SENATE—*Thursday, November 13, 1969*

The Senate met at 9:45 o'clock a.m. and was called to order by Hon. ROBERT C. BYRD, a Senator from the State of West Virginia.

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Almighty God, King of Kings and Lord of Lords, from whom proceedeth all power, and whose kingdom is everlasting, we beseech Thee to look with favor upon all who serve in the Government of this Nation. Imbue them with the spirit of wisdom, goodness, and truth, and so rule their hearts and bless their endeavors that justice and peace may everywhere prevail. Preserve us from public calamities, from conspiracy, rebellion, and violence. Amid the turbulence and uncertainty of these days give both poise and peace to the Members of this body. Help us to translate our dreams into deeds. Make us strong and great in the fear of God and in the love of righteousness, so that being blessed of Thee, we may become a blessing to all nations, to the praise and glory of Thy name. Amen.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will read a communication to the Senate.

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., November 13, 1969.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. ROBERT C. BYRD, a Senator from the State of West Virginia, to perform the duties of the Chair during my absence.

RICHARD B. RUSSELL,
President pro tempore.

Mr. BYRD of West Virginia thereupon took the chair as Acting President pro tempore.

THE JOURNAL

Mr. SCOTT. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, November 12, 1969, be dispensed with.

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

ORDER OF BUSINESS

Mr. SCOTT. Mr. President, it is my understanding that, under a previous order, the distinguished senior Senator from New York (Mr. JAVITS) is to be recognized for not to exceed 15 minutes.

The ACTING PRESIDENT pro tempore. Pursuant to the order of yesterday, the able Senator from New York (Mr. JAVITS) is recognized for not to exceed 15 minutes.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

WESTERN EUROPE AND JAPAN: TRADE WAR OR TRADE PEACE

Mr. JAVITS. Mr. President, I speak today because early next week the Prime Minister of Japan, Mr. Sato, will be here on a very important mission having to do with future trade, and because we have just had a report from the President relating to trade with Latin America that made some very historic proposals.

I have just been to the North Atlantic Assembly meeting as chairman of its Political Committee where the question of the access of U.S. products to the Common Market has met with very great resistance. So we are heading up to what may very well be an historic test in respect to the trade policy of the United States.

I have, therefore, felt that this was the moment to make some recommendations and propose some ideas in this field with which for some two decades I have been very intensely occupied.

In our foreign relations, public attention and public debate continue to focus on Vietnam. Unfortunately, only an unusual event brings our relations with Europe, Japan, Latin America, or the other countries of the free world to the front pages of our press. We pay a dear price for this practice of concentrating so much attention and so much effort on a divided country of 17 million people to the at least partial neglect of a world of 3½ billion people. For, this results in a tendency to overlook the fact that the very economic premises that have governed our relationships with other industrialized countries of the world are changing before our eyes.

A basic premise of our foreign economic policy during the 1960's was to work for the integration of Europe through the expansion of the European Common Market to include the United Kingdom and the other countries of the Outer Seven—which we still desire. The 1960's, through the Kennedy round, also moved the United States forward on the road of trade liberalization. And we also maintain a sustained commitment to foreign economic assistance for national security and moral reasons.

But while the United States was fighting in Vietnam, events in Europe and Japan have altered the economic foundations of this policy. Some American policymakers are now pondering the question of whether expansion of the EEC is indeed in the U.S. national interest. And looking across the Pacific, the forthcoming visit of Prime Minister Sato will highlight our growing economic problems with Japan.

As the 1960's marched by, two fundamental structural changes have taken place.

First, the United States lost its trade surplus, and became a deficit nation with an overall balance-of-payments deficit running to an order of magnitude of $4 billion annually. This year, this deficit was held to this level only because of the unusually heavy influx of capital to take advantage of high U.S. interest rates—a condition that is temporary. It thus can be said the $4 billion figure understates rather than overstates the seriousness of our position; and a deficit in the U.S. balance-of-payments position of up to $10 billion annually is being freely forecast.

As the United States has moved from a surplus to a deficit position—and this movement is another legacy of the Vietnam war—support for liberal trade and aid policies was eroded. A nation, like a household, has less freedom of action and can be less liberal as the bank account—the surplus—is drawn down. The second car becomes a luxury that can no longer easily be afforded—and this second car as we all know frequently bears a Japanese or West German trademark. In a deficit situation, aid programs also are increasingly viewed as expendable expenditures, and the expansion of our gross national product is now being matched by our shrinking outlays for foreign economic assistance to the developing nations of the world. We rank not first but eighth in the list of industrialized countries granting aid—in terms of development assistance as a percentage of GNP.

The shrinkage in the trade surplus is also directly connected with the growth of protectionist pressures in the United States. This pressure has grown to the point that the Emergency Committee for American Trade has warned:

> This year 1969 could be remembered—like the year 1929—as the date that a trade war began—the second of the 20th century. The first shot in a new trade war might be fired at any moment—here in the United States or in France or in Great Britain—in any country where new restrictions on imports are imposed.

It is clear that the troops for such a trade war have been mobilized. Over 70 Senators recently sent a petition to the President requesting action against rising shoe imports. If the forthcoming negotiations with Japan do not bear fruit, the trade war may open—a trade war that would be declared by the Congress. The omens are clear. I refer in particular to S. 2885—a bill to establish an "orderly trade" in textiles and in leather footwear—a quotas bill. That textiles may become the battleground will particularly distress our European and Japanese friends since they are convinced that a sound economic case for a comprehensive, bilateral agreement establishing quotas has not been made.

This brings me to the second major change that has occurred.

Second. In the same time span that

the United States was moving into a deficit position, the economic policies of the Common Market have become more protectionist and those of Japan have not moved toward the liberalization which logically could be expected. As a result, these nations must bear partial responsibility for the mobilization of protectionist forces within the United States.

I regret that the European Common Market is increasingly taking on the appearance of a narrow, inward-looking protectionist bloc whose trade policies as they affect agricultural as well as industrial products increasingly discriminate against nonmembers.

The Europeans know well the concern existing in the United States and among American exporters over the system of border tax adjustments. The use of these border tax adjustments, which combine a tax on imports and a tax rebate system for exports, erects barriers to trade which work to the disadvantage of U.S. exporters.

Other examples of potentially restrictive arrangements include the French, British, and West German move toward the establishment of a system of common standards for electrical components that could serve to restrict trade, and the highly restrictive European textile import quota system which has the net effect of channeling increased textile flows to U.S. shores. More open European government procurement procedures are also very much in order since the present system has the effect of excluding competitive bidding by the United States and other suppliers.

These trade policies in the industrial field, which are moves toward protectionism, are serious, but the implications of the EEC's common agricultural policies, CAP, are overwhelming. If pursued, the CAP's policies of high agricultural support prices combined with no limitations on production could score a knockout punch not only to the world agricultural market structure, as we presently know it, but also to the possibility of the United States continuing the liberal trade policies that this Nation has pursued over the past 25 years. Western Europe should know from a friend that the CAP as it is presently constituted runs the risk of alienating the U.S. farm bloc which traditionally has had a liberalizing effect on U.S. trade policy. Such alienation of support could be decisive.

Dr. Harold B. Malmgren, formerly of the White House's Trade Office, in a recent widely publicized speech, eloquently outlined the case against this common agricultural policy of the EEC. His words are worth recalling:

> Defenders of the Common Agricultural Policy have sometimes argued that the level of exports from the U.S. and other countries would continue to rise, in spite of the system. They believed internal demand would continue to grow fast enough to offset the damaging effects of the import levies. Until 1965–66 this did in fact happen. But subsequently, after the full system fell into place for many products, there has been a reversal. In the last three years, U.S. farm exports to the EEC have fallen nearly 20 percent. The items subject to the variable import levy system amounted to $736,000,000 in 1965–66; in 1968–69 they were $441,000,000. They fell, in other words, nearly 40 percent.
>
> This is not the whole picture, however. While increasing its import protection, the EEC has simultaneously been raising its level of domestic farm production. This has resulted in increasing need to unload surpluses in world markets at heavily subsidized, distress prices. Export subsidization has been used more and more aggressively, in a wide range of products, including poultry, lard, dairy products, barley and now wheat. Thus the workings of the Common Agricultural Policy have resulted in reduced imports, increased production, and artificially assisted exportation. Obviously, this means increased competition for other exporters in remaining markets and a downward pressure on world prices.
>
> These developments would be harmful enough by themselves. But there is likelihood that the practice will spread.

