4</sup> )
12.5	Spain.....	67.3	688
15.0	Czechoslovakia.....	67.2	( <sup>4</sup> )
15.0	France.....	67.2	1,910
15.0	Japan.....	67.2	863
17.5	Australia.....	67.1	1,980
17.5	Puerto Rico.....	67.1	1,094
19.0	Malta.....	67.0	( <sup>4</sup> )
20.0	West Germany.....	66.9	1,900
21.0	United States.....	66.6	3,500

<sup>1</sup> All data in this table are for 1965.

<sup>2</sup> Per capita gross national product figures (in dollar amounts) have been included here wherever possible. These figures make a dramatic contrast to the comparative rankings of nations in this table, as well as in table I. Per capita gross national product figures used here are taken from reports control No. 137, "Estimates of Gross National Product," Statistic and Reports Division, Office of Program Coordination, AID.

<sup>3</sup> For Jewish population only.

<sup>4</sup> The per capita GNP figure for Iceland is somewhat suspect, because of a complicated devaluation of the Icelandic króna in 1965.

<sup>5</sup> For European population only.

<sup>6</sup> Combined figures for the United Kingdom were unavailable, although such a figure would almost certainly rank ahead of that of the United States. The figure for Northern Ireland is 67.6, and the figure for Scotland is 66.0.

<sup>7</sup> Per capita GNP figures for Communist nations were unavailable.

<sup>8</sup> Per capita GNP for Malta was unavailable except in that this figure was \$377 to 1957.

Source: United Nations Demographic Yearbook, 1964 and 1965.

TABLE III.—NON-FEDERAL PHYSICIANS (M.D.) PER 100,000 POPULATION BY COUNTY GROUP, 1963

County group	Total active per 100,000 population
United States.....	125
Metropolitan-adjacent.....	136
Greater metropolitan (big city).....	173
Lesser metropolitan (smaller city).....	125
Adjacent to metropolitan (suburb).....	75
Isolated.....	75
Isolated semirural (small town).....	81
Isolated rural.....	46

Source: Rashi Fein, "The Doctor Shortage: An Economic Analysis" (Washington, D.C., the Brookings Institution, 1967), p. 75. The data in Fein's book are in turn taken from the U.S. Public Health Service, Health Manpower Source Book, sec. 18, "Manpower in the 1960's", p. 25.

TABLE IV.—MATERNAL MORTALITY PER 100,000 LIVE BIRTHS, UNITED STATES, 1915-63

Period	White	Nonwhite
1915-19.....	700.3	1,253.5
1920-24.....	649.2	1,134.3
1925-29.....	615.0	1,163.7
1930-34.....	575.4	1,080.7
1935-39.....	439.9	875.5
1940-44.....	238.0	596.4
1945-49.....	110.8	328.4
1950-54.....	48.9	128.7
1955-59.....	28.2	112.4
1960.....	26.0	97.9
1961.....	24.9	101.3
1962.....	23.8	95.9
1963.....	24.2	98.1

<sup>1</sup> Excludes New Jersey since no provision was made for white-nonwhite distinction on birth and death certificates.

Note: From this data it is obvious that survival prospects for white mothers have improved much more rapidly than for nonwhites. In 1915-19 for example a nonwhite mother's chance of surviving delivery was only about 70 percent worse. Today it is over 400 percent worse.

Source: H. C. Chase "White-Nonwhite Mortality Differentials in the United States" HEW indicators, June 1965.

TABLE V.—FAMILY PHYSICIANS <sup>1</sup>

Year	Total per 100,000 population
1931.....	94
1940.....	89
1949.....	75
1957.....	60
1965.....	50

<sup>1</sup> Family physician totals are the sum of all pediatricians internists, and general practitioners and part-time specialists in private practice.

Source: Rashi Fein, "The Doctor Shortage: an Economic Analysis," p. 72.

TABLE VI.—U.S. MEDICAL RESEARCH AND THE FEDERAL ROLE

	[In millions of dollars]	
	1960	1966
Total U.S. medical research.....	715	2,000
Federal medical research <sup>1</sup> .....	425	1,400
HEW medical research.....	313	1,000
NIH medical research (in Government facilities).....	93	158
NIH sponsored <sup>2</sup> .....	192	650

<sup>1</sup> Includes Defense, AEC, and other Federal agencies which sponsor medical research projects.

<sup>2</sup> About one-half of this research is directly in medical schools; the remainder in other non-Government facilities.

Source: PHS, "Resources for Research," 1966, and House Government Operations Committee.

TABLE VII.—SOCIAL CLASS COMPOSITION OF MEDICAL STUDENTS ADMITTED TO 4 MEDICAL SCHOOLS FROM 1960 TO 1963 AND OF TOTAL ESTIMATED U.S. POPULATION

Social class	Percentage of social class in schools	Percentage of social class in total U.S. population
Upper.....	34.1	3
Upper middle.....	24.2	11
Lower middle.....	29.3	32
Upper lower.....	7.9	40
Lower lower.....	4.5	14

Source: Edwin F. Rosinski, Ed. D., "Social Class of Medical Students," Journal of the American Medical Association, vol. 193, No. 2 (July 12, 1965), pp. 95-98.

TABLE VIII.—MEDICAL FACULTY TO STUDENT RATIO 1959-66

Year	Ratio
1959-60.....	2.9
1960-61.....	2.7
1961-62.....	2.6
1962-63.....	2.3
1963-64.....	2.2
1964-65.....	2.1
1965-66.....	1.9

Note: Since 1951, when there were 3,577 full-time teachers medical school faculty enrollment has quintupled (has increased by 540 percent).

TABLE IX.—U.S. DEPENDENCE ON FOREIGN DOCTORS—FOREIGN INTERNS AND RESIDENTS IN THE UNITED STATES <sup>1</sup>

Year	Number of foreign interns	Number of foreign residents
1950-51.....	722	1,350
1955-56.....	1,859	4,174
1960-61.....	1,753	8,182
1965-66.....	2,361	9,153

<sup>1</sup> Excluding American graduates of foreign schools.

Note: We now add 1,600 foreign doctors each year: (1) 24 percent of all U.S. internship positions are being filled by foreign interns; (2) 29 percent of all U.S. residency positions are being filled by foreign residents; (3) 38 percent of all staff positions in American hospitals which claim no medical school affiliation; and (4) 55 percent of all staff positions in hospitals with fewer than 300 beds.

Source: Rashi Fein, "The Doctor Shortage: An Economic Analysis" p. 86.

TABLE X.—THE FEDERAL ROLE: FINANCING RESEARCH

	Year	
	1950	1966
Federal medical research grants (millions of dollars).....	14	650
U.S. medical school faculty.....	3,577	19,296
U.S. medical graduates.....	6,440	7,750

Note: On average, about 50 percent of today's medical school faculty salaries are paid in part or entirely by Federal research funds.

**ROSENTHAL OFFERS ISRAEL DESALTING BILL**

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROSENTHAL] 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 Hawaii?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, we in the United States must not allow military considerations to overshadow all of the pressing social needs of the Middle East. We must continue to press for a lasting political solution, and we must also continue to work for the economic and social development of a region whose current underdevelopment underlies much of the present conflict. So that we may lay renewed emphasis on the political and social dimensions of this conflict. I am today introducing a bill that would authorize American participation in the construction of a dual-purpose electrical power generation and desalting plant in Israel.

Water remains as the root cause of much of the conflict between Israel and her neighbors, particularly between Israel, Syria, and Jordan. My bill would address itself to that basic need for water which is central to the concerns of Arab and Jew alike. This bill would harness unequaled American financial and technical resources to the Israeli talent for developing her water resources, superbly demonstrated throughout her 20 years of independence in a concerted effort to ease the long-range water problems of the Middle East. Such a bill would emphasize our interest in fostering the development of a peaceful and prosperous area encompassing the entire Middle East, and we would at the same time underscore an area of potential cooperation which should be attractive to both Israelis and Arabs.

Let me list briefly some of the major advantages of this bill:

First. This project would be of enormous economic value to Israel's economic development and would be tangible evidence of America's support for that country.

Second. This project would add immeasurably to the long-range possibility of Arab-Israel cooperation.

Third. This project could serve as a model for power and water resource development throughout the Middle East.

Fourth. This bill emphasizes non-military dimensions of the Middle East problem, and thus does much to restore a much-needed balance in international attitudes toward the possibility of durable peace in the area.

Fifth. For purely selfish reasons, we in the United States have much to learn from a successful, large-scale desalination program. We have staggering water problems of our own, both in our arid Western States and on our eastern river basins. Any solutions to the problems of large-scale desalination would find immediate applications within our borders.

Mr. Speaker, 3,000 years ago, the area we now call the Middle East was one of the richest of the world, thanks largely to its rich supply of sweet-water rivers. The arid condition of the Middle East today is a relatively recent phenomenon which underlies many of the problems we see before us today. This is a soluble problem, though; the Israelis have already shown that deserts can be refashioned into vineyards.

I urge my colleagues to seize this chance to bring American technology in a useful and productive way to the Middle East.

**CONGRESSMAN DENT COMMENTS ON PRESIDENT JOHNSON'S PROPOSAL FOR NEW PROTECTION AGAINST HAZARDOUS JOB CONDITIONS**

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. DENT] 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 Hawaii?

There was no objection.

Mr. DENT. Mr. Speaker, one of the most vital parts of President Johnson's message to Congress on employment is his proposal to safeguard the American worker against on-the-job hazards.

Each year 200 million man-days and over \$5 billion in wages are lost through on-the-job accidents. The tragedy is written even more starkly in the cost in lives—15,000 killed and 2 million injured in accidents—which can and must be prevented.

Industrial safety standards are outdated, enforcement has been inadequate, and governmental concern has been too sporadic. The conditions which invite incidents and breed hazards have gone largely untouched.

President Johnson's Occupational Health and Safety Act of 1968 expresses the Nation's commitment to end the needless loss of life and limb.

This act will help to protect the 50 million workers in interstate commerce by providing an extensive program of research into industrial hazards, establishing strict new safety standards, and conscientiously enforcing regulations.

The act will help States protect their 25 million intrastate workers through new safety programs, training safety inspectors, and enforcing more stringent health standards.

As the President noted in his message:

Only a few states have modern laws to protect the worker's health and safety. Most have no coverage or laws that are weak and deficient.

This Congress must take appropriate action to remedy this dangerous situation.

Just as every American has the right to earn a living, so too does he have the right to work in safe surroundings while earning that living. This act will help secure that right.

I proudly support the President's proposal.

**DECLARATION OF FREEDOM**

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. FASCELL] 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 Hawaii?

There was no objection.

Mr. FASCELL. Mr. Speaker, 2 years ago on January 23, 1966, patriotic and free Cubans reaffirmed their faith in the principles of liberty. In Key West, Fla., on that historical day, 1,500 Cubans gathered to proclaim their declaration of freedom. The spirit exemplified by those dedicated men was in keeping with the traditions of our own country when our forefathers gathered at Independence Hall to proclaim their love of freedom with the Declaration of Independence.

The brave men pledged themselves to fight constantly, until death overcame them, to free Cuba from communism. In Cuba today there is no freedom and government is by consent of a select few, who rule the masses with an iron fist.

Mr. Speaker, the sorrowing Cuban refugees in our country look to us to give them strength, support, and understanding. They have forsaken a government which no human being can live by. Our American experience has enabled us to comprehend the desire of every man to dwell in a sovereign nation, to participate in public affairs and to join with his neighbor in democratically determining his own government. Now is the time for the people of the United States, and for free men all over the world to pledge their support, as did the Cuban refugees in Key West 2 years ago, for true Cuban independence.

My close association with the large Cuban community in south Florida has clearly demonstrated to me their sincere and deep-rooted love of freedom and their never-ending desire to see their homeland free.

I think it is fitting that once again the Declaration of Freedom be brought to the attention of our colleagues:

**DECLARATION OF FREEDOM**

In the City of Key West, Monroe County, State of Florida, United States of America, we, the Cuban exiles in the United States, in the name of God Almighty, and speaking both for ourselves and the oppressed people in Cuba, the Martyr Island, do say:

That on January 1st, 1959, the slavery yoke that came from Europe and was extinguished in Cuba at the end of the 19th century, was resumed.

That those responsible for this high treason to our Fatherland and to our People are just a score of traitors who, usurping the Government of the Country have been acting as mercenary agents for the Sino-Soviet imperialism, and have surrendered to that imperialism our Freedom and our Dignity, also betraying the American Hemisphere.

That as a consequence of this high treason, those who are usurping the Power in Cuba (as they were never elected by the People), are imposing a regime of bloodshed, terror and hate without any respect or consideration to the dignity of the human being or the most elementary human rights.

That in their hunger for Power, these traitors, following the pattern of totalitarian regimes, are trying, within Cuba, to separate the Family, which is the cornerstone of actual society, and at the same time, are poisoning the minds of the Cuban children and youth, in their hope of extending the length of time for this abominable system.

That the rule of the Law has been wiped out in Cuba, and it has been replaced by the evil will of this score of traitors, who are acting under orders from their masters, the Sino-Soviet imperialists.

In view of the foregoing, we declare:

First: That the actual Cuban regime is guilty of high treason to our Fatherland and to the ideals of the Freedom Revolution which was started on October 10th, 1868.

Second: That this score of traitors who have committed treason against our Fatherland, in case they survive the downfall of their regime, will have to respond, even with their lives before the Ordinary Courts of Justice of Cuba.

Third: That as the Noble Cuban People will not ever surrender, because that Nation was not born to be slave, we, the Cuban People, hereby make the present declaration of freedom.

We hereby swear before God Almighty to fight constantly, until death comes to us, to free Cuba from communism.

The fundamentals of this Revolution for Freedom are:

First: God Almighty, above all things, in Whom we believe as the essence of Life.

Second: The Fatherland, with all of its Laws, traditions, customs and history as a spiritual value, only surpassed by the concept of God.

Third: The Family, as the cornerstone of the Human Society.

Fourth: Human Rights, for each and every citizen, regardless of race or creed.

Fifth: The Law, as the foundation for the proper development of the Human Society.

Sixth: Democratic Government, with its three independent branches: Legislative, Executive and Judicial.

Seventh: Representative Democracy, through the exercise of Universal Suffrage, Periodically, Free and Secretive, as the expression of Popular Sovereignty.

Eighth: Freedom of Worship, Freedom of Teaching, Freedom of the Press and Free Enterprise.

Ninth: Private Property and Ownership, as the basic expression of Liberty.

Tenth: The improvement of living conditions for both rural and city working masses, with the just and necessary measures, keeping in mind the legitimate interests of both Labor and Capital.

Eleventh: The derogation and eradication of anything which is opposed to the political and religious fundamentals aforementioned, and specifically, the abolition of Communism and any other form of totalitarian manifestation.

Signed and sealed in Key West, Florida, on the 23rd day of January, 1966.

**BREAKTHROUGH IN AIRCRAFT COLLISION SYSTEM**

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. FASCELL] 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 Hawaii?

There was no objection.

Mr. FASCELL. Mr. Speaker, public interest demands that the Nation's thousands of private, commercial, and military aircraft operate under the highest safety standards. Of critical importance is that we have the most effective air traffic control system modern technology can devise. And this, in turn, requires that we develop workable and economical proximity warning devices and anticollision systems.

During the last session of Congress, I introduced H.R. 11677 directing that the Federal Aviation Administration undertake whatever research was necessary to develop systems to meet these needs. My

legislation has received considerable favorable attention.

The airlines are devoting considerable effort to development of effective means to avoid midair collisions. And, the Federal Aviation Administration, at its experimental facility in Atlantic City, N.J., is evaluating three different proximity warning devices at this time.

There are thousands of airplanes in operation at any one time during the day in the United States. Many of these are small private aircraft. Thus, for an effective approach to the anticollision problem, the system we adopt must be unsophisticated in design and relatively inexpensive. It is unrealistic to assume that small aircraft owners can acquire massive systems involving computers. It is for this reason that I am particularly encouraged by a news release from Clearwater, Fla., announcing that the Aerosonic Corp. in Clearwater, in conjunction with local FAA officials, is running tests on a new system to avoid aircraft collisions.

The Aerosonic system relies upon a televised picture of the radar scope at the control center. Essentially, the pilot in the aircraft locates himself on the screen of a television set in the cockpit. And, with this knowledge of his own position, contrasted to other aircraft, can avoid colliding with them. The news release suggests that the receiving apparatus required in the aircraft could be manufactured for less than \$200—a sum any private aircraft operator could easily assume.

This basic concept is not new. There may well be numerous problems involved in perfecting it. Perhaps some alternative approach will prove to be more feasible. However, in my opinion, the system that was tested recently in Florida merits immediate and thorough consideration by FAA officials and the aircraft industry.

As a frequent passenger on commercial airliners in flying between Washington and Miami—which, by the way, has one of the busiest and most modern airports in the world—I perhaps have particular interest in the safety of American aviation. However, it is an interest which I am sure that I share with literally millions of other Americans and their families. And, we must be sure that everything that can be done is done to maintain the very highest possible level of safety in air operations.

The news release to which I refer follows:

CLEARWATER, FLA., January 17, 1968.—A new system to prevent aircraft collisions was publicly tested yesterday by the Aerosonic Corp. of Clearwater and the Federal Aviation Agency at Tampa International Airport's Ground Control station.

Immediately following the test Herbert J. Frank, president of the Aerosonic Corp. which developed the new system announced that the test was a complete success. "We are very pleased with the results of this morning's test," Frank said. "The test proved that our system is a feasible, logical way of surveying air traffic while in flight," he said.

The basic idea of the system is to transmit by video means, radar data gathered at the airport ground control station to all airborne aircraft equipped with a video receiving apparatus. A television camera is

focused on the radar screen of the airport's ground control station and a video picture is then broadcast and received in the airplane on a television set, similar to any small, self-contained receiver in use today. The pilot can see his own plane and every other plane within the surveillance area of the airport's radar. The pilot can see his relationship to the other aircraft and their movements, and will be able to make necessary adjustments to insure a safe flight pattern.

Frank said the picture of the radar scope on the video receiver in the plane was good, although not as detailed and sharp as that on the monitor at the ground control station. "Our pilot, Marshall Wheelon, could see blips on the screen representing approximately 50 other planes which were in his radar surveillance area, while the observers, looking out of the windows during the entire 90 minute flight visually sighted only five other aircraft" he said.

The test was conducted with the cooperation of J. D. Seale, local coordinator for the F.A.A. who handled the scope in the ground control station at the Tampa Airport. WUSF-TV (Channel 16), the University of South Florida's television station, provided the transmission channel.

Aerosonic used their own plane, a Beech Baron in the test. Besides Wheelon, the craft carried G. F. Copening, the chief engineer of Aerosonic who worked with Frank on the system, and William Malcolm, an observer pilot.

The plane left St. Petersburg-Clearwater International Airport and flew a northwesterly course. The pilot tested the new system for use as a navigational instrument by placing a map overlay on the screen of the video receiver, and found this use of the system also tested out successfully.

Frank said the system can also be used to provide pilots at scheduled intervals with pictures of weather conditions within the area of the radar surveillance.

Frank said the company plans to evaluate yesterday's test and determine what modifications, if any, need to be made. He said they will probably conduct two more tests within the next three or four months. "The only problem we see now," Frank said, "is to get a clearer and more detailed picture on the screen of the receiver in the plane. When this is accomplished, we'll be ready to sell the idea to the F.A.A. and Congress. We hope the F.A.A. will be so satisfied with our new collision avoidance system that they'll make it mandatory for all airplanes. There are more than 80,000 light airplanes flying now and this system has been geared to them. Any of these small planes can be equipped with the video receiving apparatus for less than \$200.00," he said.