The CAP policies strangely have not even benefited Europe. Dr. Malmgren notes:

> It may surprise you, but the total costs to the six member countries of the Common Agricultural Policy run about 14 to 15 billion U.S. dollars annually. About $8-billion dollars of this is accounted for by government spending and $6- to $7-billion is accounted for by costs to consumers resulting from artificially high prices. At this juncture with farm surpluses building up rapidly, and the costs skyrocketing, you would think that the European Commission would admit that the system has not worked well, and must be restructured.

I join in Dr. Malmgren's warning that these developments are not only harmful enough by themselves, but that there is the clear and present danger that the practice will spread. It is also clear that U.S. policymakers will consider the evolving nature of the Common Market, as they develop the U.S. posture toward moves presently underway to enlarge the EEC. The question must be posed of whether U.S. policymakers might indeed not be compelled by U.S. sentiment to shift their support away from enlargement of the EEC if the economic price in terms of U.S. trade particularly in the field of agriculture were too high.

Turning to another facet of EEC-trade policy, it is regrettable that just as a major diplomatic effort was underway to negotiate a system whereby all industrialized countries of the free world would agree to grant generalized, nonreciprocal, nondiscriminatory tariff preferences to the products of all developing countries, the EEC opened negotiations with Spain pointing toward the establishment of another comprehensive bilateral preferential trade agreement. Recent preferential trade agreements negotiated or renegotiated by the EEC include the Yaounde agreement, the agreement with the East African communities, and an agreement with Tunisia and Morocco. Most of these agreements cover a wide range of products—agricultural and industrial—and the Yaounde agreement even extends reverse preferences to EEC products in African markets. Yaounde contains the carrot of $918 million in developmental assistance over the life of the agreement. In my opinion, all these agreements are inward looking and benefit only the ingroup to the exclusion of other developing and developed states. It also seems clear that they tend to erode the General Agreement on Tariffs and Trade and the principle of most-favored-nation treatment. It is also clear that these discriminatory agreements do not strengthen liberal trade forces in the United States.

In light of these facts, President Nixon's statement on preferences made when Governor Rockefeller's report on Latin America was released is a logical sequence. The President said:

> If the type of international agreement proposed by the United States could not be negotiated within a reasonable time, then the United States will be prepared to consider other alternative actions it can take to assure that the American nations will have preferential access to the U.S. market.

The significance of this proposal cannot be overestimated. It moves the world one step further away from the principle of most-favored-nation treatment in trade and toward the further proliferation of regional trading groups; and once the United States steps down this road, the process will be difficult to reverse. Such a development will have profound implications in the political sphere also. World policymakers should now carefully pause and look ahead into the future and decide what path they should follow and consider what shape they wish the world to take for the remainder of this decade. I would greatly prefer our following the path whereby all the industrial nations of the world grant nonreciprocal, nondiscriminatory generalized trade preferences to the developing world. This clearly is also the wish of the developing world including Latin America as the UNCTAD conferences and the Consensus of Vina del Mar have made abundantly clear.

Again, looking across the Pacific, I must observe the apparent double standard which has resulted in a Japanese trade surplus in relation to the United States of more than a billion dollars annually for 2 years running. I must point out that trade is a two-way street, and that continuance of such a billion-dollar surplus is unsustainable—both politically and economically. This is particularly true since more than any other nation in the free world, Japan has erected the most severe nontariff barriers to goods and capital. Since the war, our corporations have actively promoted U.S. sales in the Japanese market, but have been faced with continued and, in my view, increasingly unjustified trade and investment barriers. For example, while even Japanese tariff schedules are relatively high and restrictive—particularly on luxury items, chemicals and machinery—the greatest discrimination continues to be the non-tariff regulations imposed or perpetuated by the Japanese Government. The more substantive of these barriers to free trade include: First, quantitative import controls, many of which are on agricultural products; second, restrictive licensing requirements; third, sizable commodity taxes on automobiles and liquor which affect imports more severely than domestic production; fourth, a prior import deposit requirement of 1 percent or 5 percent which can be disastrous to the importer when credit

is tight or profits are slim; and fifth, a widespread system of state trading. In the investment area, U.S. investment in many fields is either prohibited or severely restricted. The impact of these restrictions varies according to the products and the barriers they face, but all contribute substantially to Japan's growing trade advantage over the United States. Unfortunately, liberalization moves have taken place at a very slow pace and have not been significant. I think we have reached the point where the alternatives are clear: Japan needs to liberalize trade and investment or Japan will increasingly encounter such restrictions in foreign markets as Japan has erected to insulate its own market.

Fortunately, the international trade slate is not totally black and measures can still be taken before full and irrevocable mobilization of protectionist forces is ordered.

I applaud not only the words but also the actions of Chancellor Willy Brandt in the short time he has been in office. No one can question the Chancellor's words that by the reevaluation of the West German mark "we have made a major contribution in the foreign trade sector toward further liberalization of world trade and toward stabilizing the international monetary system." No one can fail to admire the political courageousness of the decision to reduce West German agricultural support prices by 9.3 percent and the institution of a direct farm subsidy system. This contrasts with the community's inability to adjust European agricultural prices when the franc was devalued.

Chancellor Brandt's statements on trade also indicate that West Germany has indeed come of age.

He stated:

> The world can expect of an economically strong country such as ours a liberal foreign trade policy designed to promote the trade of all countries. We contribute toward this end by our policy and by our participation in all organizations dealing with world trade. We tend to promote our trade with the developing countries and here I mention but the universal preferences for commodities from the developing countries.

Finally, I applaud the statement that the enlargement of the European community must come and the movement toward this end at the recent EEC Foreign Ministers' meeting in Brussels. Chancellor Brandt stated:

> The Community needs Great Britain as much as other applicant countries. In the chorus of European voices, the voice of Britain must not be missing, unless Europe wants to inflict harm on herself.

I urge the countries of the Common Market to take cognizance of the new fresh winds blowing from West Germany. I ask that these countries ponder the possible grim alternatives to the liberal trade policies proposed by Chancellor Brandt.

Regarding Japan, there is evidence that pressures within Japan for trade and investment liberalization are growing. There is hope that mutually satisfactory arrangements—whose elements may well include Japanese trade and investment policy and U.S. policy toward Okinawa—will emerge from the forthcoming visit of Prime Minister Sato.

I find it encouraging that the Japanese are apparently willing to negotiate a limited, selective understanding governing their textile exports to the United States. I do not feel that the economic facts justify the United States pressing for a comprehensive, bilateral agreement at this time. Such a posture would make agreement difficult, would have unfavorable political repercussions in Japan and could even affect Japan's relationship with friendly Asian nations—such as South Korea, Taiwan, and Hong Kong—which are also textile exporting nations; and possibly could encourage Japan and Western Europe to take additional restrictive steps against our exports.

This brings me to the issue of the change in the status of Okinawa which will be discussed during Prime Minister Sato's visit to the United States next week. The Senate has just passed a resolution which I opposed which held that "it is the sense of the Senate that any agreement or understanding entered into by the President to change the status of any territory referred to in article III of the Treaty of Peace with Japan shall not take effect without the advice and consent of the Senate."

I opposed this resolution since I felt that its rationale was not protection of the Senate's prerogatives in the area of foreign affairs but rather an effort that could prove embarrassing to both Governments to derail an agreement with Japan.