The Aerosonic Corp. manufactures primary flight instruments such as altimeters, airspeed indicators, clocks and other instruments which are sensitive to the position of the aircraft while in operation. The company supplies every major airplane manufacturer in the world as well as the U.S. military and the military branches of some foreign countries. They are located at 1212 North Hercules Avenue in Clearwater.

#### RECORD OF ACTIVITIES IN FIRST SESSION OF CONGRESS OF CONGRESSMAN DANIELS AVAILABLE TO ANY PERSON IN 14TH DISTRICT OF NEW JERSEY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. DANIELS] 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 Hawaii?

There was no objection.

Mr. DANIELS. Mr. Speaker, I feel that every Member of this House and every public official everywhere has a duty to make his record available for inspection. I have reason to believe that not every person in the 14th District agrees with my stand on every issue. In fact, I am certain that the contrary is true. However, I want the people of my district to know that I am not afraid to stand up and be counted. For that reason I have asked unanimous consent that the complete record of my activities in the first session of the Congress be inserted at the conclusion of my remarks. I might point out that this record was compiled by the Legislative Reference Service of the Library of Congress and was not compiled by me or by my staff.

Mr. Speaker, I intend to have this record duplicated and made available to any person in the 14th District of New Jersey who cares to learn what his Congressman is doing. In this way, I think that I can best fulfill my duty to those who have trusted me with the responsibility of representing them in the Congress of the United States.

My record follows:

VOTING RECORD OF CONGRESSMAN DOMINICK V. DANIELS, 90TH CONGRESS, FIRST SESSION  
(Citations are to the daily CONGRESSIONAL RECORD)

JANUARY 10, 1967

Roll Call No. 1. Call by States, p. H 1. Answered.

Roll Call No. 2. Election of Speaker, p. H 2; (246-186); Vote: McCormack.

Roll Call No. 3. H. Res. 1. Authorizes and directs the Speaker to administer the oath of office to the gentleman from New York, Mr. Adam Clayton Powell and provides that question of final right to seat be referred to select committee. On ordering previous question, p. H 13; (126-305); Vote: Yea.

Roll Call No. 4. H. Res. 1. (As amended by Gerald R. Ford Amendment). Provides that question of the right of Adam Clayton Powell be sworn in as well as his final right to a seat be referred to a special committee. On agreeing to resolution, p. H 16; (363-65); Vote: Nay.

Roll Call No. 5. H. Res. 7. Adopts rules of the House of Representatives for the Ninetieth Congress. On ordering previous question, p. H 21; (196-225); Vote: Yea.

Roll Call No. 6. H. Res. 7. Adopts Rules of the House of Representatives for the Ninetieth Congress. On Smith (Cal.) amendment to eliminate the 21-day rule, p. H 22; (233-185); Vote: Nay.

JANUARY 23, 1967

Roll Call No. 7. Call of the House, p. H 443. Absent.

JANUARY 24, 1967

Roll Call No. 8. Call of the House, p. H 530. Answered.

JANUARY 31, 1967

Roll Call No. 9. Call of the House, p. H 803. Answered.

FEBRUARY 8, 1967

Roll Call No. 10. Call of the House, p. H 1094. Answered.

Roll Call No. 11. H. Res. 226. Provides for the consideration of the bill (H.R. 4573) to provide, for the period ending on June 30,

<sup>1</sup> The election of the Speaker on the first day of the Congress is usually the only party line vote. On this issue, all Democrats voted for McCormack, all Republicans for Ford.

1967, a temporary increase in the public debt limit set forth in section 31 of the Second Liberty Bond Act. On ordering previous question, p. [XXXXXX]; (223-183); Vote: Yes.

Roll Call No. 12. H.R. 4573. Provides, for the period ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act. On motion to recommit with instructions to include under the debt limitation the amount of the participation certificates issued by the Federal National Mortgage Association since the beginning of this fiscal year; permit Treasury to issue long-term securities paying a higher rate of interest than 4½ percent, the present limit, p. [XXXXXX]; (155-261); Vote: Nay.

Roll Call No. 13. H.R. 4573. Provides for the period ending on June 30, 1967, a temporary increase in the public debt limit set forth in section 21 of the Second Liberty Bond Act. On passage, p. [XXXXXX]; (215-199); Vote: Yea.

FEBRUARY 20, 1967

Roll Call No. 14. Call of the House, p. H 1517. Answered.

Roll Call No. 15. H.R. 2. Amends titles 10, 14, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces and clarifies the status of National Guard technicians. On motion to suspend rules and pass, p. [XXXXXX]; (325-13); Vote: Yea.

FEBRUARY 21, 1967

Roll Call No. 16. Call of the House, p. H 1594. Answered.

Roll Call No. 17. H. Res. 83. Authorizes the Committee on Agriculture to make studies and investigations within its jurisdiction. On ordering the previous question, p. H. 1594; (230-85); Vote: Yea.

Roll Call No. 18. H. Res. 83. Authorizes the Committee on Agriculture to make studies and investigations within its jurisdiction. On agreeing to resolution, p. [XXXXXX]; (306-18); Vote: Yea.

FEBRUARY 28, 1967

Roll Call No. 19. Call of the House, p. H 1832. Answered.

MARCH 1, 1967

Roll Call No. 20. Call of the House, p. H 1916. Answered.

Roll Call No. 21. Call of the House, p. H 1918. Answered.

Roll Call No. 22. H. Res. 278. Relates to the seating of Adam Clayton Powell. On ordering previous question on resolution and its preamble, p. [XXXXXX]; (200-222); Vote: yea.

Roll Call No. 23. H. Res. 278. Relates to the seating of Adam Clayton Powell. On Curtis (Mo.) amendment p. [XXXXXX]; (263-161); Vote: nay.

Roll Call No. 24. H. Res. 278. Relates to the seating of Adam Clayton Powell. On Curtis (Mo.) amendment, p. [XXXXXX]; (248-176); Vote: nay.

Roll Call No. 25. H. Res. 278. Relates to the seating of Adam Clayton Powell. On agreeing to resolution as amended, p. [XXXXXX]; (307-116); Vote: nay.

Roll Call No. 26. H. Res. 278. Relates to the seating of Adam Clayton Powell. Preamble, on adoption of, on ordering previous question, p. [XXXXXX]; (311-9); Vote: not voting.

MARCH 2, 1967

Roll Call No. 27. Call of the House, p. [XXXXXX]. Answered.

Roll Call No. 28. H.R. 4515. Authorizes appropriations during the fiscal year 1967 for procurement of aircraft, missiles, and tracked combat vehicles, and research, development, test, evaluation, and military construction for the Armed Forces. On motion to recommit with instructions that none of the funds authorized by this Act shall be used to carry out military operations in or over North Vietnam, p. [XXXXXX]; (18-372); Vote: nay.

MARCH 6, 1967

Roll Call No. 29. Call of the House, p. [XXXXXX]. Answered.

MARCH 8, 1967

Roll Call No. 30. S. 665. Authorizes appropriations during the fiscal year 1967 for procurement of aircraft, missiles, and tracked combat vehicles, and research, development, test, evaluation, and military construction for the Armed Forces. On agreeing to conference report, p. [XXXXXX]; (364-13); Vote: yea.

MARCH 9, 1967

Roll Call No. 31. Call of the House, p. H 2364. Answered.

Roll Call No. 32. H.J. Res. 267. Emergency food assistance to India. On passage, p. H 2391; (312-63); Vote: yea.

Roll Call No. 33. H. Res. 376. Authorizes the Speaker to appoint special counsel to represent the House of Representatives in litigation filed by Adam Clayton Powell. On ordering the previous question, p. [XXXXXX]; (254-85); Vote: yea.

MARCH 13, 1967

Roll Call No. 34. Call of the House, p. H 2545. Answered.

MARCH 15, 1967

Roll Call No. 35. Call of the House, p. H 2704. Answered.

Roll Call No. 36. H.R. 6098. Provides an extension of the interest equalization tax. On passage, p. [XXXXXX]; (261-138); Vote: yea.

MARCH 16, 1967

Roll Call No. 37. Call of the House, p. H 2798. Answered.

Roll Call No. 38. H.R. 7123. Makes supplemental appropriations for the fiscal year ending June 30, 1967. On passage, p. H. 2817; (385-11); Vote: yea.

Roll Call No. 39. H.R. 6950. Restores the investment credit and the allowance of accelerated depreciation in the case of certain real property. On passage, p. [XXXXXX]; (386-2); Vote: yea.

MARCH 20, 1967

Roll Call No. 40. H.R. 2068. Amends title 38 of the United States Code in order to increase the rates of pension payable to certain veterans and their widows to provide additional readjustment assistance for veterans of service after January 31, 1955. On motion to suspend rules and pass; p. [XXXXXX]; (360-0); Vote: yea.

Roll Call No. 41. H.R. 2513. Relates to national observances and holidays. On motion to suspend rules and pass, p. [XXXXXX]; (315-35); Vote: nay.

MARCH 21, 1967

Roll Call No. 42. Call of the House, p. H 3087. Answered.

Roll Call No. 43. H.R. 5277. Amends the act of June 30, 1954, providing for the continuance of civil government for the Trust Territory of the Pacific Islands. On passage, p. [XXXXXX]; (371-15); Vote: Yea.

MARCH 22, 1967

Roll Call No. 44. Call of the House, p. H 3143. Answered.

Roll Call No. 45. H.R. 7501. Appropriations for the Treasury and Post Office Department. On amendment to eliminate 15 positions from the office of the Secretary of the Treasury, p. [XXXXXX]; (211-175); Vote: Nay.

Roll Call No. 46. H.R. 7501. Appropriations for the Treasury and Post Office Department. On motion to recommit to reduce by 5 percent the total funds made available by the appropriations, p. [XXXXXX]; (168-217); Vote: Nay.

Roll Call No. 47. H.R. 7501. Appropriations for the Treasury and Post Office Department. On passage, p. [XXXXXX]; (372-7); Vote: Yea.

Roll Call No. 48. Call of the House, p. H 3179. Answered.

Roll Call No. 49. H.J. Res. 428. Supports the other American republics in a historic new phase of the Alliance for Progress. On motion to recommit, p. [XXXXXX]; (147-210); Vote: Nay.

Roll Call No. 50. H.J. Res. 428. Supports the other American republics in a historic new phase of the Alliance for Progress. On passage, p. [XXXXXX]; (234-117); Vote: Yea.

APRIL 5, 1967

Roll Call No. 51. Call of the House, p. H 3514. Answered.

Roll Call No. 52. H. Res. 364. Provides funds for the expenses of the studies, investigations, and inquiries authorized by H. Res. 312. On motion to recommit designed to provide more funds, p. [XXXXXX]; (176-216); Vote: Nay.

Roll Call No. 53. H. Res. 221. Authorize the expenditure of certain funds for the expenses of the Committee on Un-American Activities. On ordering the previous question, p. H 3549; (305-92); Vote: Yea.

Roll Call No. 54. H. Res. 221. Authorizes the expenditure of certain funds for the expenses of the Committee on Un-American Activities. On motion to recommit regarding open hearings to be held on the justification of additional funds, p. [XXXXXX]; (92-304); Vote: Nay.

Roll Call No. 55. H. Res. 221. Authorizes the expenditure of certain funds for the expenses of the Committee on Un-American Activities. On agreeing to the resolution, p. [XXXXXX]; (350-43); Vote: Yea.

APRIL 6, 1967

Roll Call No. 56. Call of the House, p. [XXXXXX]. Answered.

Roll Call No. 57. H.R. 2512. General revision of the copyright law, title 17 of the U.S. Code. On agreeing to H. Res. 413 the rule under which the legislation was considered, p. H 3610; (437-42); Vote: Yea.

Roll Call No. 58. Call of the House, p. H 3621. Answered.

Roll Call No. 59. Call of the House, p. H 3626. Answered.

Roll Call No. 60. H.R. 2512. General revision of the copyright law, title 17 of the U.S. Code. On motion to strike the enacting clause, p. [XXXXXX]; (126-252); Vote: nay.

APRIL 11, 1967

Roll Call No. 61. Call of the House, p. H 3854. Answered.

Roll Call No. 62. H.J. Res. 493. Extends the period for making no change of conditions under section 10 of the Railway Labor Act applicable in the current dispute between the railroad carriers represented by the National Railway Labor Conference and certain of their employees.

On motion to suspend rules and pass, p. [XXXXXX]; (396-8); Vote: Yea.

Roll Call No. 63. H.R. 2512. General revision of the copyright law, title 17 of the U.S. Code. On passage, p. [XXXXXX]; (379-29); Vote: Yea.

APRIL 12, 1967

Roll Call No. 64. Call of the House, p. H 3976. Answered.

Roll Call No. 65. H. R. 5404. Amends the National Science Foundation Act of 1950 to make changes and improvements in the organization and operation of the Foundation. On passage, p. [XXXXXX]; (391-22); Vote: Yea.

APRIL 13, 1967

Roll Call No. 66. Call of the House, p. H 4062. Absent.

Roll Call No. 67. Call of the House, p. H 4068. Absent.

Roll Call No. 68. H. Res. 418. Establishes a standing committee to be known as the Committee on Standards of Official Conduct. On agreeing to resolution, p. [XXXXXX]; (400-0); Vote: General Pair.

APRIL 17, 1967

Roll Call No. 69. Call of the House, p. H 4186. Answered.

APRIL 20, 1967

Roll Call No. 70. H. Res. 443. Expresses the sense of Congress on the death of Konrad Adenauer, former Chancellor of the Federal Republic of Germany.

On agreeing to resolution, p. H 4387; (357-0); Vote: Yea.

Roll Call No. 71. H. R. 207. Provides for the participation of the Department of the Interior in the construction and operation of a large prototype desalting plant.

On passage, p. H 4408; (315-38); Vote: Yea.

APRIL 26, 1967

Roll Call No. 72. Call of the House, p. H 4626. Answered.

APRIL 27, 1967

Roll Call No. 73. H. R. 9029. Department of the Interior and Related Agencies Appropriation Act, 1968.

On motion to recommit, designed to reduce total spending by 5%, p. H 4744; (158-281); Vote: Yea.

Roll Call No. 74. H. R. 9029. Department of the Interior and Related Agencies Appropriation Act, 1968.

On passage, p. H 4745; (377-11); Vote: Yea.

Roll Call No. 75. H. R. 2508. Standards for Congressional Redistricting. On motion to move the previous question on the resolution, p. H 4753; (284-99); Vote: Yea.

Roll Call No. 76. H.R. 2508. Standards for Congressional Redistricting. On motion to recommit, designed to include New Mexico and Hawaii under the provisions of the bill, p. H4771; (161-203); Vote: Nay.

Roll Call No. 77. H.R. 2508. Standards for Congressional Redistricting. On passage, p. H4772; (289-63); Vote: Nay.

MAY 1, 1967

Roll Call No. 78. Call of the House, p. H4853. Answered.

Roll Call No. 79. H.J. Res. 543. Extends the period provided for under section 10 of the Railway Labor Act applicable in the current dispute between the railroad carriers represented by the National Railway Labor Conference and certain of their employees. On suspending the rules and passage, p. H4859; (302-56); Vote: Yea.

MAY 3, 1967

Roll Call No. 80. Call of the House, p. H4991. Answered.

Roll Call No. 81. H.R. 9481 Second Supplemental Appropriation. On passage, p. H4998; (391-6); Vote: Yea.

MAY 4, 1967

Roll Call No. 82. Call of the House, p. H5070. Answered.

MAY 9, 1967

Roll Call No. 83. Call of the House, p. H5189. Answered.

Roll Call No. 84. H.R. 9240. Authorizes Defense Procurement and Research and Development. On passage, p. H5228; (401-3); Vote: Yea.

MAY 11, 1967

Roll Call No. 85. Call of the House, p. H5329. Answered.

Roll Call No. 86. H. Res. 161. Payment from the contingent fund of the House of Representatives for official office expenses of Members incurred outside the District of Columbia. On passage, p. H5330; (189-157); Vote: Yea.

Roll Call No. 87. H. Res 464. Authorizes the employment of additional Capitol Police for duty under the House of Representatives. On passage, p. H5333; (334-16); Vote: Yea.

MAY 15, 1967

Roll Call No. 88. Call of the House, p. H5412. Answered.

Roll Call No. 89. Call of the House, p. H5433. Answered.

MAY 16, 1967

Roll Call No. 90. Call of the House, p. H5552. Answered.

MAY 17, 1967

Roll Call No. 91. Call of the House, p. H5640. Answered.

Roll Call No. 92. H.R. 9960. Independent Offices Appropriation. On authorization for contracts in rent supplement program, p. H5667; (233-171); Vote: Nay.

Roll Call No. 93. H.R. 9960. Independent Offices Appropriation. On motion to recommit designed to provide only planning funds for the model cities programs, p. H5667; (193-213); Vote: Nay.

Roll Call No. 94. H.R. 9960. Independent Offices Appropriation. On passage, p. H5668; (347-56); Vote: Yea.

Roll Call No. 95. H.R. 6431. Amends the public health laws relating to mental health to extend, expand, and improve them, with committee amendments. On passage, p. H5673; (355-0); Vote: Yea.

MAY 22, 1967

Roll Call No. 96. Call of the House, p. H5793. Answered.

Roll Call No. 97. Call of the House, p. H5823. Answered.

MAY 23, 1967

Roll Call No. 98. Call of the House, p. H5928. Answered.

Roll Call No. 99. Call of the House, p. H5932. Answered.

MAY 24, 1967

Roll Call No. 100. Call of the House, p. H6038. Answered.

Roll Call No. 101. Call of the House, p. H6083. Answered.

Roll Call No. 102. H.R. 7819. Elementary and Secondary Education Amendments of 1967. On adopting amendments to provide uniform guidelines, within statutory authority, on desegregation for all 50 States; regarding deferment of funds in desegregation matters without hearings; regarding expenditures per pupil in the States, p. H6118; (222-194); Vote: Nay.

Roll Call No. 103. H.R. 7819. Elementary and Secondary Education Amendments of 1967. On Green amendment to title III, regarding supplementary educational centers and services, p. H6120; (230-185); Vote: Nay.

Roll Call No. 104. H.R. 7819. Elementary and Secondary Education Amendments of 1967. On motion to recommit the bill with instructions to hold further hearings, p. H6121; (180-236); Vote: Nay.

Roll Call No. 105. H.R. 7819. Elementary and Secondary Education Amendments of 1967. On passage, p. H6122; (294-122); Vote: Yea.

MAY 25, 1967

Roll Call No. 106. Call of the House, p. H6188. Answered.

Roll Call No. 107. Call of the House, p. H6239. Answered.

Roll Call No. 108. S. 1432. Universal Military Training and Service Act. On passage, p. H6299; (362-9); Vote: General Pair.

MAY 31, 1967

Roll Call No. 109. Call of the House, p. H6400. Answered.

Roll Call No. 110. H.R. 10345. State, Justice, Commerce, the Judiciary Appropriations. On adopting an amendment regarding payment of participation sales insufficiencies, p. H6419; (185-144); Vote: Nay.

Roll Call No. 111. H.R. 10345. State, Justice, Commerce, the Judiciary Appropriations. On motion to recommit designed to reduce total spending by approximately 5 percent, p. H6420; (171-156); Vote: Nay.

JUNE 1, 1967

Roll Call No. 112. Call of the House, p. H6485. Answered.

Roll Call No. 113. Call of the House, p. H6496. Answered.

Roll Call No. 114. Call of the House, p. H6504. Answered.

Roll Call No. 115. Call of the House, p. H6512. Answered.

JUNE 5, 1967

Roll Call No. 116. H.R. 10226. Provides additional free letter mail and air transportation mailing privileges for certain members of the U.S. Armed Forces. On suspending the rules and passage, p. H6588; (316-0); Vote: yea.

JUNE 6, 1967

Roll Call No. 117. Call of the House, p. H6653. Answered.

Roll Call No. 118. Call of the House, p. H6694. Answered.

Roll Call No. 119. H.R. 10509. Department of Agriculture and Related Agencies Appropriation Act, 1968. On motion to recommit designed to reduce by 5 percent total expenditures except in the school lunch program and the school milk program, p. H6707; (175-222); Vote: nay.

Roll Call No. 120. H.R. 10509. Department of Agriculture and Related Agencies Appropriation Act, 1968. On passage, p. H6708; (357-38); Vote: yea.

JUNE 7, 1967

Roll Call No. 121. Call of the House, p. H6775. Answered.

Roll Call No. 122. H.R. 10328. Increases the public debt limit. On agreeing to H. Res. 504, the rule under which the legislation was considered, p. H6784; (291-99); Vote: yea.

Roll Call No. 123. H.R. 10328. Increases the public debt limit. On passage, p. H6814; (197-211); Vote: yea.

JUNE 8, 1967

Roll Call No. 124. Call of the House, p. H6880. Answered.

Roll Call No. 125. Call of the House, p. H6882. Answered.

Roll Call No. 126. H.R. 9029. Department of Interior Appropriations, 1968. On agreeing to Conference Report, p. H6882; (321-49); Vote: yea.

Roll Call No. 127. Call of the House, p. H6890. Answered.

Roll Call No. 128. H.R. 1318. Food Stamp Program. On Committee amendments to provide for extension of the authorization for 3 years; to require the States to pay 20 percent of the cost of the program; and regarding participation of families with very low incomes, p. H6914; (173-191); Vote: nay.

Roll Call No. 129. H.R. 1318. Food Stamp Program. On passage, p. H6915; (230-128); Vote: yea.

JUNE 12, 1967

Roll Call No. 130. Call of the House, p. H 6983. Answered.

Roll Call No. 131. H.R. 7476. Authorizes adjustments in the amount of outstanding silver certificates. On passage, p. H 7000; (234-109); Vote: Yea.

JUNE 13, 1967

Roll Call No. 132. Call of the House, p. H 7061. Answered.

Roll Call No. 133. Call of the House, p. H 7066. Answered.

Roll Call No. 134. Call of the House, p. H 7077. Answered.

Roll Call No. 135. H.R. 10738. Department of Defense Appropriations, 1968. On passage, p. H 7111; (407-1); Vote: Yea.

JUNE 14, 1967

Roll Call No. 136. Call of the House, p. H 7187. Answered.

Roll Call No. 137. Call of the House, p. H 7198. Answered.

Roll Call No. 138. Call of the House, p. H 7268. Answered.

JUNE 19, 1967

Roll Call No. 139. H.R. 6111. Establishment of a Federal Judicial Center. On suspending

the rules and passage, p. H 7406; (330-97); Vote: Yea.

Roll Call No. 140. H.R. 10730. Older Americans Act of 1965. On suspending the rules and passage, p. H 7419; (330-0); Vote: Yea.

Roll Call No. 141. H.R. 480. Relates to the acquisition of wetlands for the conservation of migratory waterfowl. On suspending the rules and passage, p. H 7428; (329-8); Vote: Yea.

Roll Call No. 142. H.R. 482. Relates to hunting stamps for the taking of migratory waterfowl and other migratory birds. On suspending the rules and passage, p. H 7433; (238-97); Vote: Yea.

JUNE 20, 1967

Roll Call No. 143. Call of the House, p. H7478. Answered.

Roll Call No. 144. S. 1432. Provides for extension of the Universal Military Training and Service Act. On agreeing to conference report, p. H7487; (377-29); Vote: yea.

Roll Call No. 145. H.R. 10480. Prohibits desecration of the flag. On passage, p. H7543; (387-16); Vote: yea.

JUNE 21, 1967

Roll Call No. 146. Call of the House, p. H7601. Answered.

Roll Call No. 147. H.R. 10867. Increases the public debt limit. On motion to recommit to reduce the limit to \$336 billion, p. H7623; (191-223); Vote: nay.

Roll Call No. 148. H.R. 10867. Increases the public debt limit. On passage, p. H7624; (217-196); Vote: yea.

JUNE 22, 1967

Roll Call No. 149. Call of the House, p. H7780. Answered.

Roll Call No. 150. Call of the House, p. H7788. Absent.

Roll Call No. 151. Call of the House, p. H7792. Absent.

Roll Call No. 152. Call of the House, p. H7844. Answered.

JUNE 26, 1967

Roll Call No. 153. H.R. 8582. Increases the number of associate judges on the District of Columbia Court of Appeals. On passage, p. H7913; (335-6); Vote: yea.

Roll Call No. 154. H.R. 10783. Relates to crime and criminal procedure in the District of Columbia. On passage, p. H7954; (355-14); Vote: yea.

JUNE 27, 1967

Roll Call No. 155. Call of the House, p. H8048. Answered.

Roll Call No. 156. H.R. 10943. Amends and extends title V of the Higher Education Act of 1965. On motion to recommit designed to strike the Teacher Corps from the bill, p. H8075; (146-257); Vote: nay.

Roll Call No. 157. H.R. 10943. Amends and extends title V of the Higher Education Act of 1965. On passage, p. H8076; (312-88); Vote: yea.

JUNE 28, 1967

Roll Call No. 158. Call of the House, p. H 8148. Answered.

Roll Call No. 159. Call of the House, p. H 8181. Answered.

Roll Call No. 160. H.R. 10340. National Aeronautics and Space Administration Authorization Act, 1968. On motion to recommit designed to cut \$136.5 million from the bill and provide for an Aerospace Safety Advisory Panel, p. H 8196; (239-157); Vote: nay.

Roll Call No. 161. H.R. 10340. National Aeronautics and Space Administration Authorization Act, 1968. On passage, p. H 8197; (342-53); Vote: yea.

JULY 11, 1967

Roll Call No. 162. Call of the House, p. H 8448. Answered.

Roll Call No. 163. H.R. 10805. Extends the Civil Rights Commission. On motion to suspend rules and pass, p. H 8454; (284-89); Vote: yea.

JULY 12, 1967

Roll Call No. 164. Call of the House, p. H 8537. Answered.

Roll Call No. 165. S. 20. Provides for a comprehensive review of national water resource problems and programs. On passage, p. H 8559; (369-19); Vote: yea.

JULY 13, 1967

Roll Call No. 166. Call of the House, p. H 8637. Answered.

Roll Call No. 167. H.R. 10595. Prohibits certain banks and savings and loan associations from fostering or participating in gambling activities. On Motion to recommit the bill to the Committee on Banking and Currency, p. H8650; (135-257); Vote: nay.

Roll Call No. 168. H.R. 10595. Prohibits certain banks and savings and loan associations from fostering or participating in gambling activities. On passage, p. H 8651; (271-111); Vote: yea.

JULY 17, 1967

Roll Call No. 169. Call of the House, p. H 8733. Answered.

Roll Call No. 170. S.J. Res. 81. Provides for settlement of the labor dispute between certain carriers by railroad and certain of their employees. On motion to concur in the Senate amendments to the House amendment, p. H 8749; (244-148); Vote: yea.

JULY 18, 1967

Roll Call No. 171. Call of the House, p. H8812. Answered.

Roll Call No. 172. Call of the House, p. H8829. Answered.

Roll Call No. 173. H.R. 11456. Department of Transportation Appropriation Act, 1968. On motion to recommit to limit spending to 95 percent of the total aggregate of the budget estimates for 1968, p. H8857; (213-189); Vote: Nay.

Roll Call No. 174. H.R. 11456. Department of Transportation Appropriation Act, 1968. On passage, p. H8858; (393-5); Vote: Yea.

JULY 19, 1967

Roll Call No. 175. Call of the House, p. H8924. Answered.

Roll Call No. 176. H.R. 421. Prohibits travel or use of any facility in interstate or foreign commerce with intent to incite a riot or other violent civil disturbance. On passage, p. H9010; (348-70); Vote: Yea.

JULY 20, 1967

Roll Call No. 177. Call of the House, p. H9113. Answered.

Roll Call No. 178. H.R. 11000. Provides Federal financial assistance to help cities and communities of the Nation develop and carry out intensive local programs of rat control and extermination. On agreeing to H. Res. 749, the rule providing for consideration of H.R. 11000, p. H9120; (176-207); Vote: Yea.

JULY 25, 1967

Roll Call No. 179. Call of the House, p. H9269. Answered.

Roll Call No. 180. H.R. 11641. Public Works and Atomic Energy Commission Appropriation Act, 1968. On Glaimo amendment to delete the funds provided for the Dickey-Lincoln Hydroelectric Dam, p. H9311; (233-169); Vote: Nay.

Roll Call No. 181. H.R. 11641. Public Works and Atomic Energy Commission Appropriation Act, 1968. On motion to recommit designed to reduce the total appropriation by 5 percent, p. H9312; (166-239); Vote: Nay.

Roll Call No. 182. H.R. 11641. Public Works and Atomic Energy Commission Appropriation Act, 1968. On passage, p. H9313; (376-26); Vote: Yea.

JULY 26, 1967

Roll Call No. 183. Call of the House, p. H9397. Answered.

Roll Call No. 184. Call of the House, p. H9400. Answered.

Roll Call No. 185. Call of the House, p. H9411. Answered.

Roll Call No. 186. H.R. 9547. Amends the Inter-American Development Bank Act to authorize the United States to participate in an increase in the resources of the Fund for Special Operations of the Inter-American Development Bank. On motion to recommit designed to limit funds authorized to the amount of our present commitments, p. H9430; (185-217); Vote: Nay.

Roll Call No. 187. H.R. 9547. Amends the Inter-American Development Bank Act to authorize the United States to participate in an increase in the resources of the Fund for Special Operations of the Inter-American Development Bank. On passage, p. H9431; (275-122); Vote: Yea.

JULY 27, 1967

Roll Call No. 188. Call of the House, p. H9510. Answered.

Roll Call No. 189. H.R. 8630. Extends the authority for exemptions from the antitrust laws to assist in safeguarding the balance-of-payments position of the United States. On passage, p. H9515; (309-66); Vote: Yea.

JULY 31, 1967

Roll Call No. 190. H.R. 6098. Interest Equalization Tax Extension Act of 1967. On agreeing to conference report, p. H9615; (224-83); Vote: Yea.

AUGUST 1, 1967

Roll Call No. 191. Call of the House, p. H9673. Answered.

Roll Call No. 192. H.R. 11722. Military Construction Authorizations. On passage, p. H9713; (394-2); Vote: Yea.

AUGUST 2, 1967

Roll Call No. 193. Call of the House, p. H9785. Answered.

Roll Call No. 194. Call of the House, p. H9795. Answered.

Roll Call No. 195. Call of the House, p. H9797. Answered.

Roll Call No. 196. Call of the House, p. H9800. Answered.

AUGUST 3, 1967

Roll Call No. 197. Call of the House, p. H9880. Answered.

Roll Call No. 198. Call of the House, p. H9904. Answered.

AUGUST 8, 1967

Roll Call No. 199. Call of the House, p. H10060. Answered.

Roll Call No. 200. H.R. 5037. Law Enforcement and Criminal Justice Assistance Act of 1967. On Cahill substitute amendment for Title I—Planning Grants, and Title II—Grants for Law Enforcement and Criminal Justice Purposes, with an antiriot amendment, p. H10107; (256-147); Vote: Nay.

Roll Call No. 200. H.R. 5037. Law Enforcement and Criminal Justice Assistance Act of 1967. On passage, p. H10108; (378-23); Vote: Yea.

AUGUST 9, 1967

Roll Call No. 202. Call of the House, p. H10178. Answered.

Roll Call No. 203. Call of the House, p. H10203. Answered.

Roll Call No. 204. H. Res. 512. Reorganization Plan No. 3. On expressing the disapproval of the House of Representatives of Reorganization Plan No. 3 of 1967, therefore approving the Presidential reorganization plan, p. H10213; (160-244); Vote: Nay.

AUGUST 10, 1967

Roll Call No. 205. Call of the House, p. H10283. Answered.

Roll Call No. 206. H.R. 7659. Provides for a mid-decade census of population in the year 1975 and every 10 years thereafter. On passage, p. H10305; (255-127); Vote: Yea.

AUGUST 14, 1967

Roll Call No. 207. Call of the House, p. H10398. Answered.

Roll Call No. 208. H.R. 43. Authorizes the

Secretary of the Interior to construct, operate, and maintain the San Felipe division, Central Valley project, California. On passage, p. H10413; (235-83); Vote: Yea.

Roll Call No. 209. H.R. 6279. Provides for the collection, compilation, critical evaluation, publication, and sale of standard reference data. On Committee amendment providing \$1.86 million for fiscal year 1968 to fund the legislation, p. H10435; (320-2); Vote: Yea.

Roll Call No. 210. Call of the House, p. H10435. Answered.

## AUGUST 15, 1967

Roll Call No. 211. Call of the House, p. H10503. Answered.

Roll Call No. 212. Call of the House, p. H10505. Answered.

Roll Call No. 213. Call of the House, p. H10507. Answered.

Roll Call No. 214. H.R. 2516. Prescribes penalties for interference with civil rights. On agreeing to H. Res. 856, the rule under which the legislation was considered, p. H10512; (330-77); Vote: Yea.

Roll Call No. 215. Call of the House, p. H10514. Answered.

Roll Call No. 216. Call of the House, p. H10515. Answered.

Roll Call No. 217. Call of the House, p. H10521. Answered.

## AUGUST 16, 1967

Roll Call No. 218. Call of the House, p. H10572. Answered.

Roll Call No. 219. Call of the House, p. H10574. Answered.

Roll Call No. 220. H.R. 2516. Prescribes penalties for interference with civil rights. On passage, p. H10607; (327-93); Vote: Yea.

## AUGUST 17, 1967

Roll Call No. 221. Call of the House, p. H10663. Answered.

Roll Call No. 222. H.R. 12080. Social Security Amendments of 1967. On passage, p. H10743; (416-8); Vote: Yea.

Roll Call No. 223. S. 16. Veterans' Pension and Readjustment Assistance Act of 1967. On Agreeing to conference report, p. H10748; (404-0); Vote: Yea.

## AUGUST 21, 1967

Roll Call No. 224. H.R. 12257. Amends the Vocational Rehabilitation Act to extend and expand the authorization of grants to States for rehabilitation services, authorizes assistance in establishment and operation of a National Center for Deaf-Blind Youths and Adults, and provides assistance for migrants. On Suspension of rules and passage, p. H10829; (340-0); Vote: Yea.

Roll Call No. 225. Call of the House, p. H 10836. Answered.

Roll Call No. 226. H.R. 11565. Authorizes the transfer of peanut acreage allotments. On suspension of rules and passage, p. H 10839; (208-146); rejected; Vote: Nay.

Roll Call No. 227. Call of the House, p. H 10846. Answered.

## AUGUST 22, 1967

Roll Call No. 228. Call of the House, p. H 10910. Answered.

Roll Call No. 229. H.R. 12474. The National Aeronautics and Space Administration Appropriation Act, 1968. On passage, p. H 10929; (312-92); Vote: Yea.

Roll Call No. 230. Call of the House, p. H 10934. Answered.

## AUGUST 23, 1967

Roll Call No. 231. Call of the House, p. H 10991. Answered.

Roll Call No. 232. Call of the House, p. H 11031. Answered.

## AUGUST 24, 1967

Roll Call No. 233. Call of the House, p. H 11099. Answered.

Roll Call No. 234. Call of the House, p. H 11102. Answered.

Roll Call No. 235. H.R. 12048. To amend further the Foreign Assistance Act of 1961. On Widdall amendment to strike out line 8 and all that follows down through page 34, line 9, and redesignate the following subsection accordingly, p. H 11205; (236-157); Vote: Nay.

Roll Call No. 236. H.R. 12048. To amend further the Foreign Assistance Act of 1961. On motion to recommit with instructions to report the same back to the House with amendments, p. H 11206; (234-163); Vote: Nay.

Roll Call No. 237. H.R. 12048. To amend further the Foreign Assistance Act of 1961. On passage, p. H 11207; (202-194); Vote: Yea.

## AUGUST 28, 1967

Roll Call No. 238. Call of the House, p. H 11323. Answered.

Roll Call No. 239. H.R. 8965. Relates to the Potomac interceptor sewer, to increase the amount of the Federal contribution to the cost of that sewer. On passage, p. H 11335; (118-109); Vote: Yea.

## SEPTEMBER 11, 1967

Roll Call No. 240. H.R. 11816. Provides certain benefits for law enforcement officers not employed by the United States who are killed or injured while apprehending violators of Federal Law. On motion to suspend rules and pass, p. H 11615; (311-0); Vote: Yea.

Roll Call No. 241. H.R. 8654. Permits an appeal by the United States in certain instances from an order made before trial granting a motion for return of seized property and to suppress evidence. On motion to suspend rules and pass, p. H 11620; (311-1); Vote: Yea.

Roll Call No. 242. H.R. 8775. Increases the appropriation authorization for continuing work in the Missouri River Basin. On motion to suspend rules and pass, p. H 11624; (225-83); Vote: Nay.

## SEPTEMBER 12, 1967

Roll Call No. 243. Call of the House, p. H 11675. Answered.

Roll Call No. 244. H.R. 10738. Department of Defense Appropriations, 1968. On agreeing to conference report, p. H 11682; (366-4); Vote: Yea.

Roll Call No. 245. H.R. 10738. Department of Defense Appropriations, 1968. Conference Report—On preferential motion to recede and concur in Senate Amendment No. 18, p. H 11693; (145-232); Vote: Nay.

Roll Call No. 246. Call of the House, p. H 11708. Answered.

## SEPTEMBER 13, 1967

Roll Call No. 247. Call of the House, p. H11764. Answered.

Roll Call No. 248. Call of the House, p. H11769. Answered.

Roll Call No. 249. Call of the House, p. H11772. Answered.

Roll Call No. 250. Call of the House, p. H11778. Answered.

## SEPTEMBER 14, 1967

Roll Call No. 251. Call of the House, p. H11863. Answered.

Roll Call No. 252. Call of the House, p. H11868. Answered.

Roll Call No. 253. S. 602. Revises and Extends the Appalachian Regional Development Act of 1965, and amends title V of the Public Works and Economic Development Act of 1965. On Cramer amendment to reduce the authorization by \$50 million, p. H11904; (199-161); Vote: Nay.

Roll Call No. 254. S. 602. Revises and Extends the Appalachian Regional Development Act of 1965, and amends title V of the Public Works and Economic Development Act of 1965. On motion to recommit regarding—Funds to be provided to the Secretary of Transportation; proposed housing projects under section 221 of the National Housing

Act; and Great Lakes fish projects, p. H. 11905; (178-184); Vote: Nay.