I view it of high importance that the change in the status of Okinawa should not only take into account defense considerations, but also should be accompanied by Japanese trade and investment liberalization. In this way, the negotiations over Okinawa would be creative leading to a greater two-way flow of trade and investment. In my opinion, it would be a serious mistake to use the forthcoming bargaining over the change in status of Okinawa to press Japan unilaterally to impose comprehensive quotas on its textile exports to the United States. Regarding our textile problem, let the United States, Japan and other interested nations rather sit down in Geneva under the rules of the GATT and negotiate a fair and just multilateral agreement—fair and just to our textile industry as well as to exporting nations.

It is against this background that the foreign economic policy of the United States is being formulated. As indicated earlier, President Nixon has now made clear the alternative to OECD acceptance of a generalized system of tariff preferences for the developing countries. The negotiating authority of the Trade Expansion Act has expired, and the full tariff cuts won in the Kennedy round will have been implemented by January 1, 1972. It is likely that the trade bill the administration will send to the Congress in the near future will not be more than a holding action—meaning that it will not request the authority to engage in negotiations leading to additional tariff reductions. The bill is likely to contain proposals for liberalizing escape clause procedures which are necessary and may request negotiating authority in respect to nontariff barriers. I am concerned that liaison between the executive and legislative branches on these crucial trade questions are not yet close enough and that we are not yet working in concert.

In the near future, the Joint Economic Committee will open crucial hearings on U.S. trade, aid, and investment policies which will have an important molding effect on any trade legislation which is likely to emerge in the early 1970's. The hearings of the Joint Economic Committee played a similar role during the early 1960's before the Trade Expansion Act was introduced. Presidential task forces on trade and aid will also be working and making their recommendations early next year. It is fair to say that the economic and trade policies of Europe and Japan will help determine the eventual shape of our policies. They will also help determine the actions of the 91st Congress in the months ahead.

Finally, I would like again to turn to the words of Donald M. Kendall, distinguished business leader and chairman of the Emergency Committee for American Trade, when he said in January of this year:

> What the world needs now is trade peace, not trade war.

It remains for all parties to construct such a trade peace—particularly when the omens seem to be pointing in the other direction. I also believe that if indeed the first shots of a trade war already have been fired, they were not fired by the United States. The opening salvos perhaps are represented by the Japanese billion-dollar trade surplus for 2 years running and the movement of the European Common Market toward protectionism. The time is short before American defensive actions accelerate. To Europe and Japan I say in effect: "It is your choice."

Mr. PERCY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PERCY. Mr. President, I commend the Senator from New York for his comments. He has long been an exponent of freer trade, a policy supported by every administration we have had in Washington since the days of the Smoot-Hawley tariffs. We saw the calamitous consequences of that high tariff policy which shut off the United States from world markets and kept all countries from having the economic benefits that freer trade offers.

I would like to indicate that I related the very spirit and words of the distinguished Senator's message, in company with Ambassador Armin Meyer, to Mr. Aichi, Foreign Minister of Japan, before he left for the Soviet Union. I tried to point out to him that Japan no longer can claim it is a developing nation. It no longer needs protection on imports. Rather it is now a powerful economic force. It has broad markets throughout the world. It has a huge balance-of-payments surplus and it must now respond

as a developed nation rather than as a developing nation. It cannot expect to export steel to the United States and then limit imports going into Japan which have steel in them, such as refrigerators, automobiles, or whatever they may be.

They must recognize that if a trade war starts, they would be the country most severely penalized because every country would retaliate against Japan, just as the European Economic Community cannot expect to impose tariffs on soybeans and not expect retaliation.

Mr. President, I congratulate the Senator on his message urging peaceful trade relations rather than a trade war, and attempting to lay a foundation for those trade relations.

Mr. JAVITS. Mr. President, I am grateful to the Senator, and I thank him for his endorsement. His comments are most gratifying.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. ALLEN in the chair). Under the previous order the Senator from South Carolina is recognized for 30 minutes.

Mr. THURMOND. Mr. President, I ask unanimous consent that I may proceed for 10 additional minutes, if I need the time.

The PRESIDING OFFICER. Is there objection?

Mr. YOUNG of Ohio. Mr. President, reserving the right to object, and I shall not object, I shall have the honor of presiding over the Senate from 11 a.m. until 12 o'clock noon. I desire to have not more than 5 minutes before that time to speak.

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

The Senator from South Carolina is recognized.

THE MORATORIUM AND THE INTERNATIONAL COMMUNIST MOVEMENT

Mr. THURMOND. Mr. President, thousands of American citizens are gathering here for the so-called Vietnam moratorium scheduled to climax on Saturday. They are coming here, in the words of their slogan, "to work for peace." Doubtless, many of the people coming here believe that these demonstrations are the best way to work for peace. Such people are unaware that they are being mobilized by the strategy of the international Communist movement for the immediate political purposes of that movement.

Many of my colleagues have discussed on this floor and on the floor of the House the documented account of Communist and radical infiltration of the New Mobilization Committee. This documentation is on the record, and I see no need to repeat it at this time.

The U.S. Attorney General has voiced his opinion on this subject, and I quote the UPI story:

> Attorney General John N. Mitchell says some of the promoters of the November 15 Vietnam War Moratorium are avowed members of the Communist party and "hard-core militants whose sole interest is the destruction of this country."
>
> Mitchell said at a news conference yesterday that intelligence gathered by the Justice Department indicates persons outside the United States are aiding and abetting the effort.
>
> "Some of that leadership do not have the best interests of our country in mind," he said.
>
> Mitchell acknowledged that many participants in the anti-war protest planning are well-intentioned persons.

Anyone who wishes to learn the truth of the domestic Communist involvement can do so if he has the good intention and the will to do so.

Unfortunately, what is not understood is the way this mobilization is integrated into the worldwide activities of the Communist movement and the dominant role still played by Moscow.

We must recognize that times have changed and our understanding of the Communist movement must change with the times. In my view, the Communists are doing a good job of adapting to changed conditions so that their movement can have a more powerful effect and be much more solidly established throughout the world.

What the average participant fails to understand is the way in which this mobilization is integrated into the worldwide activities of the international Communist movement. While the attention of the United States is focused on Washington, the Communist play out their strategy all around the globe. U.S. Communists take roles in these international operations, and return home to direct or influence propaganda activities here.

The keystone of these international activities was the World Conference of Communist and Workers' Parties held in Moscow last June. This meeting deserves close scrutiny, since it laid down Communist policy for their followers all over the world. It was an entirely new event. No such meeting had ever taken place before. It is the modern substitute for the old Comintern, or Communist International, providing central coordination and direction. Those who think that the Communist movement lacks unity need to take these meetings seriously. I do not have the time to go into a full study of the meeting, but I have studied the speech of Gus Hall, general secretary of the Communist Party U.S.A.

Gus Hall was made general secretary in 1960. This date coincides with the opening of the new assault by the Communists to infiltrate and manipulate the youth movement in the United States. Today we are witnessing the fruit of Gus Hall's efforts. Although some choose to treat the Moscow-controlled Communist Party as a group of tired old men, no longer radical enough to appeal to youth, Gus Hall knows different. He was a young Communist himself in the thirties. He knows how the discipline of the Moscow Communists outlasts the emotional radicalism of some revolutionaries. He knows how to direct and control the wild excesses of those who claim to be "to the left" of the CPUSA. His speech at the world conference in June laid down the line which even those who profess to be independent are following.

Before I go into detailed analysis of this speech, I would like to cite just one example. The Black Panthers are supposed to be a violent revolutionary group out of harmony with the supposedly stodgy doctrine of the Moscow Communists. Yet the Black Panthers have their little role to play in the Moscow-directed drama.

A short while ago, a number of Senators discussed on the floor of the Senate the activities of William Kunstler, attorney for Dave Dellinger and the "conspiracy 8," in negotiating with Hanoi to get information about Americans held as prisoners of war by North Korea. Kunstler returned from Paris and reported that American relatives would have to work with the Communist-dominated New Mobilization Committee—the very committee organizing the current mobilization—to obtain information about their loved ones.