Roll Call No. 255. S. 602. Revises and Extends the Appalachian Regional Development Act of 1965, and amends title V of the Public Works and Economic Development Act of 1965. On passage, p. H11906; (189-168); Vote: Yea.

## SEPTEMBER 18, 1967

Roll Call No. 256. Call of the House, p. H11980. Answered.

Roll Call No. 257. H.R. 4451. Regards the unlawful seizure of fishing vessels of the United States by foreign countries. On motion to suspend rules and pass, p. H11997; (147-175); (Rejected); Vote: Yea.

Roll Call No. 258. S. 1657. Extends for 1 year the authority of the Secretary of Agriculture to make indemnity payments to dairy farmers who are directed to remove their milk from commercial markets because it contains residues of chemicals registered and approved for use by the Federal Government. On motion to suspend rules and pass, p. H12003; (320-7); Vote: yea.

Roll Call No. 259. H. Res. 838. Authorizes the Committee on the Judiciary to conduct studies and investigations relating to certain matters within its jurisdiction. On agreeing to resolution, p. H 12010; (262-52); Vote: Yea.

## SEPTEMBER 19, 1967

Roll Call No. 260. Call of the House, p. H 12072. Answered.

Roll Call No. 261. Call of the House, p. H 12102. Answered.

Roll Call No. 262. S. 953. Food Stamp Act. On Poage motion that the House recede and concur in the Senate amendments to the House amendment, p. H 12122; (196-155); Vote: Yea.

## SEPTEMBER 20, 1967

Roll Call No. 263. Call of the House, p. H 12189. Answered.

Roll Call No. 264. H.R. 9547. Inter-American Development Bank. On motion to recommit with instructions to the conferees to insist on retaining section 1 of the House passed bill which provides for an audit of the Bank, p. H 12196; (274-126); Vote: Nay.

Roll Call No. 265. H.R. 6418. Partnership for Health Amendments of 1967. On Springer amendment regarding funds for rat control, p. H 12210; (227-173); Vote: Yea.

Roll Call No. 266. H.R. 6418. Partnership for Health Amendments of 1967. On passage, p. H 12211; (395-7); Vote: Yea.

Roll Call No. 267. H.R. 6430. Amends the public health laws relating to mental retardation to extend, expand, and improve them. On passage, p. H 12220; (389-0); Vote: Yea.

## SEPTEMBER 21, 1967

Roll Call No. 268. Call of the House, p. H 12266. Answered.

Roll Call No. 269. Call of the House, p. H 12293. Answered.

Roll Call No. 270. H.R. 6736. Public Broadcasting Act of 1967. On motion to recommit designed to delete title II, and provide \$5 million for programing, p. H 12306; (167-194); Vote: Nay.

Roll Call No. 271. H.R. 6736. Public Broadcasting Act of 1967. On passage, p. H 12306; (266-91); Vote: Yea.

## SEPTEMBER 25, 1967

Roll Call No. 272. Call of the House, p. H 12370. Answered.

Roll Call No. 273. H.R. 13042. Amends the act of June 20, 1906, and the District of Columbia election law to provide for the election of members of the Board of Education of the District of Columbia. On passage, p. H 12380; (327-3); Vote: Yea.

Roll Call No. 274. H.R. 13025. Permits the District of Columbia Council to make rules and regulations under the Alcoholic Beverage Control Act, and for other purposes. On passage, p. H 12385; (153-182); Vote: Yea.

SEPTEMBER 26, 1967

Roll Call No. 275. Call of the House, p. H 12442. Answered.

Roll Call No. 276. Call in Committee, p. H 12454. Answered.

Roll Call No. 277. H.R. 12120. Assists courts, correctional systems, and community agencies to prevent, treat, and control juvenile delinquency; supports research and training efforts in the prevention, treatment, and control of juvenile delinquency. On Rallsback (Ill.) amendment to provide Federal grants, to be allocated and made, as indicated therein, by the Secretary of Health, Education, and Welfare to States for rehabilitative and preventive services and training, the States in turn shall make grants and contracts, also as indicated therein, p. H 12487; (234-139); Vote: Nay.

Roll Call No. 278. H.R. 12120. Assists courts, correctional systems, and community agencies to prevent, treat, and control juvenile delinquency; supports research and training efforts in the prevention, treatment, and control of juvenile delinquency. On Waggonner (La.) amendments defining terms "private nonprofit agency" and "public agency" do not include Office of Economic Opportunity or any of its agencies or programs, prohibition included relative to participation by the Office of Economic Opportunity in administration of Act, p. H 12488; (242-132); Vote: Yea.

SEPTEMBER 27, 1967

Roll Call No. 279. Call of the House, p. H 12556. Answered.

Roll Call No. 280. Call of the House, p. H 12558. Answered.

Roll Call No. 281. Call of the House, p. H 12559. Answered.

Roll Call No. 282. H.J. Res. 849. Makes continuing appropriations for the fiscal year 1968. On motion to recommit, p. H 12577; (202-182); Vote: Nay.

SEPTEMBER 28, 1967

Roll Call No. 283. Call of the House, p. H 12631. Answered.

Roll Call No. 284. Call of the House, p. H 12634. Answered.

Roll Call No. 285. H.R. 478. Amends the Fair Labor Standards Act of 1938 to establish procedures to relieve domestic industries and workers injured by increased imports from low-wage areas. On passage, p. H 12670; (340-29); Vote: Yea.

SEPTEMBER 29, 1967

Roll Call No. 286. Call of the House, p. H 12748. Answered.

Roll Call No. 287. H.R. 10673. Amends title III of the Packers and Stockyards Act of 1921, as amended. On passage, p. H 12754; (234-6); Vote: Yea.

OCTOBER 2, 1967

Roll Call No. 288. Call of the House, p. H 12789. Answered.

Roll Call No. 289. H.R. 4903. Amends the act providing for the economic and social development in the Ryukyu Islands. On motion to suspend rules and pass, p. H 12798; (284-80); Vote: Yea.

Roll Call No. 290. S. 223. Authorizes the disposal of the Government-owned long-lines communication facilities in the State of Alaska, and for other purposes. On motion to suspend rules and pass as amended, p. H 12802; (357-1); Vote: Yea.

Roll Call No. 291. H.R. 9796. Authorizes the extension of certain naval vessel loans now in existence, and for other purposes. On motion to suspend rules and pass as amended, p. H 12808; (321-42); Vote: Yea.

OCTOBER 3, 1967

Roll Call No. 292. Call of the House, p. H 12853. Answered.

Roll Call No. 293. H. Res. 938. Provides for consideration of H. J. Res. 853 making continuing appropriations for the fiscal year 1968. On ordering the previous question, p. H 12865; (213-205); Vote: Yea.

Roll Call No. 294. H.R. 11722. Authorizes certain construction at military installations. On agreeing to conference report, p. H 12882; (377-33); Vote: Yea.

OCTOBER 4, 1967

Roll call No. 295. Call of the House, p. H12920. Answered.

Roll Call No. 296. H.R. 10196. Makes appropriations for the Department of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1960. Conference report—On motion to recommit with instructions to insist on the disagreement of the House to Senate amendments which exceed the budget request therefor, p. H 12929; (226-174); Voted: nay.

Roll Call No. 297. H. R. 1411. Amends title 39, United States Code, with respect to use of the mails to obtain money or property under false representations. On passage, p. H 12936; (353-32); Vote: yea.

OCTOBER 9, 1967

Roll Call No. 298. Call of the House, p. H 13058. Absent.

OCTOBER 10, 1967

Roll Call No. 299. Call of the House, p. H 13113. Answered.

Roll Call No. 300. H. R. 10509. Makes appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1968.

Conference Report—On Whitten (Miss.) motion to insist on disagreement to Senate amendment numbered 43 (Agricultural Stabilization and Conservation Service—Cropland adjustment program). p. H 13118; (377-8); Vote: yea.

Roll Call No. 301. H. R. 10509. Makes appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30, 1968.

Conference Report—On Whitten (Miss.) motion to insist on disagreement to Senate amendment numbered 56 (Farmers Home Administration—Direct loan account), p. H 13119; (362-24); Vote: yea.

Roll Call No. 302. H. R. 10509. Makes appropriations for the Department of Agriculture and related agencies for the fiscal year ending June 30 1968. On Whitten (Miss.) motion to insist on disagreement to Senate amendment numbered 63 (Commodity Credit Corporation—Reimbursement for net realized losses—appropriation of \$2,984,856,389), p. H 13120; (391-3); Vote: yea.

Roll Call No. 303. Call in Committee, p. H 13130. Answered.

Roll Call No. 304. Call in Committee, p. H 13146. Answered.

OCTOBER 11, 1967

Roll Call No. 305. Call of the House, p. H 13216. Answered.

Roll Call No. 306. H.R. 7977. Adjusts certain postage rates. On motion to recommit with instructions, designed to strike the second- and third-stage pay raises and the section regarding the Commission on Executive, Legislative, and Judicial salaries, p. H 13276; (199-211); Vote: Nay.

Roll Call No. 307. H.R. 7977. Adjusts certain postage rates. On passage, p. H 13277; (319-89); Vote: Yea.

OCTOBER 16, 1967

Roll Call No. 308. Call of the House, p. H 13396. Answered.

Roll Call No. 309. H.R. 13048. Makes certain technical amendments to the Library Services and Construction Act. On motion to suspend rules and pass, p. H 13402; (351-0); Vote: General Pair.

Roll Call No. 310. S.J. Res. 112. Extends the time for filing report of Commission on Urban Problems. On motion to suspend rules and pass as amended, p. H 13407; (344-10); Vote: Yea.

OCTOBER 17, 1967

Roll Call No. 311. Call of the House, p. H 13463. Answered.

Roll Call No. 312. Call of the House, p. H 13468. Answered.

Roll Call No. 313. H.R. 11456. Make appropriations for the Department of Transportation for the fiscal year ending June 30, 1968. Conference report—On motion to recommit with instructions (insist on disagreement to Senate amendments which exceed the administrative budget request therefor), p. H 13480; (124-268); Vote: Nay.

Roll Call No. 314. H.R. 11456. Makes appropriations for the Department of Transportation for the fiscal year ending June 30, 1968. On agreeing to conference report, p. H 13481; (368-22); Vote: Yea.

Roll Call No. 315. H.R. 11456. Makes appropriations for the Department of Transportation for the fiscal year ending June 30, 1968. Conference report—On Boland (Mass.) motion to recede and concur in Senate amendment numbered 13 (make \$140,000 available for an airport at Kelly Flats, Montain), p. H 13486; (161-222); Vote: Yea.

Roll Call No. 316. H.R. 159. Amends title II of the Merchant Marine Act, 1936, to create an independent Federal Maritime Administration. On passage, p. H 13521; (326-44); Vote: Yea.

OCTOBER 18, 1967

Roll Call No. 317. Call of the House, p. H13577. Answered.

Roll Call No. 318. Call of the House, p. H13579. Answered.

Roll Call No. 319. H.J. Res. 888. Makes continuing appropriations for the fiscal year 1968. On Whitten (Miss.) amendment as a substitute, p. H13620; (238-164); Vote: Nay.

Roll Call No. 320. H.J. Res. 888. Makes continuing appropriations for the fiscal year 1968. On motion to recommit, p. H13621; (158-244); Vote: Yea.

Roll Call No. 321. H.J. Res. 888. Makes continuing appropriations for the fiscal year 1968. On passage, p. H13621; (254-143); Vote: Nay.

OCTOBER 19, 1967

Roll Call No. 322. Call of the House, p. H13684. Answered.

Roll Call No. 323. H.R. 13178. Provides more effectively for the regulation of the use of, and for the preservation of safety and order within, the U.S. Capitol Buildings and the U.S. Capitol Grounds. On passage, p. H13696; (336-20); Vote: Yea.

Roll Call No. 324. Call in Committee, p. H13699. Answered.

Roll Call No. 325. S. 676. Amends chapter 73, title 18, United States Code, to prohibit the obstruction of criminal investigations of the United States. On passage, p. H13705; (276-47); Vote: Yea.

OCTOBER 20, 1967

Roll Call No. 326. Call of the House, p. H13747. Answered.

Roll Call No. 327. H. Res. 241. Amends the rules of the House in order to transfer jurisdiction over military and national cemeteries from the Committee on Interior and Insular Affairs to the Committee on Veterans' Affairs. On agreeing to resolution, p. H13753; (226-0); Vote: Yea.

Roll Call No. 328. H. Res. 947. Provides for the consideration of H.R. 10442, a bill to facilitate exchanges of land under the Act of March 20, 1922 (42 Stat. 465), for use for public schools, and for other purposes. On agreeing to resolution, p. 13758; (221-1); Vote: Yea.

Roll Call No. 329. H.R. 10442. Public School Lands. On motion to recommit the measure with instructions to delete language regarding a special fund provided to the Secretary of Agriculture for purchase of lands, p. H13760; (30-191); Vote: Yea.

OCTOBER 23, 1967

Roll Call No. 330. Call of the House, p. H 13785. Answered.

Roll Call No. 331. Call of the House, p. H 13793. Answered.

Roll Call No. 332. Call in Committee, p. H 13796. Answered.

Roll Call No. 333. H. R. 11627. Amends the act of June 16, 1948, to authorize the State of Maryland, by and through its State roads commission or the successors of said commission, to construct, maintain, and operate certain additional bridges and tunnels in the State of Maryland. On passage, p. H 13800; (344-9); Vote: Yea.

OCTOBER 24, 1967

Roll Call No. 334. Call of the House, p. H 13851. Answered.

Roll Call No. 335. H. R. 9960. Makes appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1968. Conference report—On motion to recommit with instructions, p. H 13862; (184-208); Vote: Nay.

Roll Call No. 336. H. R. 9960. Makes appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1968. Conference report—On Glaimo (Conn. motion to recede and concur in Senate amendments Nos. 58 and 59, p. H 13871; (156-241); Vote: Yea.

Roll Call No. 337. H. R. 9960. Makes appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1968. Conference report—On Yates (Ill.) motion to recede and concur in Senate amendment No. 67, p. H 13879; (151-251); Vote: Yea.

Roll Call No. 338. H. R. 13606. Makes appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968. On passage, p. H 13888; (362-26); Vote: Yea.

OCTOBER 25, 1967

Roll Call No. 339. Call of the House, p. H 13933. Answered.

Roll Call No. 340. H. R. 11641. Makes appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Inter-oceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1968. Conference Report—On motion to recommit, p. H 13944; (117-278); Vote: Nay.

Roll Call No. 341. H. R. 11641. Makes appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Inter-oceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1968. Conference Report—On Kirwan (Ohio) motion to recede and concur in Senate Amendment No. 2 (\$1,010,823,000 in lieu of \$935,074,000 for river and harbors, etc., projects including studies, plans and specifications) with an amendment (in lieu of the sum proposed insert: \$968,474,000, of which \$875,000 shall be available to continue planning on the Dickey-Lincoln School Dam and Reservoir, Maine), p. H 13954; (162-236); Vote: Yea.

Roll Call No. 342. H. R. 11641. Makes appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Inter-

oceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1968. Conference Report—On Kirwan (Ohio) motion to recede and concur in Senate amendment No. 2 with an amendment (in lieu of the sum proposed, insert \$967,599,000), p. H 13955; (284-111); Vote: Yea.

OCTOBER 26, 1967

Roll Call No. 343. H. R. 9960. Makes appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1968. Conference Report—On motion to recommit with instructions, p. H 14043; (184-198); Vote: Nay.

Roll Call No. 344. H. R. 9960. Makes appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, offices, and the Department of Housing and Urban Development for the fiscal year ending June 30, 1968. Conference Report—On agreeing to, p. H 14044; (297-88); Vote: Yea.

Roll Call No. 345. H. R. 13510. Increases the basic pay for members of the uniformed services. On passage, p. H 14060; (386-2); Vote: Yea.

Roll Call No. 346. H. R. 2508. Requires the establishment, on the basis of the eighteenth and subsequent decennial censuses, of congressional districts composed of contiguous and compact territory for the election of Representatives. Conference Report—On motion to recommit with instructions, p. H 14077; (82-283); Vote: Nay.

Roll Call No. 347. H. R. 2508. Requires the establishment, on the basis of the eighteenth and subsequent decennial censuses, of congressional districts composed of contiguous and compact territory for the election of Representatives. Conference Report—On agreeing to, p. H 14078; (241-106); Vote: Nay.

OCTOBER 30, 1967

Roll Call No. 348. Call of the House, p. H 14142. Answered.

Roll Call No. 349. H. R. 10915. Regards reduction of extra-long-staple cotton quota. On motion to recommit the bill to the Committee on Agriculture, p. H 14156; (101-244); Vote: Yea.

Roll Call No. 350. H. R. 10915. Regards reduction of extra-long-staple cotton quota. On passage, p. H 14157; (276-63); Vote: Yea.

OCTOBER 31, 1967

Roll Call No. 351. Call of the House, p. H 14215. Answered.

Roll Call No. 352. Call in Committee, p. H 14221. Answered.

Roll Call No. 353. Call in Committee, p. H 14248. Answered.

Roll Call No. 354. H. R. 12144. Clarifies and amends the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs. On passage, p. H 14257; (403-1); Vote: Yea.

NOVEMBER 1, 1967

Roll Call No. 355. Call of the House, p. H 14316. Answered.

Roll Call No. 356. Call in Committee, p. H 14343. Absent.

NOVEMBER 2, 1967

Roll Call No. 357. Call of the House, p. H 14392. Answered.

Roll Call No. 358. Call in Committee, p. H 14428. Answered.

Roll Call No. 359. S. 780. Amends the Clean Air Act to authorize planning grants to air pollution control agencies; expand research provisions relating to fuels and vehicles; provide for interstate air pollution control agencies or commissions; and authorize the

establishment of air quality standards. On passage, p. H 14452; (362-0); Vote: yea.

NOVEMBER 3, 1967

Roll Call No. 360. Call of the House, p. H 14531. Answered.

Roll Call No. 361. H. Res. 966. Provides for consideration of S. 2398 to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, and to authorize an Emergency Employment Act. On agreeing to resolution, p. H 1539; (262-39); Vote: yea.

NOVEMBER 6, 1967

Roll Call No. 362. H. R. 11565. Amends section 358 of the Agricultural Adjustment Act of 1938. On motion to suspend rules and pass, p. H 14598; (256-57); Vote: General Pair.

Roll Call No. 363. S. J. Res. 33. Establishes a National Commission on Product Safety. On motion to suspend rules and pass as amended, p. H 14604; (206-102); Vote: General Pair.

Roll Call No. 364. H. R. 3639. Protects the public health by amending the Federal Food, Drug, and Cosmetic Act to consolidate certain provisions assuring the safety and effectiveness of new animal drugs. On motion to suspend rules and pass as amended, p. H 14613; (317-0); Vote: General Pair.

Roll Call No. 365. H. R. 13165. Extends the period during which Secret Service protection may be furnished to a widow and minor children of a former President. On motion to suspend rules and pass, p. H 14616; (302-11); Vote: General Pair.

Roll Call No. 366. S. J. Res. 114. Extends the duration of copyright protection in certain cases. On motion to suspend rules and pass, p. H 14618; (309-6); Vote: General Pair.

Roll Call No. 367. H. R. 3982. Amends section 409 of title 37, United States Code, relating to the transportation of house trailers and mobile dwellings of members of the uniformed services. On motion to suspend rules and pass as amended, p. H 14621; (319-0); Vote: Paired For.

Roll Call No. 368. H. R. 13669. Amends section 2734 of title 10 of the United States Code to permit the use of officers of any of the services on claims commissions; amends section 2734a of title 10 to authorize the use of Coast Guard appropriations for certain claims settlements arising out of Coast Guard activities; and amends sections 2736 of title 10 to authorize advance payments in cases covered by sections 2733, and 2734 of title 10 and section 715 of title 32 involving military claims. On motion to suspend rules and pass, p. H 14624; (318-0); Vote: Paired For.

Roll Call No. 369. S. 1552. Amends the Highway Safety Act of 1966. On motion to suspend rules and pass as amended, p. H 14627; (252-65); Vote: General Pair.

Roll Call No. 370. S. 423. Authorizes the use of additional funds to defray certain increased costs associated with the construction of the small-boat harbor at Manele Bay, Lanai, Hawaii. On motion to suspend rules and pass, p. H 14630; (291-25); Vote: General Pair.

NOVEMBER 7, 1967

Roll Call No. 371. Call of the House, p. H 14707. Answered.

Roll Call No. 372. Call in Committee, p. H 14741. Answered.

NOVEMBER 8, 1967

Roll Call No. 373. Call of the House, p. H 14825. Answered.

Roll Call No. 374. S. 1872. Amends further the Foreign Assistance Act of 1961. Conference report—On motion to recommit with instructions, p. H 14835; (196-200); Vote: Nay.

Roll Call No. 375. S. 1872. Amends further the Foreign Assistance Act of 1961. Conference Report—On adoption, p. H 14835; (205-188); Vote: Yea.

Roll Call No. 376. Call of the House, p. H14923. Answered.

NOVEMBER 9, 1967

Roll Call No. 377. Call of the House, p. H 14954. Answered.

Roll Call No. 378. H.R. 11641. Makes appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, The Atomic Energy Commission, the Atlantic-Pacific Inter-oceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1968. On Hathaway motion to concur in the amendment of the Senate (strike out \$967,599,000 and insert: \$968,474,000—includes Dickey-Lincoln School Dam and Reservoir, Maine) to the House amendment to the Senate amendment No. 2, p. H 14958; (118-264); Vote: yea.

Roll Call No. 379. Call of the House, p. H 14959. Answered.

Roll Call No. 380. H.R. 8569. Makes appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1968. On agreeing to conference report, p. H 14989; (354-6); Vote: General pair.

NOVEMBER 13, 1967

Roll Call No. 381. Call of the House, p. H 15062. Answered.

NOVEMBER 14, 1967

Roll Call No. 382. Call of the House, p. H 15163. Answered.

Roll Call No. 383. Call of the House, p. H 15168. Answered.

Roll Call No. 384. Call in Committee, p. H 15172. Answered.

NOVEMBER 15, 1967

Roll Call No. 385. Call of the House, p. H 15284. Answered.

Roll Call No. 386. S. 2388. Provides an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, and to authorize an Emergency Employment Act. On Gurney of Florida amendment that no funds or personnel made available for such program (whether conducted pursuant to this section or any other section in this part) shall be utilized (A) to organize or assist in organizing any unlawful demonstration of civil disturbance, or (B) for the defense of any person charged with participating therein, or with the commission of a crime committed in the course thereof, if such person organized, or assisted in organizing any such demonstration, or civil disturbance, p. H 15362; (332-79); Vote: yea.

Roll Call No. 387. S. 2388. Provides an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, to authorize an Emergency Employment Act. On motion to recommit with instructions, p. H15363; (221-190); Vote: Nay.

Roll Call No. 388. S. 2388. Provides an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, to authorize an Emergency Employment Act. On passage, p. H15364; (283-129); Vote: Yea.

NOVEMBER 16, 1967

Roll Call No. 389. Call of the House, p. H15402. Answered

Roll Call No. 390. H. Res. 978. Waives points of order against H.R. 13893. On ordering the previous question, p. H15412; (200-190); Vote: May.

Roll Call No. 391. Call in Committee, p. H15417. Answered.

Roll Call No. 392. Call in Committee, p. H15422. Answered.

NOVEMBER 17, 1967

Roll Call No. 393. Call of the House, p. H15498. Answered.

Roll Call No. 394. H.R. 13893. Makes appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1968. On motion to recommit, p. H15527; (135-177); (failed); Vote: Nay.

Roll Call No. 395. H.R. 13893. Makes appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1968. On passage, p. H15528; (167-143); Vote: Yea.

Roll Call No. 396. H. Res. 509. Provides for consideration of H.R. 8, a bill to amend the Internal Security Act of 1950. On agreeing to resolution, p. H15532; (212-37); Vote: General Pair.

NOVEMBER 20, 1967

Roll Call No. 397. Call of the House, p. H15565. Answered.

Roll Call No. 398. Call of the House, p. H15577. Answered.

Roll Call No. 399. H.R. 13933. Amends section 103 of title 23, United States Code, to authorize modifications or revisions in the Interstate System. On motion to suspend rules and pass, p. H15583; (361-1); Vote: Yea.

Roll Call No. 400. H.R. 12010. Grants the consent of the United States to the Wheeling Creek Watershed Protection and Flood Prevention District compact. On motion to suspend rules and pass as amended, p. H15591; (356-2); Vote: Yea.

Roll Call No. 401. H.R. 9063. Amends the International Claims Settlement Act of 1949, as amended, to provide for the timely determination of certain claims of American nationals. On motion to suspend rules and pass as amended, p. H15599; (349-10); Vote: Nay.

Roll Call No. 402. H.R. 11527. Directs the Secretary of Agriculture to release on behalf of the United States conditions in a deed conveying certain lands to the University of Maine and provides for conveyance of certain interests in such lands so as to permit such university, subject to certain conditions, to sell, lease, or otherwise dispose of such lands. On motion to suspend rules and pass, as amended, p. H15601; (327-24); Vote: Yea.

NOVEMBER 21, 1967

Roll Call No. 403. Call of the House, p. H15674. Answered.

Roll Call No. 404. H.R. 6430. Amends the public health laws relating to mental retardation to extend, expand, and improve them. On agreeing to conference report, p. H15683; (354-0); Vote: Yea.

Roll Call No. 405. H.R. 6418. Amends the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities. On agreeing to conference report, p. H15686; (348-3); Vote: Yea.

Roll Call No. 406. S. 1031. Amends further the Peace Corps Act (75 Stat. 612), as amended. On motion to recommit with instructions, p. H15704; (141-204); Vote: Nay.

Roll Call No. 407. S. 1031. Amends further the Peace Corps Act (75 Stat. 612), as amended. On passage, p. H15705; (312-32); Vote: Yea.

Roll Call No. 408. Call of the House, p. H15706. Answered.

NOVEMBER 27, 1967

Roll Call No. 409. Call of the House, p. H15818. Answered.

Roll Call No. 410. H.R. 12603. Supplements the purposes of the Public Buildings Act of 1959 (73 Stat. 479), by authorizing agreements and leases with respect to certain properties in the District of Columbia, for the

purpose of a national visitor center. On passage, p. H15843; (317-34); Vote: yea.

Roll Call No. 411. S. 1003. Amends the Flammable Fabrics Act to increase the protection afforded consumers against injurious flammable fabrics. On passage, p. H15853; (345-0); Vote: yea.

NOVEMBER 28, 1967

Roll Call No. 412. Call of the House, p. H15893. Answered.

Roll Call No. 413. H.J. Res. 936. Makes continuing appropriations for the fiscal year 1968. On passage, p. H15895; (368-13); Vote: yea.

Roll Call No. 414. H. Res. 985. Provides for consideration of H.R. 2275 with the Senate amendments thereto. On ordering the previous question, p. H15901; (202-179); Vote: yea.

Roll Call No. 415. H.R. 12601. Amends certain provisions of the Internal Security Act of 1950 relating to the registration of Communist organizations. On passage, p. H15930; (269-104); Vote: yea.

NOVEMBER 29, 1967

Roll Call No. 416. Call of the House, p. H15982. Answered.

Roll Call No. 417. H.R. 12144. Clarifies and otherwise amends the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs. On Smith (Iowa) motion that the managers on the part of the House be instructed to agree to the Senate amendment to H.R. 12144, p. H15990; (166-207); Vote: yea.

Roll Call No. 418. H.R. 13706. Amends the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended. On motion to recommit with instructions, p. H16007; (102-269); Vote: yea.

NOVEMBER 30, 1967

Roll Call No. 419. Call of the House, p. H16077. Answered.

DECEMBER 4, 1967

Roll Call No. 420. Call of the House, p. H16155. Answered.

Roll Call No. 421. H.R. 11276. Authorizes appropriations to carry out the Adult Education Act of 1966 for 2 additional years. On motion to suspend rules and pass as amended, p. H16161; (352-0); Vote: Yea.

Roll Call No. 422. H.R. 13054. Relates to age discrimination in employment. On motion to suspend rules and pass, p. H16176; (344-13); Vote: Yea.

Roll Call No. 423. H. Res. 996. Provides for agreeing to the request of the Senate for a conference on the bill (S. 2171) to amend the Subversive Activities Control Act of 1950 so as to accord with certain decisions of the courts.

On agreeing to resolution, p. H16190; (287-59); Vote: Yea.

DECEMBER 5, 1967

Roll Call No. 424. Call of the House, p. H16293. Answered.

DECEMBER 6, 1967

Roll Call No. 425. Call of the House, p. H16328. Answered.

Roll Call No. 426. H.R. 6111. Provides for the establishment of a Federal Judicial Center. On agreeing to conference report, p. H16334; (231-126); Vote: Yea.

Roll Call No. 427. H.R. 12144. Clarifies and amends the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs. On agreeing to conference report, p. H16355; (336-28); Vote: Yea.

DECEMBER 11, 1967

Roll Call No. 428. Call of the House, p. H16558. Answered.

Roll Call No. 429. S. 2388. Economic Opportunity Amendments of 1967. On agreeing

to conference report, p. H16572; (247-149); Vote: Yea.

Roll Call No. 430. H.J. Res. 888. Makes continuing appropriations for the fiscal year 1968. On motion to order the previous question, p. H 16584; (213-183); Vote: Yea.

Roll Call No. 431. H.J. Res. 888. Makes continuing appropriations for the fiscal year 1968. On motion to recede and concur in amendment No. 2, with an amendment, p. H 16585; (368-26); Vote: Yea.

Roll Call No. 432. Call of the House, p. H 16615. Answered.

Roll Call No. 433. H.R. 7977. Adjusts certain postage rates and the rates of basic compensation for certain officers and employees in the Federal Government.

On motion to recede from disagreement to the Senate amendment and concur with an amendment, p. H 16617; (327-62); Vote: Yea.

DECEMBER 12, 1967

Roll Call No. 434. Call of the House, p. H 16718. Answered.

Roll Call No. 435. H.R. 14397. Supplemental appropriations for the fiscal year ending June 30, 1968. On passage, p. H 16724; (305-79); Vote: Yea.

Roll Call No. 436. H.R. 4765. Relates to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956. On agreeing to conference report, p. H 16732; (274-104); Vote: Yea.

Roll Call No. 437. H.R. 10595. Prohibits certain banks and savings and loan associations from fostering or participating in gambling activities. On agreeing to conference report, p. H 16736; (289-74); Vote: Yea.

DECEMBER 13, 1967

Roll Call No. 438. Call of the House, p. H 16853. Answered.

Roll Call No. 439. H.R. 12080. Social Security Amendments of 1967. On agreeing to conference report, p. H 16881; (390-3); Vote: Yea.

Roll Call No. 440. Call of the House, p. H 16882. Answered.

Roll Call No. 441. S. 2171. Amends the Subversive Activities Control Act. On agreeing to conference report, p. H 16888; (276-114); Vote: Yea.

DECEMBER 14, 1967

Roll Call No. 442. Call of the House, p. H 16995. Answered.

Roll Call No. 443. H.R. 13893. Foreign Assistance and Related Agencies Appropriation Act, 1968. On motion to recommit, p. H 17003; (196-185); Vote: Nay.

DECEMBER 15, 1967

Roll Call No. 444. H.R. 13893. Foreign Assistance and Related Agencies Appropriation Act, 1968. On agreeing to conference report, p. H 17134; (198-158); Vote: Yea.

Roll Call No. 445. H.R. 14397. Supplemental appropriations, 1968. On motion to recommit, p. H 17146; (108-255); Vote: Nay.

Roll Call No. 446. H.R. 7819. Elementary and Secondary Education Amendments of 1967. On agreeing to conference report, p. H 17177; (286-73); Vote: Yea.

Roll Call No. 447. H.R. 12555. Liberalizes provisions relating to payment of veterans pensions. On passage, p. H 17192; (354-0); Vote: Yea.

JOHNSON GAINS MAJORITY SUPPORT WITHIN OWN PARTY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HOLIFIELD] 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 Hawaii?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, Presi-

dent Johnson is going to be nominated as our Democratic Party candidate and he is going to be reelected as President.

In my own State, California, I am pleased to call your attention to a recent poll—the Don Muchmore State Poll published in the Los Angeles Times—which shows the President the clear choice of our Democrats.

Attorney General Tom Lynch will be carrying the Johnson banner in the June primary and the poll shows the following, as of today:

	Percent
Tom Lynch slate.....	63
Senator McCarthy.....	18
Don't know.....	19

The Democrats are uniting behind the President. We know the only alternative, a Republican administration, would be intolerable in terms of the programs for our people. We must not take this backward step.

In our congressional delegation, I am glad to note that so far 17 members have advised the President and Tom Lynch that they will be supporting and working for this ticket.

The 17 include our esteemed Chairman CECIL KING, myself, and the following: JEFFERY COHELAN, JAMES C. CORMAN, RICHARD HANNA, AUGUSTUS F. HAWKINS, HAROLD T. JOHNSON, ROBERT L. LEGGETT, JOHN J. MCFALL, GEORGE P. MILLER, JOHN E. MOSS, EDWARD R. ROYBAL, B. F. SISK, JOHN F. TUNNEY, LIONEL VAN DEERLIN, JEROME R. WALDIE, CHARLES H. WILSON.

There are others who have been invited to be on this list. The door is open.

Every State Democratic Party official—without exception—is working with us. This includes State Party Chairman Charles Warren; northern chairman, Bob Coate; southern chairman, Senator Al Song; National Committeeman Gene Wyman; National Committeewoman Ann Alanson; State woman's chairman, Eleanore Fowle; northern woman's chairman, Charlotte Dansforth; and southern woman's chairman, Jane Tolmach.

Both men who contested for the 1964 Johnson delegation leadership—former Gov. Pat Brown and Mayor Sam Yorty of Los Angeles—have publicly indicated their strong support for President Johnson.

And I am happy to state today that nearly every leader, and a great many members of the State legislature, assembly, and senate, have asked to join the Lynch delegation.

Division in our ranks is the only threat to Democratic victory. Our ranks are closed. We will win.

Following is the complete text of the State poll:

[From the Los Angeles Times, Jan. 16, 1968]

JOHNSON GAINS MAJORITY SUPPORT WITHIN OWN PARTY

(By Don M. Muchmore)

If California Democrats could decide today who would be the Democratic nominee for President in 1968, President Johnson would be their choice, according to the State Poll.

For the first time since its inception in 1965 the State Poll found the President to be enjoying the support of a majority of California's Democrats.

The State Poll reported last September that, at that time, 39% of California's Demo-

crats said they would vote for a "Peace Delegation" to the national convention as compared to 42% for a slate of delegates pledged to Mr. Johnson.

MCCARTHY VERSUS PRESIDENT

When Minnesota Sen. Eugene J. McCarthy, who recently announced he is a candidate for the Democratic nomination for President because he opposes Johnson's Vietnam policies, is matched with the President in the place of a "Peace Delegation," the results are as follows:

*In the June 4, 1968, primary election you will be asked to vote for a slate of delegates to represent California at the Democratic National Convention in Chicago. The Democratic nominee for President of the United States will be chosen at this convention. If the following delegations appear on the ballot, for which one would you vote?"*

	Percent
Eugene McCarthy delegation (a slate of delegates pledged to support McCarthy) .....	18
Thomas Lynch delegation (an uncommitted slate of delegates favoring Mr. Johnson) .....	63
Don't know.....	19

As indicated above, when California voters actually go to the polls this June they will not vote directly for a presidential candidate. They will, instead, elect a delegation to the national convention where their party's nominees for President will be chosen.

Under this system, it is quite possible that the selection of the winning delegation may be influenced by the popularity of the leaders of the delegation.

In this instance, the appearance of California's popular Democratic Atty. Gen. Thomas C. Lynch as chairman of the "Johnson delegation" may well have influenced the vote.

CROSS SECTION DRAWN

In order to determine which one of the Democratic presidential hopefuls California Democrats would like to see selected as their party's nominee for President, a scientifically drawn cross section of Democratic California voters was asked:

*Who would you like to see nominated as the Democratic nominee for President of the United States:*

	Percent
Johnson .....	43
Robert F. Kennedy.....	18
McCarthy.....	5
Ted Kennedy.....	1
Mayor Sam Yorty.....	1
George C. Wallace.....	1
Miscellaneous .....	6
Don't know.....	25

The above question is "open-end" and designed to give an indication of the identification of each candidate, as well as measure basic strength. As can be readily seen, Sen. McCarthy has little identification among California voters.

POPULARITY NOTED

This recent surge in Mr. Johnson's popularity among members of his own party is further dramatized when he is matched head-to-head with Sen. Robert Kennedy.

The State Poll has previously reported in June and July, 1966, and March 1967, that if Robert Kennedy were a candidate for the Democratic nomination for President he would lead Mr. Johnson as the choice of California Democrats.

When these same voters were recently asked, "If the contest for the Democratic nomination for President of the United States were between these men, for which one would you vote?" they responded as follows:

	Percent
Johnson .....	49
Sen. Robert F. Kennedy.....	43
Don't Know.....	8

When asked how they would vote if the contest were between McCarthy and President Johnson, Democratic voters responded as follows:

	Percent
Johnson .....	73
McCarthy .....	18
Don't Know .....	8

Kennedy was matched against Mr. Johnson in this survey solely to provide a basis for comparative analysis of the Johnson vs. McCarthy contest.

In the last State Poll, Kennedy was not matched against the President because of his repeated statements that he will not oppose Mr. Johnson for President in 1968.

#### HUMPHREY COMPARISON

However, in order to obtain a measurement of reaction among California Democratic voters as to what would happen if Mr. Johnson, for any reason, were not a candidate for reelection, The State Poll matched Vice President Humphrey against both Sens. Kennedy and McCarthy. The results follow:

*If the contest for the Democratic nomination for President of the United States were between these men, for which one would you vote?*

	Percent
Humphrey .....	29
Kennedy .....	58
Don't Know .....	13

Between these two:	Percent
Humphrey .....	53
McCarthy .....	25
Don't Know .....	22

It is apparent that McCarthy has thus far been unsuccessful in his bid to capture California's Democratic vote; in fact, he has not even been successful in rallying to his cause those Democrats who have previously indicated disaffection with Mr. Johnson.

And it is equally apparent that as the alternatives to Mr. Johnson are becoming more clearly defined, many voters who have expressed general discontent with the President are now indicating they prefer him over the alternatives offered to date.

Thursday The State Poll will present the results of questions posing a hypothetical election contest between President Johnson and each of the Republican hopefuls.

In addition, The State Poll will present an analysis of how Wallace will affect the results of the general election if he decides to enter the presidential race as a third-party candidate.

#### THE SMALL BUSINESS ADMINISTRATION'S SCORE PROGRAM

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Rhode Island [Mr. ST GERMAIN] 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 Hawaii?