This was shocking enough. However, few even now realize that the same group of individuals—Kunstler, Dellinger, and representatives of the Hanoi regime—are also trying to engineer a so-called "exchange of prisoners." Their idea of such an exchange is to trade Americans held in Hanoi for Black Panthers held in American jails for such common crimes as murder, incitement to riot, and assault. Whether or not such a "prisoner exchange" could be arranged is beside the point. From the perspective of propaganda, such efforts seek to place guerrilla warfare in Vietnam in the same category as guerrilla warfare in the United States.

In other words, those who become entangled in such byplay are actually drawn into supporting those in the United States who advocate the violent overthrow of the Government of the United States.

In the same way, the multiple goals of the international Communist movement are too complex to be studied in isolation. Thus thousands of people are being "mobilized" with little understanding of the ultimate ends they serve.

Such people think that they can promote their own activities without reference to the backdrop of the world around them. They think that a narrow-minded interest in "peace" will actually serve to establish harmony and friendship between nations.

Modern propaganda no longer seeks to change the minds of the people upon which the propaganda is designed to have influence. The object of propaganda is to move people toward precontrived goals without those affected realizing that they are moving toward those goals. This is a key element in the Communist strategy today. Instead of trying to convert millions of people to Marxist-Leninist ideology, the Communists seek to mobilize the people toward the specific goals of the current strategy rather than to the long-range doctrines of the classic revolutionists.

The so-called peace demonstrations being organized here this week fit into the pattern of propaganda designed to mobilize masses of people. The Vietnam war is only one element of a program of total conflict carried on at all levels be-

tween the Communist system and the free world. The Communist strategy of war has moved beyond fighting on the battlefield. Such fighting is only one tool, one weapon, in the Communist assault. In addition to the war in Vietnam, one must consider the relationship between the Soviet Union and the United States, the changed balance of strategic nuclear power, the rising tide of Soviet naval strength, the Soviet program of wars of liberation in many areas of the world, including the Middle East. These goals were articulated at the World Conference of Communist and Worker's Parties held in Moscow last June.

The goals of the Moscow conference were summarized in an official lengthy document containing nine points approved by the delegates. I will mention each of these briefly:

First. The Communists called for united action to support the heroic Vietnamese people and welcomed the formation of the Revolutionary Provisional Government of South Vietnam.

Second. They proclaimed that the main link of united action remains the antiwar struggle.

Third. They claimed that the defense of peace is inseparably linked up with compelling imperialists to accept peaceful coexistence.

Fourth. They called upon all delegates to intensify the struggle against militarism of all forms, especially against the so-called military-industrial complex of the United States.

Fifth. They demanded the seating of Communist China in the U.N. and the handing over of Taiwan to the Peking regime.

Sixth. They demanded the elimination of the vestiges of colonialism in South Africa, Mozambique, and similar areas.

Seventh. They called upon their members to step up the fight against the Fascist menace in Greece, Spain, Portugal, West Germany, and elsewhere.

Eighth. They called upon the delegates to be united against racialism.

Ninth. They called upon the delegates to defend and win the right of freedom of speech and to release those languished in jails.

This is the agenda of Communist agitators the world over. These issues are being exploited here in an attempt to weaken the power and influence of the United States. They are to be used as issues to split the people of the United States and the free world.

At least six of these goals are being exploited in the November Vietnam moratorium. The first four provide the theme for the Communist propaganda machine. By continuous attacks upon the Government of the United States, they seek to instill a notion that the United States is against peace and that the Government is dominated by warmongers and aggressors. Distinctions between ways of approaching peace are ignored. The key point is to polarize public opinion against the Government, not for the sake of the goal of peace, but to weaken the Government itself and to divide the people from confidence in their leaders.

Thus, those who have a genuine desire for peace and are not sympathetic with the Communist goal nevertheless are lending satisfaction to the momentum of this propaganda operation, whatever disclaimers they may put out in the midst of their activity. It simply is not possible to participate in this moratorium without assisting in the overall goals of the Communists. I think that the majority of American people think likewise. According to the Harris survey published yesterday, 62 percent of the sample interviewed agreed that the protesters are giving aid and comfort to the Communists. This is simply a matter of commonsense, especially when we study the background of the Communist operation.

Mr. President, the speech of Gus Hall at the Moscow conference is extremely important to understanding this background; ideally, it should be read in its entirety, and I ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. ALLEN in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. THURMOND. Mr. President, however, my method here will be to cite statements of Hall, and then give a random example of how this "line" was pursued by Communists and radicals in their activities.

Hall dwelt upon struggles against imperialism by all activists, but especially praised those "in rebellion in the black community, in the nations' universities, in rank-and-file struggles in the shops and unions, and in the rising peace movement." He paid special tribute to soldiers and sailors involved in such struggles through their desertions, by becoming draft delinquents, in establishing numerous underground and open antiwar papers, and risking jail rather than entering military service.

It is no surprise that Gus Hall proclaimed the weakening of free world alliances like NATO and SEATO, and asserted that there even exists a challenge to the "U.S. military grip on Latin America." He advised his comrades that the United States and its military advisers were being driven—slowly but steadily—from foreign bases in one country after another, claiming as a contributing factor the relative strengthening of the Socialist camp in economic and military power, especially of the Soviet Union.

It was the aggressive and hostile policies of the Soviet Union following World War II that resulted in the North Atlantic Defense Pact, NATO. After the pact was signed in 1949, the Soviet Union made it a special target of a huge Moscow-directed movement which paraded under the name of "peace," but which was actually intended to weaken the defenses of the non-Communist world. Now, 20 years later, Gus Hall is a' : to boast of its success.

He saluted Cuba for having "lit the beacon light of socialism 90 miles from the shores of the center of world imperialism" and pledged support to North Korea and to the "people of the Middle East and Africa." Following the Moscow conference the Communist Party's Daily World, as well as the whole periphery of new left publications, initiated a campaign to recruit movement activists into the Venceremos Brigade to travel to Cuba in two separate contingents to demonstrate, actively and materially, their solidarity with the Cuban revolution by working in the 10-million-ton sugar harvest. Moreover, they cooperate with Radio Havana, Cuba, in promoting such ventures as an Havana-based essay contest to select 12 winners to be awarded a free trip to Cuba for the July 26, 1970, celebration. The essay topic is "What Is the Significance of the Cuban Revolution for Latin America?"

Simultaneously, activists openly support national liberation movements not only in Vietnam, but all over the world, including those in the Middle East and Africa.

Hall lashed out against capitalism generally, but stressed specifically monopolies in the United States and those in control of great wealth here. Following that line were more than 500 demonstrators carrying red banners, who snaked through the financial district of San Francisco in mid-September to picket outside the Fairmont Hotel, where the International Industrial Conference was being held. The evening's keynote speaker was David Rockefeller, a name representing capitalism, monopolies, and imperialism in the Communist Party view. Even the fact that his speech aimed at the necessity of closing the "income gap between the rich and the poor" failed to soften the demonstration.

Hall emphasized the importance of the struggle against fascism, anti-Semitism, and all forms of chauvinism. He explained that to raise the level of the anti-imperialist struggle it is most important to raise to a new level the struggle against racism in all its forms. Reflecting the message, Danny Rubin, newly appointed national organizational secretary of the Communist Party U.S.A., caused the following objectives to be published in the Daily World in mid-October:

End imperialist aggression in Vietnam. End racism, anti-Semitism, chauvinism, fight repression of people's movements. End runaway prices and taxes. Fight for a Communist U.S.A.

I repeat the last sentence: "Fight for a Communist U.S.A."

On the same date a Daily World item described the difference between the black liberation movement which is applauded by the party, and racism and chauvinism; the difference between Jewish nationalism and Arab nationalism as applied to aims of the Communist movement based on the study of Lenin; nationalism in Asia, Africa, and Latin America. To understand these matters, party members were directed to selected "Collected Works by Lenin," and writings by Claude Lightfoot, Gus Hall, Henry Winston, W. E. B. Du Bois and others who have interpreted Communist policy over the years.

Last July the Black Panthers called a conference to form a united front to

combat fascism, at which prominent Communist leader Herbert Aptheker was keynote speaker. He applauded the Black Panthers, stating they certainly do represent a decisive challenge to the internal security of the United States—if such security is identified with the interests of its present ruling class.

Notorious west coast Communist Party leader, Archie Brown, another conference speaker, noted that he was grateful to the organizers of the affair because it was about time somebody realized the need for a united front against reaction and racism. He added that the working class would lead the way to take over the Government and make it a government for the workers and for the people. He called for progress and socialism in this country.

Delegates representing many nations including the United States have attended numerous international Communist and Communist-backed conferences since the Moscow conference in early June. At the World Congress of Women, held in Helsinki in late June, Bettina Aptheker reported in the Communist press that Charlene Mitchell, secretary of the party's black liberation commission, explained to those assembled that racism was not incidental to the United States, but that "the oppression of black people is an integral part of U.S. capitalism." Therefore, she declared, "the struggle for peace must be waged with a simultaneous struggle against racism and in support of the movement for black liberation. This is true not only for the movement in the United States, but for the world movement."

The World Peace Assembly convened in East Berlin with approximately 40 persons serving as delegates of sundry U.S. "peace" organizations. Among them was Herbert Aptheker, and Jarvis Tyner, member of the Communist Party's national committee and national chairman of the party's youth arm, the W. E. B. Du Bois Club. Aptheker returned home to a position lecturing at fashionable Bryn Mawr College and in his spare time at the new antidraft school established by the Philadelphia resistance.

In early October a symposium on national liberation struggles was held at Alma Ata, Kazakhstan SSR, with Ismael Flory in attendance, representing the Afro-American Heritage Association. Flory, among others closely associated with the Communist Party, U.S.A., had attended the national antiwar convention in Cleveland last July 4–5, where plans for the present mobilization were laid by scores of top-level activists. At Alma Ata, in company with such notables as Leonid Brezhnev, General Secretary of the Communist Party of the Soviet Union, representatives from North Vietnam, and others from 50 countries including many from Asia, Africa, and Latin America, Flory outlined the mass struggles of the black liberation, peace, students, youth, and labor forces in the United States, and hailed the symposium for bringing together representatives of militant national liberation forces whose broad experiences may be drawn upon and become invaluable to the forces fighting for black liberation and peace in the United States.

The level of militancy in the black liberation field is, indeed, rising with plans for crippling whole cities by establishing "Solidarity Days" involving general strikes among all black people as a show of black unity. Calling for work stoppages is only a first step viewed by "Solidarity Day" leaders as a means for showing cities what black power can accomplish. Carlos Russell, presently an associate professor of urban studies, but who had previously worked in new left organizations and has traveled abroad to confer with representatives of North Vietnam, is among the leaders of this new movement.

During a conference in Algeria last July, Eldridge Cleaver, a self-imposed exiled Black Panther leader, told a journalist that he was then working on creating the "North American Liberation Front." In September, Cleaver traveled to North Korea to attend the international conference of anti-imperialist journalists. During that affair three U.S. Black Panthers sent fraternal greetings stating their support for the struggle for the unification and liberation of Korea and the expulsion of U.S. imperialism. North Koreans replied with a message of solidarity and support for the Panthers. One apparent result of Cleaver's presence in North Korea is his message that the enemy in North Vietnam is interested in an exchange of U.S. military prisoners for Black Panthers held in custody in this country. Moreover, it is suggested that Rennie Davis and David Dellinger, two of the defendants in the Chicago Eight trial, along with the presently imprisoned Bobby Seale, national chairman of the Black Panther Party, act as the go-betweens in the proposed swap.

Mr. President, I ask unanimous consent that the article "Cleaver's Reported Seeking an Exchange of Black Panthers for U.S. Prisoners in Vietnam," published in the New York Times of October 22, 1969, and another article, published in the pro-Communist newspaper, the Guardian, of November 1, 1969, be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 2.)

Mr. THURMOND. Mr. President, at the October Stockholm Conference on Vietnam, Irving Sarnoff and Ronald Young, American activists, were among representatives from 110 nations. The conference's international liaison committee laid plans for international action to coincide with antiwar action on the United States on November 15, such action to rise in intensity following that date until the goal is reached.

Indeed, a nationwide effort to expand the defense of "victims of reaction" has been initiated by the Communist Party, U.S.A., National Committee. Such defense would include help for Eldridge Cleaver and also for Robert Williams who had gone into exile to escape the law here. He returned to Detroit in September and now asserts that if he is extradited to North Carolina where he is wanted on an old kidnap charge, he will appeal for demonstrations at American embassies abroad.

Charlene Mitchell, mentioned earlier as attending the World Congress of Women, proposed a program approved by the CPUSA's National Committee to set up a special party committee on the issue of defense, involving support for an "ad hoc national emergency defense committee based on the broadest public appeal, participation in the building of local defense committees around specific cases, support for cases that have national significance and inclusion of the struggle against repression in all the party's political campaigns."

In October, Charlene Mitchell told a Chicago meeting sponsored by Ismael Flory's Afro-American Heritage Association that national focus should be the defense of the Black Panther Party and its leadership, adding that they are "drawing closer to Marxism-Leninism." Like Flory in Alma Ata, she also developed the need to link up the "struggles around the world and Vietnam with the fight for democratic rights here at home."

The Communist Party, U.S.A., is establishing new Marxist-Leninist training schools, one example being the Center for Marxist Education in New York City. A course on black liberation is being taught by Jarvis Tyner; Marxist theory of the state and evolution is headed by Charlene Mitchell; Victor Perlo will teach U.S. monopoly capitalism; and Eleanor Leacock will guide students on the subject of women's suppression and women's liberation. Many other courses too numerous to mention are also included.

No secret was made of the fact that Arnold Johnson, Communist Party U.S.A. National Committee member, attended the national antiwar convention in Cleveland last July and remained on the steering committee of the New Mobilization to End the War in Vietnam, the new name for the older mobilization committees, to guide demonstrations for the fall offensive.

Following the October 15 moratorium day demonstrations, Gus Hall hailed the occasion, declaring: "America has never seen anything like this."

He said it was "the most magnificent demonstration of pro-peace and anti-imperialist sentiment in the history of our country."

The Daily World called for moratorium day to "become an avalanche of antiwar, anti-imperialist sentiment descending on Washington and San Francisco, November 15."

A new Marxist-Leninist youth organization is in the making with the call issued in September by the temporary organizing committee for a founding convention in Chicago in late December. Spokesmen for the effort are Jarvis Tyner and Mike Zagarell, Communist Party secretary for youth affairs and Communist Party National Committee member. Zagarell said the need for the new organization arose out of the tremendous radicalization in the country. He believes new leftists generally are unable to deal with working class youth who must be brought into the movement. He

stated there is a need for a separate Marxist youth organization which would have close fraternal ties with the Communist Party, and would work with other young people's organizations in a united front.

Finally, Gus Hall summed up the present situation speaking in Cleveland on October 10:

The qualitative lead in social progress is now on the order of the day; its time has come. The process of life will give birth to it. That is what the turmoil is all about. It is a fundamental change in the basic nature of systems. It is a transition to a new way of life. In a sense the revolt is against everything related to man's exploitation of man. This is not a transition to a new form of exploitation, but to a system that ends all forms of exploitation. This is mankind's greatest leap.

Mr. President, these are just some examples which show the way in which the Communist line is integrated in radical activity throughout the world. In this day and age, no one can work in isolation. He must judge the effect of his activities on the total structure of world trends. I submit that the New Mobilization Committee and its present activities are part of the international Communist movement, no matter how sincere some of the participants may be. The only kind of peace such activity will promote—whatever one's personal goals—will be the "peace" imposed by the Communist drive for world domination.