There was no objection.

Mr. ST GERMAIN. Mr. Speaker, the progressive advancement of Rhode Island's business economy is being ably assisted by a versatile and experienced core of 29 eager volunteers. These volunteers, affiliated with the Small Business Administration's SCORE program—Service Corps of Retired Executives—have extended professional business advice to approximately 400 Rhode Island small businesses since the program's inception 3 years ago.

Rhode Island's SCORE volunteers, un-

der the very capable guidance of Chairman Joseph G. Knight, of Warwick, are fulfilling their role in a cooperative relationship between Government and business, a relationship which President Lyndon B. Johnson terms "creative federalism."

Mr. Speaker, the impact which SCORE is making on Rhode Island's expanding economy is told by Harold Kirby in the Providence Evening Bulletin, October 6, 1967. A feature article on the outstanding efforts of SCORE Chairman Knight by Martha Matzke appeared in the same issue of the Bulletin.

I commend Mr. Kirby and Miss Matzke and insert the two stories at this point in the RECORD:

[From the Providence (R.I.) Evening Bulletin, Oct. 6, 1967]

#### STRICTLY SENIOR—RETIRED BOSSES AID BUSINESSES

(By Harold Kirby)

Women, it would appear, dominate nearly all the organizations and agencies in this state whose primary concern involves people of advanced age, especially those in need of help of one sort or another. But there is at least one whose leaders are almost exclusively men, older men, who have furnished practical assistance to adults of all ages, young, middle and older. Twenty-eight of them are men and one is a woman.

The organization is the Service Corps of Retired Executives (SCORE), affiliated closely with the Small Business Administration. Since it was formed about three years ago, SCORE has extended professional business advice and, with the help of SBA, financial help, to around 400 individuals and firms. There have been some failures, some mistakes, but only a tiny percentage, says Joseph G. E. Knight of Warwick, the present chairman.

And that is precisely what might be expected, considering the 1500-odd years of administrative experience represented in SCORE. All members are retired executives and all serve without pay, with the exception of those who, from time to time, are incorporated for a specific job and limited time into SBA.

One such group is in Alaska, studying disaster problems, helping to process loan applications and gathering experience that can and will, if necessary, be used in the event of some disaster, such as a hurricane might cause, in Rhode Island.

"The government is lucky to have such a variety of talent and experience at its disposal and we in this state are fortunate to have this group ready to help us in case we need them," said Charles F. McGinley of the SBA, coordinator of SCORE.

To get an idea of the sort of service provided by SCORE, take the example of Samuel Shlevin of Pawtucket, whose family has been active in the operation of the Presco Department Store there since 1908. Along came redevelopment and the displacement of Mr. Shlevin's firm. SCORE went to work, carefully surveyed Mr. Shlevin's needs, found him a building (the old New York Lace Store on Main Street, Pawtucket) and provided him with cash from the SBA to furnish, equip and stock his new store. Noting the effectiveness of this help, others applied, many of them receiving assistance that enabled them to remain in business, even to expand.

Kenneth V. Coombs, 68, of Barrington was the first SCORE chairman, an expert in the construction and leasing of manufacturing plants and a government purchasing agent during the second world war. He was succeeded by William J. Madison, 74, of Crans-

ton, former director of sales and consumers products for Atlantic Tube & Rubber.

Then there is Alston C. Drew, 62, of Warwick, long versed in the mysteries of manufacturing controls and devices; John Graham, 68, of Rumford, a products engineer; Irving A. Hunt, 75, of Pawtucket, skilled in the management of products planning; Leon Messerlian, 74, of Providence, former owner and president of Peerless Paper Company; Camilo Rodriguez, 68, former executive vice president and assistant treasurer of the Davol Rubber Company and a specialist in foreign sales, and Henry W. Migliaccio, president of Migley Corporation and an expert, not only on real estate, but diamonds.

These are but a few of the older generation still active. They work closely with the SBA, and with its director, Charles J. Fogarty, and cost coordinator, William J. Lynch. One of them was so impressed with the whole operation and learned so much that he retired from retirement and is now running his own packaging firm again.

[From the Providence (R.I.) Evening Bulletin, Oct. 6, 1967]

#### NOW HE'S BUSIER THAN EVER WITH HIS HOBBIES

(By Martha Matzke)

Boston, Manchester, N.H. Olneyville, West Warwick, Portland, Me., Gardner, Mass., Norwich, Conn., Newport, Middletown, West Hartford, Fall River.

A New England gazetteer? Or the locations of Sears & Roebuck stores in which one former Englishman-turned-American-retailer has spent 36 working years. The list could be the former but happens to indicate some roadstops in the career of Joseph G. E. Knight of Warwick.

Mr. Knight retired from the Sears & Roebuck Co. three years ago at the age of 55. "I decided that after 36 years of work money was the only incentive and I had a lot of other things I preferred to do."

As you might expect of a man who makes that kind of decision, Mr. Knight turned the word "retirement" into just another leg of his working journey.

While marking time with his long standing hobbies of gardening and colonial furniture-making, the store manager saw a classified advertisement for executives to work for the Service Corps of Retired Executives.

He answered the ad and was invited to Washington to discuss the project with federal government officials who were sponsoring the idea.

The organization, as Mr. Knight described it the other day, was to work with the Small Business Administration to help businessmen relocate their companies after being forced to move in federal redevelopment projects. The government hoped to tap the resources of business knowledge in men like Mr. Knight.

He liked the idea and agreed to help set up a chapter in Rhode Island. Before he left Washington, Mr. Knight submitted to an F.B.I. investigation, a necessary precaution since SCORE volunteers (they receive no pay) would be working with federal funds.

Three years and many jobs later, Mr. Knight's retirement is as chimerical as it was on the day he went to Washington. His latest project, for instance, has been to relocate the Pawtucket department store of Samuel Shlevin, owner of this family operation begun on Roosevelt Avenue in 1908.

SCORE's aid was enlisted two years ago to find a new place for the store. There were 18 months of negotiations before Mr. Knight secured the use of Pawtucket's old New York Lace Store on Broad Street for Mr. Shlevin.

Renovation of the lace store took only six weeks, with Mr. Knight planning, supervising, arranging the entire operation. Presco's Department Store opened in August, complete with colored streamers over the door,

shiny signs advertising discounts on piles of neat looking merchandise, and the smell of newness everywhere.

Quick work, but Mr. Knight discounts his speed. "Look," he said with a shrug, "at Sears & Roebuck I did everything. I had to know how to be a plumber, electrician, craftsman. You can't sell something or explain how an item works if you don't understand it yourself."

Mr. Knight remarked that his early days with Sears even included cleaning restrooms and sweeping floors. The shadow of Horatio Alger was not as dim then as it seems now.

Mr. Knight was born in Staffordshire, England, and received his education in that country. His school, Streatham Hill College, no longer exists, he noted. It was blitzed during World War II.

The young man came to Boston with his family in 1926, and it was at the end of a summer as a bell-boy on Nantucket that he happened to see a Sears & Roebuck "help wanted" ad in a local paper.

While on the road for Sears, Mr. Knight married and raised three sons. Two are married and one is attending the University of Rhode Island.

Mr. Knight is now starting to assist the new tenant in the basement of Mr. Shlevin's store, a yard goods concern.

In his work for SCORE chapter 13, the second oldest in the country, Mr. Knight may next be asked to go anywhere in Rhode Island, to help a number of different kinds of small businesses.

Just a few more pinpoints on his map.

#### NUCLEAR NONPROLIFERATION TREATY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. GALLAGHER] 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 Hawaii?

There was no objection.

Mr. GALLAGHER. Mr. Speaker, the presentation of identical United States and Soviet drafts of the Nuclear Nonproliferation Treaty last week in Geneva was an event of major significance in the search for a world secured by peace. The accord between the United States and the Soviet Union on this draft treaty represents a concrete example of President Johnson's leadership in this Nation's quest for a peaceful world.

The negotiation of a Nuclear Nonproliferation Treaty, is the fourth major effort to bring the atom under effective control. Today, 12 countries are capable of producing nuclear weapons and five nations—the United States, the Soviet Union, Britain, France, and Red China—hold nuclear arsenals in readiness. Other countries could conceivably produce nuclear weapons within 2 years—including Israel, Japan, India, Canada, West Germany, Switzerland, and Sweden.

To have reached accord with the Soviets on this important draft treaty—a treaty in which scrupulous attention was paid to the concerns of our allies and of the non-nuclear-weapon states as well as to the primary objective of preventing the spread of nuclear arms—reflects great credit upon those who have labored at these negotiations for 3 long years.

President Johnson by his leadership and overall direction and William C.

Foster by his dedicated and brilliant service as head of the U.S. Arms Control and Disarmament Agency are responsible for this momentous achievement. Without such tireless work our success thus far would not have been possible.

Mr. Speaker, I have been privileged to serve now for 6 years as an adviser to the U.S. Arms Control and Disarmament Agency. In this capacity, I have seen at first hand the skill and dedication of those who serve this Nation in a meaningful and fruitful search for a way to stability and accord among the nations of the world. The Nuclear Test Ban Treaty of 1963, the Outer Space Treaty, and the "hot line" agreement—which was used to such good effect during the Middle East crisis—and now the draft Nuclear Nonproliferation Treaty all bear witness to the wisdom of having established this Agency to specialize in matters of arms control.

The rash actions of the North Koreans in seizing an American ship in international waters on Monday demonstrates again that sovereign nations do not necessarily act with wisdom and reason. The aim of the Nuclear Nonproliferation Treaty is to keep the weapons of world destruction from spreading throughout the world and complicating situations, like the one we face today in Korea, by hanging the cataclysmic terror of nuclear weapons in the balance. Certainly the incineration of the world always weighs in our considerations, but now, at least, the buttons are controlled by only five nations and not 105.

Mr. Speaker, from personal experience, I am convinced that the successes of the U.S. Arms Control and Disarmament Agency in the past coupled with the dangerous challenges of the future demand a strong vote to extend its life and an appropriation of full resources for its work.

#### THE INTERSTATE HIGHWAYS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. ROONEY] 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 Hawaii?

There was no objection.

Mr. ROONEY of Pennsylvania. Mr. Speaker, for the second time in 2 years a freeze has been placed upon distribution of Federal highway construction funds and for the second time in 2 years I am conveying my strong objections to Secretary of Transportation Alan S. Boyd.

It is utterly inconsistent for the administration to ask Congress to spend \$85 million for highway beautification this year when, on the other hand, it is holding up \$600 million in highway construction funds.

If we are going to assign priorities to our spending, and I agree that we must, then it seems vitally important to advance the interstate highway construction program and to defer the beautification of our highways.

The \$600 million which have been frozen come from the Federal highway

trust fund and are not part of our national general fund budget. These funds are derived from Federal taxes on gasoline, tires, and on heavy vehicles. They are funds provided by highway users for highway construction and improvements.

This new freeze on highway funds can only slow down construction of our National System of Interstate and Defense Highways. It will slow down the elimination of highway safety hazards and the replacement of inadequate and overcrowded highways, thus delaying efforts nationwide to reduce the tragic toll of highway deaths and injuries.

Already, our Federal highway construction program is lagging far behind our objectives for completion of 41,000 miles of interstate highway by 1970. We should not defer a program of such tremendous national importance.

On the other hand, the highway beautification program if re-funded, will represent increased spending from the general fund budget. I favor our beautification efforts, but our citizens are demanding spending reductions. They deserve Government economy and any householder will tell you that when a budget must be tightened and spending reduced, the first cuts must eliminate the frills.

Several important highway programs are being advanced at this time in my own congressional district. They are vital to the safe and fast movement of cars and trucks and will have a tremendously favorable impact on the area's economy and future growth. A new Interstate Route 78 is but one of these.

To defer right-of-way acquisition and construction of these highways will inflate their costs. But if the rights-of-way are acquired now and the highways constructed now, we can avoid land speculation and spiraling costs. And the dollars saved by prompt action will more than offset the costs later to beautify these highway corridors.

#### THE PRESIDENT'S PROMISING JOB PROGRAM

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. GONZALEZ] 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 Hawaii?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, President Johnson has declared that the "first essential" on the domestic front facing this Congress is turning up useful jobs for the Nation's hard-core unemployed. His manpower proposals, which I fully support will go far in accomplishing this objective.

Nearly 7 full years of unbroken economic expansion have carried us far, pushing employment, wages, and production to new heights, but a large body of Americans have been left behind.

These are society's forgotten legion—the victims of ethnic and racial prejudice, language barriers, poor health, little or no education, or skills, and other factors.

Government surveys have revealed

that there are pockets of impoverished, unemployed persons tucked away in bleak, crowded slum areas of our big cities.

So among our most important manpower efforts are those focused on providing a wide range of social and manpower services to those hard-core cases in these target slum areas.

To reach these needy Americans, concentrated employment programs are already operating in 20 cities and two rural areas.

In San Antonio, for example, several hundred persons have been placed in jobs or work-experiences, job-training or basic education activities under the city's concentrated employment program.

These concentrated job efforts reach down into these target slum areas and provide the hard-core jobless with whatever assistance they need to become self-respecting, productive workers.

President Johnson, in his message to the Congress on manpower, has proposed a well-conceived program to enlist industry's assistance in solving hard-core unemployment.

I urge every Member of the 90th Congress to see that this much-needed program is adopted. Failure to do so would be a national tragedy.

#### SUPPORT FOR THE PRESIDENT'S MESSAGE ON EMPLOYMENT

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. WILLIAM D. FORD] 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 Hawaii?

There was no objection.

Mr. WILLIAM D. FORD. Mr. Speaker, I fully support the proposals contained in President Johnson's outstanding message on employment.

The President's new \$2.1 billion manpower program deserves our prompt attention and full support. I believe the proposed partnership between Government and industry is the best solution yet devised to end the persistent problem of hard-core unemployment.

Our present manpower programs have already proved successful. Our past efforts have moved hundreds of thousands of disadvantaged people into well-paying permanent jobs. For example, the first Neighborhood Youth Corps project in Detroit resulted in a job placement record of more than 85 percent. And the President has presented a realistic goal of 500,000 jobs for unemployed in the next 3 years.

But Government can not do the job alone. We are ready for the next step. We need the help of business and industry, with all its know-how and vast resources. Private enterprise must be given the opportunity to train and hire the so-called unemployables. Several companies in Detroit, notably Ford and General Motors, shocked by the summer riots and moved by the plight of the jobless, have already begun. The President's proposals

will encourage others to move in the same direction. Let us combine the experience gained by three years of Government experimentation with the resources of business and industry for a massive attack on poverty and unemployment. We can do this by acting quickly and positively on the President's manpower proposal.

#### PRESIDENT JOHNSON'S CHOICE OF HENRY FORD II TO AID JOB PROGRAM IS AN EXCELLENT APPOINTMENT

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. NEDZI] 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 Hawaii?

There was no objection.

Mr. NEDZI. Mr. Speaker, I am delighted that President Johnson has selected one of America's most enlightened and progressive industrialists, Mr. Henry Ford II, to head the National Alliance for Businessmen to promote the administration's new private industry job program.

Mr. Ford has long been in the forefront of social and humanitarian causes in this country. And he has worked closely with this administration as a member of the President's Advisory Committee on Labor-Management Policy and as a member of the Business Council.

Mr. Ford has also been extremely active in the Detroit area—helping to establish job training and placement programs for hard-core unemployed in the area.

I am certain that under Mr. Ford's leadership, the National Alliance of Businessmen will become an important factor in the development of a close working relationship between the public and private sectors for the creation of new jobs for thousands of Americans.

The Congress, I am sure, wishes Mr. Ford and his colleagues on the alliance good luck and Godspeed in this vital work.

#### WASHINGTON REPORT TO MICHIGAN'S 12TH CONGRESSIONAL DISTRICT

Mr. MATSUNAGA. 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. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, as the new year begins and Congress reconvenes, as has been my practice in the past, I am sending a newsletter to my constituents relating the major actions taken by the 90th Congress during its first session and outlining what lies ahead ahead for the second session.

I have reported on the status of congressional action on anticrime legislation, the discussion concerning the President's proposal for an income tax surcharge, the very significant legislation enacted

to protect the consumer, and increased benefits for those receiving social security and the broad new benefits available to veterans of the Vietnam conflict.

Mr. Speaker, a nonpartisan group of distinguished citizens in my district are now working to establish a memorial to President John F. Kennedy. In connection with this campaign, I included in the newsletter a photograph of President Kennedy and myself taken during a visit Mr. Kennedy made to Macomb County, Mich., in 1960. The photo is printed over a caption which reads: "JFK Memorial Drive Begins." In 1950 John F. Kennedy, then campaigning for the Presidency, toured Macomb County. I am chairman of a group of Macomb County citizens who are now raising funds for a Macomb County memorial to President Kennedy. Contributions and offers of assistance may be made to the John F. Kennedy Macomb Memorial Committee, 215 South Gratiot Avenue, Mt. Clemens."

Mr. Speaker, I ask unanimous consent that the text of this Washington Report to Michigan's 12th Congressional District, be printed at this point in the RECORD, as follows:

#### CONGRESSMAN O'HARA'S WASHINGTON REPORT TO MICHIGAN'S 12TH CONGRESSIONAL DISTRICT MUCH REMAINS TO BE DONE IN 1968

The recently adjourned first session of the 90th Congress is now history.

It gave President Johnson strong support in consumer protection, education and health and welfare. With an eye on the balance sheet, it cut and trimmed the President's budget by some \$5 billion.

Social Security benefit increases, action to insure that meat sold for the dinner table is fresh and wholesome, that drapes and bedding are fire-resistant, and continued aid to education all were enacted in the final days of the session.

As the 90th Congress convenes for its second session, anti-crime legislation, a comprehensive jobs program, truth in lending, election reform and national parks—including Sleeping Bear Dunes in Michigan—are on the agenda.

In this personal report, I have highlighted some of the accomplishments of the first session, and listed major items of unfinished business demanding action in 1968. Much remains to be done.

#### CRIME, RIOT ACTION STALLS

1967 was a sad and tragic year in our cities. The flames of Detroit and Newark were accompanied by smaller outbreaks in cities across the nation.

Action to deal adequately with the nation's number one domestic problem—crime and riots—leads the list of unfinished business for the 90th Congress.

At mid-session, I introduced legislation to establish a \$300 million grant program to help communities develop programs, train law enforcement personnel and buy equipment to prevent and control lawlessness and rioting.

President Johnson proposed the comprehensive "Safe Streets and Crime Control Act" to establish a smaller \$50 million anti-crime and riot program.

The House has approved the President's anti-crime legislation, including an amendment to it I proposed creating a \$30 million fund for anti-riot grants to state and local governments. This is a downpayment on the larger sum which is still needed.

Anti-crime and riot legislation is now ensnarled in the Senate Judiciary Committee.

Greater federal support is needed, and needed quickly to help local law enforce-

ment agencies deal with lawlessness and violence.

But no less important is getting idle men off the streets and into jobs. I have authored legislation—co-sponsored by 80 members of Congress of both parties—to provide a million jobs in public service for those out of work. The Guaranteed Employment Act will, I believe, be a start toward eradication of some of the root causes of violence in our streets.

#### HIGHER TAXES OR INFLATION?

##### Higher taxes or inflation?

This was the dilemma that faced the 90th Congress during its first session. Tax debate promises to be even more intense in 1968.

President Johnson has asked Congress to approve a 10 per cent surcharge on taxes as an anti-inflation measure.