EXHIBIT 1

TOWARD UNITY AGAINST WORLD IMPERIALISM

Dear comrades,

For our Party, we want to express our deep appreciation to our hosts, the Communist Party of the Soviet Union, for the magnificent way they have provided to make our stay here productive as well as pleasant.

It has taken a lot of hard work by many hard-working comrades but the World Conference of Communist and Workers' Parties is now an important part of reality.

This conference will make an important imprint on the revolutionary pages of our times. Archives will record what we decide here, but the revolutionary ledger of our class will record what we do after we leave here. It will record that this historic gathering will fulfill its purpose, that it served as the propellant, as the catapult, that raised the struggle against imperialism to new heights.

There is no objective reason why we cannot fulfill this great promise. There have been few moments in history when so many objective factors have converged, as pressure, for united concentrated action. There is no insurmountable reason why we cannot meet this central challenge of our times.

HISTORY'S GREATEST TURNING POINT

We represent the most advanced forces of the working class, that class which history has assigned the task of guiding human society through this, the most profound revolutionary turning point in mankind's existence.

Some are having difficulty in adjusting to the unique and unprecedented fact that human society's sharpest, most revolutionary turning point is neither ancient history nor speculation about some occurrence in the distant future. It is integrated into the current events of our times. The transition from capitalism to socialism is history's greatest happening. It is human society's most explosive qualitative leap. It is both an historic process and a current event, precisely because it is a total shift in a way of life. We are witnessing the death agony of the last of a succession of social systems based on man's exploitation of man.

This process is explosive—it is revolutionary. It is a many-sided process—economic, political, military and ideological. This is the essence of the events that give life its present direction. All processes of social progress, all movements and struggles, are related to this qualitative leap.

This turning point has given rise to, and is propelled by a worldwide, three-pronged revolutionary development that now converges into a single process. There are periods when the process does not produce a shift of state power in any country. There are setbacks, frustrations, periods when the process levels off on a new plateau. There are moments of explosions and periods of revolutionary development. There are violent transfers of class power and some transitions that are not so violent.

Through all this, the revolutionary process goes on, the constant maturing and gathering of the forces of the revolution. There is the accumulation of experiences. There is the internal deterioration of capitalism, resulting in the sharpening of internal class relations, and of the relations between imperialism and the oppressed peoples and nations. And there is the ideological and political growth of the forces of the transition. This many-sided process of the unfolding of reality is based on the laws of social development. In this sense, this is a conference of the turning point of history.

Our Party has a deep sense of pride in being a part of this historic event. We draw great strength from the world-wide nature of the Marxist-Leninist movement. We place a high priority on our working class concept of internationalism.

We do not view internationalism as a burden, a concession, or a cross to bear. It is not as if it were a frosting on a cake that one adds simply to improve its taste and appearance. It is a basic ingredient that adds indispensable, revolutionary content to the class struggle.

There is much talk about the rise of nationalism. What is not always seen clearly enough is the unprecedented growth of a mass desire for internationalism. The very nature of world developments has given rise to a new mass sense of anti-imperialism and internationalism. The three-pronged world-wide revolutionary process is the propellant—the new source of internationalism.

This is truly a new, historic phenomenon, especially amongst the new generations.

Because of this, the internationalism of the Communist movement is a source of strength in a new way. We need not apologize for our internationalism. On the contrary, we must find new and bolder ways to demonstrate this side of our movement.

The recent Nineteenth National Convention of our Party, without a dissenting vote endorsed the line, the political essence and the spirit of the main draft document presented by the Preparatory Committee to this Conference. In our opinion it correctly reflects the Marxist-Leninist essence of this moment. Considering all of the problems the drafting committee faced, it is a very fine piece of work. It is a collective document, therefore it cannot, in every word or phrase, have the wording or style of any one of the parties. The passage of the appeal on ending the U.S. aggression in Vietnam is of special importance for our Party. We fully support the statement on the observance of Lenin's one-hundredth birthday.

It is the opinion of our delegation that this conference was a success before we convened here. The eighteen months of preparations have been a process of reunification. The process of molding the document has served to clarify positions, to narrow down the areas of differences.

The habit of working together is itself an invaluable asset for the world movement. We are hopeful that the lessons of working collectively have struck deep roots. We are hopeful that the world Communist movement will become addicted to this habit.

There are 75 parties represented here. This is a technical count. By political count there are over eighty parties, because there are many parties who are not represented here solely for technical reasons, and who have expressed their oneness with the political essence of this gathering.

This is itself a significant fact.

We are in agreement with so many of the very fine contributions made here, by Comrades Brezhnev, Gomulka, Rochet, Arismendi, Corvalan, Ulbricht and others, that it is not necessary to go into all areas or all questions.

Permit us from the podium of this world Communist forum to again express our deep sense of warm comradeship and oneness with the fighters against U.S. imperialism the world over. We feel especially indebted to the valiant people of Vietnam, who by their unparalleled heroism and sacrifice are administering U.S. imperialism a historic defeat. They are giving the world a most magnificent demonstration of the invincible nature of the forces of world socialism and national liberation.

We hail the peoples and Communists of Latin America who by militant mass actions have just sent Mr. Imperialism himself, Nelson Rockefeller, bag and baggage, back to his Wall Street lair.

We salute the people and Communists of socialist Cuba who continue to repel the acts and policies of U.S. aggression—and have successfully lit the beacon light of socialism ninety miles from the shores of the center of world imperialism.

We express our ardent support to the anti-imperialist fighters for national liberation of the Middle East, and to the plundered and oppressed peoples of Africa. We greet with joy the resolute actions of the people of Sudan.

We hail our fellow Communists and the people of the People's Republic of Korea, who have stood firm against U.S. provocations. To these fighters the world over, we can only promise to increase our efforts to match their great contributions in the struggle against U.S. imperialism. It is clear that the upsurge of the three-pronged world revolutionary process has entered a new and higher stage.

THE CHANGING REALITY OF U.S. IMPERIALISM

When we are dealing with the phenomenon of imperialism, we are dealing with a constantly changing reality. The struggle against it must reflect these changes.

There is the continuing, irreversible shift in the balance of forces between imperialism and anti-imperialism. There is the changing picture of relationships between the countries of imperialism, reflecting the law of uneven development of capitalism. And there are the contradictions, shifts, and changes within each of the imperialist countries. The forces of anti-imperialism are compelled to take note of these changes, because they are reflected in the changing and shifting battle plans of imperialism.

Imperialism develops new tactics, new ideological arguments to meet the changing reality. We cannot be satisfied either with the scope or the effectiveness of our anti-imperialist propaganda, on the level of mobilizing the millions.

The changes in objective reality are world-wide. The shifts in tactics and ideological positions of imperialism are world-wide. Any idea that each sector of anti-imperialism can effectively deal with this changing and shifting global challenge in a piecemeal fashion is a dangerous illusion. Such illusions can only result from an underestimation of the resourcefulness, the craftiness and the totally aggressive and brutal nature of imperialism.

As the draft document correctly states, U.S. imperialism remains the most aggres-

sive, war-like force in the world. It continues its bloody aggression against the people of Vietnam. It continues its policies of aggression against the people of socialist Cuba. It is the main force of military, political and economic aggression in Latin America, Asia and Africa.

It remains the base of operation for the forces of imperialism everywhere in their futile attempts to halt the world revolutionary processes. It is the greatest danger to world peace. It poses a nuclear Damocles' sword, and is held in check only by the forces of this new epoch and especially by the powerful military and nuclear shield of the Soviet Union.

U.S. imperialism is in an ever deeper crisis, and it can be defeated, but to underestimate the aggressiveness and the danger that it presents would be the height of folly. Creating the illusion that it presents no danger of war is imperialism's own trump-card in preparation for war. Only this week, Nixon announced the fake withdrawal of 25,000 U.S. troops in order to create the illusion of disengagement, while it resumed the bombing of the territory of the Democratic Republic of Vietnam.