Here is the problem: economists see a booming economy in the U. S. next year. This economic boom, they say will be accompanied by inflation.

The tax increase would curb this inflation by taking some money out of circulation, thus helping to keep prices down.

Recognizing that federal spending significantly above tax revenues during periods of relatively full production also contributes to inflationary pressures, Congress has trimmed some \$5 billion from President Johnson's budget requests. In addition, Congress passed a resolution directing federal spending reductions equal to two per cent of payroll and 10 per cent of controllable spending items.

There is wide misunderstanding of just what a 10 per cent tax surcharge means. Simply put, a taxpayer would compute his taxes on last year's scale and add 10 per cent of the amount due. A person who pays \$100 a year in Federal taxes would pay \$110 with the surtax. Persons with incomes of \$5,000 and under are exempt from the surtax.

What does this mean to the average taxpayer?

Let's consider a family of four with an income of \$7,500. The surtax would add about \$70 to their federal income tax. If the surtax is enacted, and inflation slowed, this family's cost of living will probably increase 3 per cent a year.

Without the surtax, and if inflation occurs as economists predict, the cost of living may increase by as much as 7 per cent a year—4 per cent higher than it would have with a tax increase. In dollars and cents, this more rapid increase of 4 per cent in the cost of living would mean that a family of four will have to pay about \$100 more per year to purchase the food, clothing and appliances they will need.

If the tax increase could hold price increases to around 3 percent per year, the surtax would actually save a family of four \$30 per year, since the cost of inflation to it would have been \$100 and the cost of the tax increase would be \$70.

Of course, all this is conditional upon a substantial economic boom next year.

If the boom does not occur, then there will be no need for the surtax. Another important factor to keep in mind:

Taxes can be cut, as they were in 1964. In fact, the proposed tax increase is far less than the amount of the 1964 tax cut. When there is no further need for the surtax as an inflation-fighter, it can be repealed.

But once inflationary prices are established only severe economic recession—painful to everyone's pocketbook—can pull prices down.

#### CONSUMER ACTION AFFECTS YOUR SAFETY, POCKETBOOK

Is the meat you eat pure? Will the blankets on your bed resist flame from a dropped match or cigarette? How much do you *actually* pay in interest on your revolving charge account?

These are some of the major issues before

Congress that affect *you* as the consumer. They are of vital importance to your pocketbook, health—and your life.

Here is what Congress has done—and hasn't done—on some important consumer measures:

**Meat:** Legislation to insure that all meat produced will equal federal standards for purity and wholesomeness was passed by Congress and signed into law. Within three years, 15,000 meat packing plants not now subject to federal inspection will have to come up to federal standards for cleanliness, purity and wholesomeness of the meat they produce.

**Flammable fabrics:** Legislation tightening up control of flammable fabrics—extending coverage to household furnishings—was enacted into law.

The original Flammable Fabrics Act was enacted in 1953 after quick-burning boy's cowboy chaps and "torch" sweaters caused death and disfigurement. It covered only items of wearing apparel.

However many home fires are fueled by tinder like material used for rugs, bedding and drapes. Now all articles of home furnishings will have to pass federal tests for flammability.

Interestingly, baby receiving blankets, in which nearly every mother wraps her infant, are not classified as wearing apparel by the Federal Trade Commission. Yet they are sometimes made of material that burns easily and quickly. With the broadening of the law, baby blankets—and all blankets—will have to pass flammability tests.

**Truth in lending:** A letter from a constituent crossed my desk last week, with this story: "We recently purchased some furniture, and to our amazement, the finance company sent us a book of payments showing that on the balance of \$400, the charge for 12 months came to \$40"—an effective interest rate of nearly 20 per cent.

In many cases, buyers are not aware of the total credit cost until after they sign the papers, receive their payment book, and then sit down and compute the actual interest on the decreasing balance.

The Senate has approved truth-in-lending legislation which covers the usual long-term finance loans. However, the Senate bill omits department store revolving charge accounts. A bill now pending in the House does include revolving charge accounts, and I am hopeful that this type loan will be covered in the legislation that is enacted into law.

**Hazardous mail:** Another bill I co-sponsored would prohibit the unsolicited mailing of potentially dangerous sample items, such as drug products and razor blades, which might fall into the hands of children.

The legislation listed above is generally termed "consumer" legislation because it affects the health, safety or pocketbooks of many citizens.

But it is all too true that, as Consumer Counsel Betty Furness said recently, "I have found that the voice of the consumer is apt to be a whimper rather than a roar."

#### SOCIAL SECURITY BENEFITS UP

Nearly 24 million Americans will get increased social security benefits beginning with the check they receive in March.

Congress has amended the Social Security Act to increase benefits by an average 13 per cent. President Johnson had asked for a 15 per cent increase.

The minimum monthly benefit was increased from \$44 to \$55.

Another important change: a person receiving social security benefits can now earn up to \$1680 per year at a job without losing any benefits, instead of \$1500, the old limit.

To finance these benefit increases, the wage base for payment of social security taxes was raised from \$6600 to \$7800.

A pamphlet explaining the new changes in Social Security will be published soon. If you would like a copy, or any information

about Social Security, please write to me at my Washington office, 2241 House Office Building, Washington, D.C. 20515.

#### VET'S PENSIONS, AID INCREASED

Veterans who served during the Vietnam conflict are now eligible for broad new benefits as a result of Congressional action. Veterans pensions have been increased. Cold War G.I. Bill allowances were increased by about 20%.

A new pamphlet explaining new benefits enacted by Congress last year will be published soon. If you would like a copy or have any questions about veterans' benefits, write me at my Washington office, 2241 House Office Building, Washington, D.C. 20515.

#### I'LL BE ASKING FOR YOUR VIEWS

##### What's your opinion?

That's what I'll be seeking when I send out my 1968 questionnaire to residents of Michigan's 12th Congressional District.

The questions will include several based on President Johnson's State of the Union legislative proposals.

The questionnaire should be in the mail to all residents sometime in February.

#### ONE POLICE NUMBER

A single nation-wide emergency telephone number for police and another for fire would curb crime and cut fire losses. I have joined other members of the Michigan delegation in introducing a resolution in the House of Representatives calling for such uniform emergency numbers.

#### I'M YOUR MAN IN WASHINGTON

As your Congressman, I am your man in Washington.

Frequently, I am able to help straighten social security check, aid in getting forms out a paperwork snarl that has held up a processed to help a relative from a foreign country visit the United States or assist a Macomb County serviceman who is having problems with his records in the Pentagon.

And often I am able to get information and publications to help local school children with class projects.

It gives me great satisfaction to be able to help you. If you have a problem involving a federal agency or need information on a subject involving the federal government, please let me know. I'm at your service.

For your convenience, I maintain an office in Mount Clemens at 215 South Gratiot Avenue, telephone 465-0911. Or write to me directly at my Washington office, Room 2241, House Office Building.

If you are planning to visit Washington, let me know three or four weeks in advance. I will be happy to send you helpful information about the Capital, the Government and the city, and try to arrange special tours of the White House and the Federal Bureau of Investigation that will make your visit even more enjoyable and informative.

Sincerely,

JAMES G. O'HARA.

#### SYMPATHY EXTENDED TO GEN. CARLOS ROMULO

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. MORGAN] 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 Hawaii?

There was no objection.

Mr. MORGAN. Mr. Speaker, I rise to extend my deepest sympathy to Gen. Carlos Romulo on the untimely passing of his dear wife. During the time Mrs. Romulo lived in the United States while her distinguished husband served his

country at the United Nations Headquarters, and in Washington, she won a host of friends and admirers through her gracious spirits, her keenness of mind and her kindness of heart. Like her husband, she was a staunch friend of the American people, and during the war she gave constant proof of a valiance of spirit that evoked the admiration of all. Everyone who had the pleasure and privilege of knowing this brave and patriotic lady of our sister republic will deeply mourn her passing and extend heartfelt condolences to her grieving family.

#### IS PATRIOTISM DEAD?

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. HOWARD] 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 Hawaii?

There was no objection.

Mr. HOWARD. Mr. Speaker, much has been said and written recently about the moral condition of America's youth. I believe that those young people who have brought discredit upon themselves are not at all representative of an overwhelming proportion of today's youth. In support of this contention, I offer two excellent compositions, entitled "Is Patriotism Dead?", by Peter Baldwin and Kathleen Bradley, both eighth grade students in Keansburg, N.J. They were the winners in a recent essay contest sponsored by the Greater Keansburg, N.J., Junior Chamber of Commerce. The compositions follow:

#### IS PATRIOTISM DEAD?

(By Peter Baldwin)

To say that Patriotism is dead is like saying that love is dead and everyone knows that life itself, would cease if there was no love. Patriotism, like love, is a catalyst which appears dormant until tested.

Who can forget the agony of Philip Nolan in "The Man Without a Country" when he was exiled for an impetuous remark? Would

we understand his agony if the fire of patriotism wasn't kindled within us? The ingredients of the human mind and heart have not changed since the poet said, "Breathes there the man with soul so dead that never to himself hath said 'this is my own, my native land'." In our midst today, there are Pershings, MacArthurs, and Eisenhows. Witness Adlai Stevenson who gave his last breath in the service of his country; General Westmoreland who is forced to withstand the most adverse criticism in the performance of an assignment which he believes is in his country's best interest. The President, Lyndon Johnson himself has sacrificed the cheers of the multitude in the performance of a duty which he feels is right.

What name can we give to the annual journeys of the late beloved Cardinal Spellman but patriotism? He brought comfort to the boys who risked their lives for their country throughout the world.

Current history tells us that when Pearl Harbor was attacked, although the discouragement of a great depression was still upon us, the eligible men stormed the recruiting offices the following day.

Today, we have misguided individuals who are prey to the propaganda that selfish interests are keeping the war going and sacrificing our manhood. However, these are in the minority and the fighting men themselves, disagree radically with this outlook. While naturally, no one wants to die regardless of how just the cause, these men are convinced that the safety of our citizens and the preservation of our form of government justifies their sacrifice.

Even though certain legislation relating to the war on poverty, better race relations, and increased subsidies to agriculture and education mean additional tax burdens, we authorize our representatives to approve them because we realize they are necessary for the common good. If this is not patriotism, what is?

If anything, the brand of patriotism today is purer and richer by reason of the fact that today we are patriotic by choice in our affluent society rather than by necessity as was the case in a young, growing, dependent country.

#### IS PATRIOTISM DEAD?

(By Kathleen Bradley)

It is a sad day when an American must ask himself this question for in a democracy, such as ours, patriotism is practiced every day. Patriotism is love for one's country. It

is a love so deep that nothing else matters. People aren't born with patriotism. It is instilled in them. It is a shame when prominent figures such as Dr. Benjamin Spock openly protest the war and have to be arrested. In a society such as ours where freedom of speech is granted to all men it should be used in good taste and maturely. To openly desecrate the flag or denounce your country is in a sense immoral. These people are only looking for excuses to cover their cowardice. But they are far outnumbered by people who care what happens and will give their lives to prove it.

When an eighteen year old boy is drafted and has to represent his country on the battlefields of Southeast Asia he proves to himself and to the world that he is a man. Such valor does not go unrewarded. It will be rewarded when defenseless villagers are no longer terrorized by Communism and they can lead normal lives again. It is this kind of a person who keeps the fire of patriotism burning. This is the kind of person who makes our country what it is today, not the peace-loving flower child.

It is the duty of every American to uphold and support what is morally right for the people of his country and the world. You can be sure it takes a real patriot to leave his family and stake his life for a cause which does not touch his own life. But if he doesn't, this terrible thing known as Communism may someday touch his life, drastically. Whether you believe your country is right or wrong you should fight when called upon.

#### VOTES ON MAJOR ISSUES IN FIRST SESSION, 90TH CONGRESS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. RHODES] 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 Hawaii?

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, I believe it is my responsibility to make known to my constituents my legislative record. Following is a listing of how I was recorded on the major votes taken during the first session of this 90th Congress:

Date (1967)	Issue	Vote	Date (1967)	Issue	Vote
Jan. 10	Election of Speaker (McCormack, 246; Ford, 186)	McCormack.	May 3	Appropriate \$2,041,826,133 supplemental funds for military and civilian pay increases, etc. (yea 391, nay 6)	Yea.
	Resolution to administer oath of office to Adam Clayton Powell (yea 126, nay 305)	Nay.	9	Authorize \$21,481,032,000 for missiles, aircraft, naval vessels, and tracked combat vehicles, and research (yea 401, nay 3)	Yea.
	Resolution to refer seating of Adam Clayton Powell to special committee (yea 363, nay 65)	Nay.	17	Delete rent supplement program from housing and urban development appropriation (yea 232, nay 171)	Nay.
Feb. 8	Provide temporary increase public debt limit (yea 215, nay 199)	Yea.		Delete model cities program from housing and urban development appropriation (yea 193, nay 213)	Nay.
20	Strengthen Reserve components of Armed Forces (yea 325, nay 13)	Yea.		Appropriate \$10,013,178,782 for 16 Federal agencies and Department of Housing and Urban Development (yea 347, nay 56)	Yea.
Mar. 1	Resolution (excluding Adam Clayton Powell from membership in the 90th Cong. (yea 248, nay 176)	Yea.		Authorize mental health centers through 1970 (yea 354, nay 0)	Yea.
8	Authorize supplemental defense appropriations of \$4,548,200,000 (yea 364, nay 13)	Yea.	24	Authorize \$3,500,000,000 for programs under Elementary and Secondary Education Act in fiscal 1969 (yea 294, nay 122)	Yea.
9	Resolution to support emergency food aid to India (yea 312, nay 63)	Yea.	25	Extend draft for 4 years (yea 362, nay 9)	Yea.
15	Extend interest equalization tax (yea 261, nay 138)	Yea.	June 5	Provide additional free letter mail and air transportation mailing privileges for members of the Armed Forces (yea 316, nay 0)	Yea.
16	Appropriate \$12,196,520,000 supplemental Defense Department funds (yea 385, nay 11)	Yea.	6	Appropriate \$4,770,580,950 for Department of Agriculture (yea 357, nay 38)	Nay.
	Restore 7-percent investment tax credit and accelerated depreciation practices (yea 386, nay 2)	Yea.	12	Authorize adjustments outstanding silver certificates (yea 234, nay 109)	Yea.
20	Extend compensation and pensions to veterans of Vietnam period and their dependents; expand educational assistance (yea 360, nay 0)	Yea.	13	Appropriate \$70,295,200,000 for Department of Defense	Yea.
22	Appropriate \$7,499,230,000 for Treasury and Post Office Departments for fiscal 1968 (yea 371, nay 7)	Yea.	19	Establish Federal Judicial Center (yea 230, nay 97)	Yea.
	Resolution supporting concept of Latin American Common Market (yea 234, nay 117)	Yea.		Extend Older Americans Act (yea 332, nay 0)	Yea.
Apr. 5	Provide funds for House Un-American Activities Committee (yea 350, nay 43)	Yea.		Extend Wetlands Acquisition Act (yea 329, nay 8)	Yea.
11	Extend period for mediation pending railroad strike (yea 396, nay 8)	Yea.		Increase cost of migratory bird hunting stamps (yea 238, nay 97)	Nay.
	Revise copyright laws (yea 379, nay 29)	Yea.	20	Conference report on extending draft (yea 377, nay 29)	Nay.
13	Create House Committee on Standards of Official Conduct (yea 400, nay 0)	Yea.		Prohibit desecration of American flag (yea 385, nay 16)	Yea.
20	Establish nuclear desalting plant in California (yea 315, nay 38)	Nay.	21	Raise national debt limit (yea 217, nay 196)	Nay.
27	Appropriate \$1,365,310,150 for Interior Department (yea 377, nay 11)	Yea.	27	Authorize Teacher Corps (yea 312, nay 88)	Yea.
	Establish congressional districts on basis of equal population, nongerrymandered (yea 289, nay 63)	Yea.	July 11	Extend Civil Rights Commission (yea 284, nay 89)	Yea.
			12	Establish National Water Commission (yea 369, nay 19)	Yea.
			17	Provide for compulsory arbitration in railway labor dispute (yea 244, nay 148)	Nay.

Date (1967)	Issue	Vote	Date (1967)	Issue	Vote
July 19	Antiriot bill (yea 347, nay 70)	Yea.	Oct. 24	Appropriation for model cities program (yea 156, nay 241)	Yea.
20	Rat Control and Extermination Act of 1967 (yea 176, nay 207)	Yea.		Restore rent supplements contract authority denied by the House (yea 151, nay 251)	Yea.
Aug. 1	Authorize \$2,378,843,000 for military construction (yea 394, nay 2)	Yea.	26	Increase military pay (yea 386, nay 2)	Yea.
8	Anticrime bill (yea 377, nay 23)	Yea.	31	Wholesome Meat Act of 1967 (yea 403, nay 1)	Yea.
10	Authorize mid-decade population census (yea 255, nay 127)	Yea.	Nov. 2	Air Quality Act of 1967 (yea 362, nay 0)	Yea.
14	Appropriate \$92,380,000 for San Felipe water project (yea 235, nay 83)	Yea.	6	Extend term of existing copyrights (yea 309, nay 6)	Yea.
16	Provide penalties for certain acts of violation or intimidation (yea 326, nay 93)	Yea.	15	Authorize \$1,600,000,000 for antipoverty program (yea 283, nay 129)	Yea.
17	Provide increase in social security benefits (yea 416, nay 3)	Yea.	21	Authorize \$115,700,000 for the Peace Corps (yea 312, nay 32)	Yea.
	Increase benefits and pensions for veterans of earlier wars (yea 404, nay 0)	Yea.	27	Create National Visitors Center (yea 316, nay 34)	Yea.
21	Authorize grants to States for basic vocational rehabilitation services (yea 340, nay 0)	Yea.	28	Improve Flammable Fabrics Act (yea 345, nay 0)	Yea.
	Authorize \$2,815,408,000 for foreign economic and military aid (yea 202, nay 194)	Yea.	Dec. 4	Extend adult education program through 1970 (yea 352, nay 0)	Yea.
Sept. 11	Provide disability and death benefits for State and local police officers enforcing Federal law (yea 310, nay 0)	Yea.		Prohibit employers and others from discriminating against workers or potential workers between age 40 and 65 because of age (yea 344, nay 13)	Yea.
14	Reduce Appalachian funds for nonhighway programs (yea 199, nay 161)	Nay.	6	Establish Federal Judicial Center (yea 231, nay 126)	Yea.
	Authorize \$886,700,000 for Appalachia (yea 189, nay 168)	Yea.		Adopt conference report on Wholesome Meat Act of 1967 (yea 336, nay 28)	Yea.
19	Food stamp program (yea 196, nay 155)	Yea.	11	Adopt conference report on Antipoverty Amendments of 1967 (yea 247, nay 149)	Yea.
20	Authorize grants to States and nonprofit private agencies for health programs (yea 395, nay 7)	Yea.		Adopt provision for \$9,000,000,000 reduction in budgeted fiscal 1968 obligations for executive branch agencies (yea 368, nay 26)	Yea.
	Extend grant programs for construction mental retardation facilities (yea 389, nay 0)	Yea.		Adopt conference report on postal rate-Federal pay bill (yea 327, nay 62)	Yea.
21	Extend Educational Television Facilities Act (yea 265, nay 91)	Yea.	15	Adopt conference report on Elementary and Secondary Education Act amendments (yea 286, nay 73)	Yea.
Oct. 4	Provide for stop-mail orders in cases of mail fraud (yea 353, nay 32)	Yea.		Protect veterans and their dependents from pension cuts when social security benefits increase (yea 354, nay 0)	Yea.
11	Postal rates-Federal pay increase (yea 319, nay 89)	Yea.			
17	Establish independent Federal Maritime Administration (yea 326, nay 44)	Yea.			
19	Strengthen laws governing conduct in Capitol buildings (yea 336, nay 20)	Yea.			
	Make it Federal crime to obstruct Federal criminal investigations (yea 275, nay 47)	Yea.			

**STATEMENT BY HON. BOB ECKHARDT ON THE PRESIDENT'S MESSAGE ON OCCUPATIONAL HEALTH AND SAFETY**

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. ECKHARDT] 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 Hawaii?

There was no objection.

Mr. ECKHARDT. Mr. Speaker, the President's message on occupational safety and health gives great encouragement to those of us who have long been deeply concerned with the suffering and the anxiety occasioned by occupational hazards and the threat of community disaster. My district embraces the great turning basin of the Port of Houston, the expansive railroad yards, as well as a basic steel plant, the largest refinery in the world, and much of the great Gulf crescent chemical complex. These facilities are the source of prosperity and jobs but they also harbor industrial hazards. A high official of the Coast Guard has called the Houston ship channel a great wick that could set off a disastrous chain of explosions in the highly flammable industrial complex lining the Houston ship channel.

I have had occasion recently to confirm the President's conclusion that the Federal Government offers the workers today only a patchwork of obsolete and ineffective laws. He refers to the major law, the Walsh-Healey Act, which was passed more than three decades ago and points out that its coverage is limited to workers performing Government contracts. It was this law that I used to obtain investigation by Department of Labor safety authorities of both the Armco molten pig iron spill and the Shell Refinery explosion. But inspectors can only demand an adequate investigation and report by industry itself. There are no Federal standards and no provision for authoritative published conclusions of an investigation.

I shall immediately work to implement the President's program on occupational safety and health by legislation, by spurring administrative action, and encouraging State concern.

No industry should be permitted to unfairly compete against other industry subject to strict State safety legislation or self-imposed safety standards. To permit the unregulated and callous manufacturer to sell its product cheaper, without the added cost of safety security for the workers, is to permit it to coin the carnage of its workers.

Thus, there is at least as strong a Federal justification for basic standards of safety as there is for standards of minimum wages.

The President is to be applauded for emphasizing the great need for remedial action in this field.

**LET UNITED NATIONS SETTLE U.S.S. "PUEBLO" INCIDENT**

Mr. MATSUNAGA. 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 Hawaii?

There was no objection.

Mr. MATSUNAGA. Mr. Speaker, the seizure of the U.S. patrol ship *Pueblo* by the North Koreans was a dastardly act of piracy on the high seas if in fact the incident happened 25 miles off the coast of North Korea.

There appears to have been a clear violation of international law, and every possible means should be sought to bring the culprits to speedy justice.

But while such aggressive acts on the part of the North Koreans may appropriately call for immediate and drastic action on our part, let us not respond too hastily and do what we may later regret. Let us turn to that international machinery set up to settle disputes such as this—the United Nations. That instrument for peace proved its effectiveness in the recent Middle East crisis.

Let us give it a chance once again to prove that it merits our support. After all, we are the principal contributors to its continued existence. Let us "keep our cool."

**LEAVE OF ABSENCE**

By unanimous consent, leave of absence was granted to:

Mr. LENNON for January 24, and the remainder of the week, on account of Tobacco Subcommittee of House Agricultural Committee public hearings in North Carolina.

Mr. MATHIAS of Maryland (at the request of Mr. GERALD R. FORD), for today, on account of official business.

Mr. MOSS, for period from January 23 through February 15, 1968, on account of official committee business.

Mr. DON H. CLAUSEN (at the request of Mr. GERALD R. FORD), for January 24 through February 15, 1968, on account of official committee business.

Mr. CRAMER (at the request of Mr. GERALD R. FORD), for January 24 through February 17, 1968, on account of official committee business as a member of the House Committee on Public Works.

**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. WAGGONER, for 10 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. HALPERN (at the request of Mr. STANTON), for 10 minutes, today; to revise and extend his remarks and include extraneous matter.

**EXTENSIONS OF REMARKS**

By unanimous consent, permission to extend remarks was granted to:

(The following Members (at the request of Mr. STANTON) and to include extraneous matter:)

Mr. FINDLEY.

Mr. QUILLEN in four instances.  
 Mr. KEITH in three instances.  
 Mr. GERALD R. FORD.  
 Mr. HOSMER in two instances.  
 Mr. LUKENS.  
 Mr. VANDER JAGT.  
 Mr. PELLY.  
 Mr. GOODLING.  
 Mr. PETTIS.  
 Mr. MICHEL in two instances.  
 Mr. ESHLEMAN.  
 Mr. McDADE.  
 Mr. MORSE of Massachusetts.  
 Mr. MILLER of Ohio.  
 Mr. ESCH.  
 Mr. DENNEY.  
 Mr. BLACKBURN in two instances.  
 Mrs. DWYER in three instances.  
 Mr. SCHWENGEL.  
 Mr. DERWINSKI.

The following Members (at the request of Mr. MATSUNAGA) and to include extraneous matter:)

Mr. EILBERG.  
 Mr. TUCK.  
 Mr. MINISH in two instances.  
 Mr. MCCARTHY in 10 instances.  
 Mr. HERLONG.  
 Mr. IRWIN in six instances.  
 Mr. LONG of Maryland.  
 Mr. NIX in four instances.  
 Mr. UDALL.  
 Mr. ROONEY of Pennsylvania.  
 Mrs. MINK in two instances.  
 Mr. ULLMAN in five instances.  
 Mr. MILLER of California in five instances.  
 Mr. GONZALEZ in two instances.  
 Mr. GREEN of Pennsylvania in three instances.  
 Mr. BRASCO.  
 Mr. O'HARA of Michigan.  
 Mr. EDWARDS of California.  
 Mr. HEBERT.  
 Mr. CASEY.  
 Mr. STAGGERS.  
 Mr. THOMPSON of New Jersey.

#### SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 132. Joint resolution extending the dates for transmission of the Economic Report and the report of the Joint Economic Committee.

#### ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 827. An act to amend the Presidential Inaugural Ceremonies Act.

#### BILL PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 827. An act to amend the Presidential Inaugural Ceremonies Act.

#### ADJOURNMENT

Mr. MATSUNAGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 37 minutes p.m.) the House adjourned until tomorrow, Wednesday, January 24, 1968, 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:

1377. A letter from the Secretary of the Treasury, transmitting a report entitled "Maintaining the Strength of the U.S. Dollar in a Strong and Free World Economy" (H. Doc. No. 241); to the Committee on Banking and Currency and ordered to be printed with illustrations.

1378. A letter from the President, Gorgas Memorial Institute of Tropical and Preventive Medicine, transmitting the 39th annual report of the work and operations of the Gorgas Memorial Laboratory, covering the fiscal year ended June 30, 1967, together with the examination of financial statements for the same period by the Comptroller General, pursuant to the provisions of 22 U.S.C. 278a (H. Doc. No. 220); to the Committee on Foreign Affairs and ordered to be printed with illustrations.

1379. A letter from the Deputy Secretary of Defense, transmitting a report setting forth the financial condition and operating results of working capital funds at June 30, 1967, pursuant to the provisions of 10 U.S.C. 2208; to the Committee on Armed Services.

1380. A letter from the Secretary of the Air Force, transmitting a report on the progress of the Reserve Officer Training Corps flight training program for the calendar year 1967, pursuant to the provisions of section 2110(b) of title 10, United States Code; to the Committee on Armed Services.

1381. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to eliminate the reserve requirements for Federal Reserve notes and for U.S. notes and Treasury notes of 1890; to the Committee on Banking and Currency.

1382. A letter from the Commissioner, District of Columbia, transmitting the annual report of the Office of the Civil Defense of the District of Columbia, pursuant to the provisions of Public Law 81-686; to the Committee on District of Columbia.

1383. A letter from the Secretary of the Treasury, transmitting the semiannual consolidated report of balances of foreign currencies acquired without payment of dollars, as of June 30, 1967, pursuant to the provisions of Public Law 87-195; to the Committee on Foreign Affairs.

1384. A letter from the Chairman, Foreign Claims Settlement Commission of the United States, transmitting the 25th semiannual report of the Commission as of December 31, 1966, pursuant to the provisions of 62 Stat. 1246, as amended, and 64 Stat. 13, title 22, United States Code, as amended; to the Committee on Foreign Affairs.

1385. A letter from the Associate Director, Bureau of Land Management, Department of the Interior, transmitting a report of negotiated sales contracts for disposal of materials during the period July 1 through December 31, 1967, pursuant to the provisions of Public Law 87-689; to the Committee on Interior and Insular Affairs.

1386. A letter from the Acting Director,

U.S. Arms Control and Disarmament Agency, transmitting the annual report of the Agency for the calendar year 1967, pursuant to the provisions of title 5, United States Code; to the Committee on Post Office and Civil Service.

1387. A letter from the Secretary of the Interior, transmitting the first report on the national requirements and costs of water pollution control, pursuant to the provisions of section 16(a) of the Federal Water Pollution Control Act; to the Committee on Public Works.

1388. A letter from the Assistant Secretary of Defense (Installations and Logistics), transmitting the report on Department of Defense procurement from small and other business firms for July-November 1967, pursuant to the provisions of section 10(d) of the Small Business Act; to the Committee on Banking and Currency.

1389. A letter from the Secretary of Labor, transmitting a draft of proposed legislation entitled "Occupational Safety and Health Act of 1968"; to the Committee on Education and Labor.

1390. A letter from the Secretary of Labor, transmitting a draft of proposed legislation to extend certain expiring provisions under the Manpower Development and Training Act of 1962, as amended; to the Committee on Education and Labor.

1391. A letter from the Comptroller General of the United States, transmitting a report of substantial annual savings available through elimination of uneconomical shipments of military parts and other material, Department of the Air Force; to the Committee on Government Operations.

1392. A letter from the Comptroller General of the United States, transmitting the annual report on the activities of the U.S. General Accounting Office during the fiscal year ended June 30, 1967, pursuant to the provisions of section 312(a) of the Budget and Accounting Act of 1921; to the Committee on Government Operations.

1393. A letter from the Secretary of the Treasury, transmitting the combined statement of receipts, expenditures, and balances of the U.S. Government for the fiscal year ended June 30, 1967, pursuant to the provisions of 31 U.S.C. 66b; to the Committee on Government Operations.

1394. A letter from the Chairman, U.S. Civil Service Commission, transmitting a report of a position in grade GS-18 which has been established, pursuant to the provisions of section 5114 of title 5, United States Code; to the Committee on Post Office and Civil Service.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SISK: Committee on Rules. House Resolution 1035. Resolution providing for the consideration of H.R. 14563, a bill to amend the Railroad Retirement Act of 1937 and the Railroad Unemployment Insurance Act to provide for increase in benefits, and for other purposes (Rept. No. 1057). Referred to the House Calendar.

Mr. YOUNG: Committee on Rules. House Resolution 1036. Resolution providing for the consideration of H.R. 3274, a bill to preserve the domestic gold mining industry and to increase the domestic production of gold (Rept. No. 1058). Referred to the House Calendar.

Mr. YOUNG: Committee on Rules. House Resolution 1037. Resolution providing for the consideration of H.R. 5605, a bill to provide for the establishment of the Florissant Fossil Beds National Monument in the State of

Colorado (Rept. No. 1059). Referred to the House Calendar.

Mr. YOUNG: Committee on Rules. House Resolution 1038. Resolution providing for the consideration of S. 306, an act to increase the amounts authorized for Indian adult vocational education (Rept. No. 1060). Referred to the House Calendar.

Mr. YOUNG: Committee on Rules. House Resolution 1039. Resolution providing for the consideration of H.R. 1340, a bill to authorize the Secretary of the Interior to accept donations of land for, and to construct, administer, and maintain an extension of the Blue Ridge Parkway in the States of North Carolina and Georgia, and for other purposes (Rept. No. 1061). Referred to the House Calendar.

Mr. O'NEILL of Massachusetts: Committee on Rules. House Resolution 1040. Resolution providing for the consideration of S. 2419, an act to amend the Merchant Marine Act, 1936, with respect to the development of cargo container vessels, and for other purposes (Rept. No. 1062). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 983. Resolution creating a select committee to conduct an investigation and study of the retirement benefits available to Members of the House of Representatives (Rept. No. 1063). Referred to the House Calendar.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BRINKLEY:

H.R. 14767. A bill to equalize civil service retirement annuities and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. COLLIER:

H.R. 14768. A bill relating to the deduction for Federal income tax purposes of contributions to certain organizations promoting approval of State constitutional conventions; to the Committee on Ways and Means.

By Mr. CUNNINGHAM:

H.R. 14769. A bill to amend title 39, United States Code, to regulate the mailing of master keys for motor vehicle ignition switches, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PIRNIE (for himself and Mr. CONABLE):

H.R. 14770. A bill to provide that for Federal estate and gift tax purposes the value of tangible personal property and of shares of mutual funds shall be determined by the price obtainable on their sale by the executor or donor; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas (by request):

H.R. 14771. A bill to provide that, compensation received by an individual, from the Veterans' Administration for service-connected disability shall not be taken into account as income so as to prevent his occupancy of Government-sponsored housing (or so as to increase the rent which he would otherwise be required to pay); to the Committee on Banking and Currency.

H.R. 14772. A bill to establish September 17 of each year as a legal public holiday known as Constitution Day; to the Committee on the Judiciary.

H.R. 14773. A bill to amend title 38 of the United States Code to provide increased rates of disability compensation, to provide increased rates of dependency and indemnity compensation and pension in the case of certain survivors, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ULLMAN:

H.R. 14774. A bill to authorize the Secretary of the Interior to proceed with a loan

to the Tumalo Irrigation District, Oregon; to the Committee on Interior and Insular Affairs.

By Mr. WALDIE:

H.R. 14775. A bill to amend title 38 of the United States Code to provide increased pensions, disability compensation rates, to liberalize income limitations, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. DUNCAN:

H.R. 14776. A bill relating to dealings between parties to franchise agreements; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama:

H.R. 14777. A bill to amend the Elementary and Secondary Education Act of 1965 to remove any requirement that State and local school authorities coordinate their programs with other public and private programs; to the Committee on Education and Labor.

H.R. 14778. A bill to provide for the disposition of funds appropriated to pay a judgment in favor of the Creek Nation of Indians in Indian Claims Commission docket No. 21, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HECHLER of West Virginia

(for himself, Mr. BINGHAM, Mr. CONYERS, Mr. EDWARDS of California, Mr. FARBSTAIN, Mr. FINDLEY, Mr. GIBBONS, Mrs. GREEN of Oregon, Mr. HALPERN, Mr. HANNA, Mr. HORTON, Mr. HATHAWAY, Mr. MCCARTHY, Mr. MATHIAS of Maryland, Mr. NEDEI, Mr. THOMPSON of New Jersey, Mr. WHALEN, and Mr. UDALL):

H.R. 14779. A bill to establish the Travel Incentive Act of 1968; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Pennsylvania:

H.R. 14780. A bill to provide for an equitable sharing of the U.S. market by electronic articles of domestic and of foreign origin; to the Committee on Ways and Means.

By Mr. O'HARA of Michigan:

H.R. 14781. A bill to permit certain expenditures to be counted as local grants-in-aid to the Quinn Park urban renewal project, Clinton Township, Mich.; to the Committee on Banking and Currency.

By Mr. ROTH:

H.R. 14782. A bill to amend the Poultry Products Inspection Act so as to provide for the Federal inspection of all poultry and poultry products intended for human consumption; to the Committee on Agriculture.

By Mr. WHALEN:

H.R. 14783. A bill to eliminate the reserve requirements for Federal Reserve notes and for U.S. notes and Treasury notes of 1890; to the Committee on Banking and Currency.

By Mr. BROYHILL of Virginia:

H.J. Res. 993. Joint resolution to provide for the designation of the second week of May each year as National School Safety Patrol Week; to the Committee on the Judiciary.

By Mr. EDWARDS of Alabama:

H.J. Res. 996. Joint resolution proposing an amendment to the Constitution of the United States to authorize Congress, by two-thirds vote of both Houses, to override decisions of the Supreme Court; to the Committee on the Judiciary.

By Mr. ESHLEMAN:

H.J. Res. 997. Joint resolution proposing an amendment to the Constitution relating to the terms of office of judges of the Supreme Court of the United States; to the Committee on the Judiciary.

By Mr. GURNEY:

H.J. Res. 998. Joint resolution proposing an amendment to the Constitution of the United States to authorize Congress, by two-thirds vote of both Houses, to override decisions of the Supreme Court; to the Committee on the Judiciary.

By Mr. MICHEL:

H.J. Res. 999. Joint resolution to provide

for the designation of the second week of May of each year as National School Safety Patrol Week; to the Committee on the Judiciary.

By Mr. O'NEAL of Georgia:

H.J. Res. 1000. Joint resolution to provide for the designation of the second week of May of each year as National School Safety Patrol Week; to the Committee on the Judiciary.

By Mr. STEPHENS:

H.J. Res. 1001. Joint resolution authorizing the President to proclaim the period March 3 through 9, 1968, as Circle K Week; to the Committee on the Judiciary.

By Mr. WYMAN:

H.J. Res. 1002. Joint resolution to provide for the designation of the second week of May of each year as National School Safety Patrol Week; to the Committee on the Judiciary.

By Mr. DEVINE:

H. Con. Res. 617. Concurrent resolution expressing the sense of the Congress with respect to the settlement of the indebtedness of the Republic of France to the United States; to the Committee on Ways and Means.

By Mr. GUDE:

H. Res. 1041. Resolution expressing the sense of the House of Representatives with respect to U.S. ratification of the Conventions on Genocide, Abolition of Forced Labor, Political Rights of Women, and Freedom of Association; to the Committee on Foreign Affairs.

By Mr. WILLIS:

H. Res. 1042. Resolution authorizing the expenditure of certain funds for the expenses of the Committee on Un-American Activities; to the Committee on House Administration.

#### PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANNUNZIO:

H.R. 14784. A bill for the relief of Salvatore Gagliardo; to the Committee on the Judiciary.

H.R. 14785. A bill for the relief of Giuseppina Morosi; to the Committee on the Judiciary.

H.R. 14786. A bill for the relief of Cosmina Ruggiero; to the Committee on the Judiciary.

By Mr. BRASCO:

H.R. 14787. A bill for the relief of Giuseppe Lombardo; to the Committee on the Judiciary.

By Mr. CRAMER:

H.R. 14788. A bill for the relief of Elbert C. Moore; to the Committee on the Judiciary.

By Mr. LONG of Louisiana:

H.R. 14789. A bill for the relief of the heirs of Harmon Wallace Jones; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts:

H.R. 14790. A bill for the relief of Omri Symester; to the Committee on the Judiciary.

By Mr. TUCK:

H.R. 14791. A bill for the relief of Miss-I. Pang Ho; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 14792. A bill for the relief of Roseanne Jones; to the Committee on the Judiciary.

#### PETITIONS, ETC.

Under clause 1 of rule XXII,

230. The SPEAKER presented a petition of Hans Spehr and Charlotte Spehr, Hamburg, West Germany, relative to personal income tax returns, which was referred to the Committee on the Judiciary.