In fact, with the election of Nixon, the forces of reaction have become emboldened. Nixon continues the politics of the old Johnson Administration, but minus its small tactical concessions.

Aggressive continuation of the old policies without tactical concessions is the new U.S. format for both the policies at home and the imperialist policies beyond its borders. Nixon has already abolished the "Alliance for Progress" with its appearance of concessions to its Latin American empire and has replaced it by the grand tour of the number one robber of the continent—Nelson Rockefeller. He has wiped out even the appearance of concessions in the foreign aid programs.

In place of tactical concessions the Nixon Administration is placing a higher priority on the use of open terror—on the use of the para-military forces, of the CIA and the FBI. Nixon will continue the tactic of the carrot and the club—but with less carrots.

This is the main direction, the new emphasis in the U.S. policy of aggression. Of course, one has to keep in mind that the new administration has not yet dealt with the real world, which includes the wrath of the people of the U.S.A. And it is a fact that a policy with less sugar-coating on it can be exposed faster.

For an effective struggle in any arena, one must know one's enemy. Because the U.S. is the center of world imperialism, permit us to dissect some of its bloated innards. It is a powerful, dangerous foe, but it is in serious difficulties. In cash values, the annual price tag on the U.S. policy of aggression is reaching the $100-billion level. For the people, this becomes translated into runaway inflation, skyrocketing prices and rents. Forty percent of all workers' wages are now extracted in taxes. Because of this, real wages are now declining for the third year in a row.

No people or nation has ever been in such debt. The total debt by individuals, corporations and the government has now reached over one and one-half trillion dollars. We are the most mortgaged people in the world.

The Nixon policies of cutting back on tactical concessions is setting the stage for new explosions in the ghettos, for more bitter strike struggles—for ever greater mass upheavals.

The U.S. financial-industrial capitalist complex, interlocked with the powers of the state machinery at its service, with the new scientific breakthroughs at its command, organized and controlled through monopolies and ever greater monopolies known as conglomerates, has developed into history's most brutal, inhuman, fiendishly efficient, cold-blooded exploiter and devourer of resources—both nature's and man's. It has become an ever more savage monster of exploitation geared to the extraction of maximum profits. It finds ever new forms for squeezing a little more. During the last ten years the rate of exploitation of labor has been forced up by seventeen per cent.

The especially brutal nature of U.S. capitalism is shown in its oppression of national minorities. For three hundred and sixty years it has maintained a special system of oppression, applied today to twenty-five million Afro-American citizens. And after the long years of militant and heroic struggles, even though some important victories have been won, the special system of racist oppression remains largely intact. Thus the system continues in force the discrimination and inequality, the segregation and the ghettos, with its degradation, hunger and misery. It results in an income that is one-half of the national level, in an unemployment rate that is three times higher, in a death rate that is double, in slum housing and chronic hunger for the majority, in denial of education, in Black Americans being forced to work at the lowest-paid and most dangerous jobs, in their being at the bottom of the seniority lists. Despite all the heroic struggles of the Negro people and allied forces among the majority white population, this system in its essentials remains intact.

After the passage of many new laws and after many fine speeches, racism still stalks the land. It is still capitalism's most widely used and most useful tool for extracting superprofits.

No ruling class has ever singled out for special oppression so many of its people, within its own national boundaries—a fact that constitutes an enduring indictment of anti-humanist U.S. capitalism.

To the special oppression of twenty-five million Afro-Americans, U.S. capitalism has added special forms of oppression against eight million Mexican-Americans, two million Puerto Ricans and the segregation of what numbers remain of the original Indian Americans into reservations which are barren graveyards of hunger, social deprivation and inhuman wretchedness. This same policy is applied to the Eskimo people of Alaska. The capitalist equation according to which racist oppression—divide and rule—equals superprofits remains a central feature of U.S. capitalism.

IMPERIALISM'S FOES

Capitalism has thus created a monster. But it has also created something more. It has given rise to a militant working class. It has created a mass revolt. It has generated a courageous, militant freedom movement of black Americans, of the mass of Negro people. It has given life to a youth and student revolt. It has set multi-millions into motion and struggle.

It has spurred a mass struggle for peace and against militarism, which cuts across class lines and has penetrated deeply into the armed forces of U.S. imperialism.

It has stirred into action millions of women who in many areas of struggle are more active and militant than men—a point of which this Conference could well take note. It has given rise to a deep probing—to a national uneasiness, to widespread dissatisfaction, distrust and contempt for the bourgeois establishment. It has set into motion a process of radicalization. In a word, it has created a storm of protest and struggle.

We pay special tribute to the heroism of our soldiers and sailors who are challenging the autocratic military regime, who are raising the banner of peace and equality, who are exposing the aggressive character of U.S. imperialism's wars—in the barracks, in the military mobilization and induction centers, and at the military bases.

Never before in the history of our country have so many members of the armed forces taken direct action against militarism. Just look at these official government figures: more than fifty-three thousand desertions took place in the year ending June 30, 1968. This means that in the two-year military hitch of the average GI, approximately one out of thirty men risks a long prison term, loss of jobs and ostracism for life, because his conscience will not permit him to act as an instrument of the racist, colonialist, genocidal U.S. military establishment.

There are more than twenty-three thousand draft delinquents. There are thousands fleeing the U.S. for Canada, and added thousands seeking refuge in Sweden, France and many other countries. There are underground and open anti-war papers published by the GI's on the major military bases. No wonder the ruling class is exploring the possibility of abolishing the conscription system of the draft and raising military salaries, in order to build an army of paid professional servants of imperialism.

The most dynamic and potent expression of the new wave of struggle and the process of radicalization in the United States is the rapid growth of organized rank-and-file movements in the shops and trade unions. The power of these movements can be seen in the trade union elections, in which old, encrusted trade union bureaucracies are being overthrown.

The qualitative political shift on the American scene finds expression in these rank-and-file caucuses. The most dynamic of all the expressions of this upsurge are the caucuses of the Afro-American union members. The popularly-named "black caucuses" are now an active force in hundreds of shops and locals. A glimpse of the level of this development can be obtained from the names they adopt. The designation of "revolutionary" workers' caucuses is an accepted form among increasing sections of black workers.

Motivating this rank-and-file upsurge are the new problems of the class struggle, the special problems of black workers, and the desire to reshape and to retool the trade union movement as an instrument of class struggle, so that it can meet the problems of today. The workers who make up the rank-and-file movements are the shop militants, the radicals and, of course, the Left and the Communists.

This development is the key link in the class struggle in our country today. More, it is the key link in the struggle for social progress.

This rank-and-file upsurge is reflected in the formation of a new national trade union center. The base of the new center is the three million members of the Teamsters and the Automobile Workers. It is a direct challenge to the infamous, reactionary Meany-Lovestone AFL–CIO leadership.

This new formation has taken up the task of organizing the unorganized, especially in the racist South. But most important, it has taken a stand against the further militarization of the country. This is an important step away from a position of open and aggressive support given by the AFL–CIO's leadership to policies of United States imperialism. It has a position of seeking new ties with all sections of the world's trade unions.

Needless to say these developments on the working-class front have had great significance in all areas of struggle, including the struggle against the policies of imperialism.

The shock-brigaders of the revolutionary transition, the youth, are continuing to set the pace of militancy. The ruling circles are praying for the return of the good old days—the days of the student pranksters—of the panty raids and goldfish swallowing. The liberals are now also worried because the students are not just "letting off steam" but have presented some non-negotiable demands.

These demands reach into some very basic issues of our capitalist society. The students

are demanding that higher education be recognized as an inherent right and a realistic possibility for all youth. They are demanding an end of the system in which the wealthy benevolently dole out college entrance permits. They are demanding an end to the racist bars and the system of tokenism in all institutions of higher learning. They are demanding that educational institutions break their ties with the military-industrial complex. They want to close the doors of our colleges and universities to recruiting for the military and for the manufacture of lethal gases and other instruments of mass death. They want to abolish the elitist Reserve Officer Training Corps.

These are fundamental demands that not only affect our schools but go to the heart of the basic problems of our capitalist society—they are demands for domestic reform in place of the war policies and expenditures of imperialism.

The young workers, who are new in industry, are also in great numbers becoming the shock brigades for the working class. They spark the rank-and-file movements. They are pushing for a revitalization of the trade-union movement. It is these young workers, many of whom were themselves recently students, who form the link between the students and the working class.

They are a strong force in the struggle against racism because they do not have some of the hangups afflicting many of the older workers. They are of the radicalized generation. They are more open to new socialist ideas. In our industrial concentration efforts these young workers are our central concern.

There is absolutely nothing on the U.S. class scene that in any way challenges the basic concepts of Marxism-Leninism. That non-working-class sections of the population move into action separately or differently than the working class is not new or unique for the United States. This "discovery" should not be used to uphold theories that reject the Marxist concepts of the role of the working class.

On the basis of the upsurge in non-working class sections many petty-bourgeois theoreticians in the U.S. have developed theories of revolution without the working class, theories of revolution made by those who are not involved in the production process. These concepts were articulated especially by ideologists on the C.I.A. payroll, such as Marcuse.

What is new and most significant on the U.S. class scene is the historic rise of struggle—the process of radicalization in the ranks of the working class. Also of great significance is that movements representing millions are recognizing the fact that in industrially developed countries there is a built-in limitation to non-working-class upsurge—unless they become allied with the working class. These movements are rejecting the theories of petty-bourgeois radicalism.

Our Party has paid special attention to the youth in rebellion. But the question is not only one of attention it is also one of the content of that attention. This is not a generation that can be won over by paternalistic, classless bouquets. They want answers to their problems. They have to be won in sharp ideological struggle, especially against petty-bourgeois radicalism. They have to be won to a revolutionary path, to learn about the hollowness of reformism and liberalism. They have to be won to Marxist and working-class ideas.

Our Party is a part of these mass currents of struggle and reflects them. We have emerged from years of extreme political oppression on the crest of the waves of mass struggles. Our Party has become united in giving leadership to the mass upsurge. We remain in many ways semi-legal and illegal. There are some new acts of terror and new legal moves against our Party. There are new dangers of reaction and fascism.

With great difficulty, we have now published a daily Marxist paper for almost a year. The next sage in the consolidation and building of the Party is taking place on the crest of the new wave of struggles now taking place. The struggles and the process of radicalization now developing in the ranks of the working class are the new propellants for social progress. The Party is now giving its maximum concentrated attention to this key area of struggle.

U.S. MONOPOLY CAPITAL: NEW DEVELOPMENTS

It is necessary to take note of and to emphasize some important changes that are taking place both internally, amongst the monopoly groups within the United States, and externally in relationships between the United States and the other imperialist countries. Some significant shifts and inner structural changes are taking place in both areas. They are true especially for United States imperialism, but they are the forerunner of similar changes of things to come in all imperialist countries. These new features are a further development of the cancerous growth of the general crisis of capitalism. They signify a new level of its parasitic development.

Internally, there is a new stage in the monopolization of the economy. The United States, as is true also of some of the other industrially developed countries, is at the height of a totally unprecedented avalanche, a frenzy of corporate mergers.

In the capitalist process the big fish have always swallowed the smaller fish. But there are three new factors to this latest wave of mergers. First, it has become an uncontrollable avalanche. Second, the dominant movement is by the very large corporations; it is the merging of the giants into supergiants. Giant corporations with assets up to a billion dollars are being swallowed up. The third new feature is the rise of monopoly formations called "conglomerates." This new structure is adding a different quality to capitalist anarchy.

In the trade language of the monopoly thieves, mergers and acquisitions are usually distinguished as either "horizontal," "vertical," or now, as "conglomerates."

Horizontal mergers are those between corporations in the same industrial classification; vertical mergers are those between corporations which are related to one another as actual or potential buyer and seller. The new conglomerate mergers are those for which there is no technological or market rationale. There are neither technological nor marketing reasons for these mergers or acquisitions. From the point of view of production or marketing such mergers are irrational. They are reaching the outer limits of capitalist anarchy.

The merger movement has spread over the entire economy. Conglomeration is the new, predominant trend, in contrast to horizontal or vertical merging.

The very pinnacle of this lunacy is reached when these conglomerates are, in fact, only irrational aggregates in a galaxy of conglomerates, all financially owned and controlled by a handful of giant banks.

These monstrous anarchistic formations result from the inner laws of monopoly capitalism. They are signs of its deep inner sickness in its final stages of development.

The boom in the acquisition of irrational conglomerates is the result of financial blood clots in the aging veins of imperialism. The shift in the balance of world forces is affecting the internal processes within the major imperialist countries.

United States capitalism increasingly has faced the problem of accumulation of unused capital. This is related to problems of capitalism in this epoch. The shift in the world balance of forces becomes increasingly an obstacle to opening up new areas of investment. Thus the accumulated unused capital tends to become blood clots in the veins of imperialism. These become a source of pressures and irrationality.

And when the channels for the investment of this unused capital become restricted the monster tends to turn upon itself to devour its own. Under this pressure, its actions become more irrational. Thus it turns to conglomerates, a development which brings significant political and social consequences.

This process has greatly accelerated the process of polarization of our society. It adds to a sense of mass alienation. It gives the inner contradictions of monopoly capitalism a new quality. It is also creating new problems for the class struggle. But in the main it is a further weakening of the structure of United States imperialism.

The rise of the irrational conglomerates can be a strong argument for the need of a rational planned system of socialism.

The rise of conglomerates is not limited to the domestic scene. It is becoming a form and a structure for imperialist acquisitions. Increasingly, the imperialist bank has become the means of imperialist control by developing foreign conglomerates under its control. For this purpose the United States has become the world's largest exporter of banks. These banks are becoming the main centers of imperialist holdings. They are the controlling centers of U.S. imperialist conglomerates. For example, Chase Manhattan Bank, a Rockefeller bank, now has over sixteen hundred overseas banking facilities of its own—plus hundreds of other foreign banks it controls.

When Peru moved to end U.S. imperialist domination it nationalized Standard Oil, but it also had to move on Banco Continental with its forty-four branches because only a few years ago it was acquired by Chase Manhattan—the Rockefeller Bank. And it is Rockefeller's Chase Manhattan Bank that is at the jugular vein of Venezuela by its control of Banco Mercantile Agricola.

This same Chase Manhattan Bank is the head of the racist imperialist conglomerates in South Africa, through its control of Standard Bank of South Africa and its nine hundred branches in the southern part of the African Continent.

Chase Manhattan is a private imperialist empire. It is one of the big stockholders in the U.S. war industries. It coordinates its profits from the war industries with the Pentagon and with its world-wide network of banks. To Vietnam it has exported both napalm and banks.

Thus with the banks at the control of industrial conglomerates, U.S. imperialism has added a new link to its chain of imperialism. Through these banks it controls industries and governments.

It advances the direct imperialist control one step further. It ties the noose one notch tighter around the neck of the capitalist class of the enslaved nations. Till now it has picked the pockets of the oppressed. Now it is eliminating the pockets.

INTER-IMPERIALIST ANTAGONISMS

In the present period of advanced general crisis of capitalism, the main contradiction is between socialism and imperialism. Contradictions exist and are sharpening between the imperialist powers but they have taken second place to this main contradiction.

Since World War II, almost all small wars have been between imperialism and the national liberation movements, wars of intervention of imperialism against progressive and Communist-led governments, and imperialist wars against socialist states.

The imperialists go to great lengths to avoid wars among themselves as they lack the reserves to fight such wars and survive. Moreover, the extreme inequality of power, the absolute supremacy of U.S. military

power in the imperialist camp, has tended to render less likely the outbreak of wars among the imperialists. In particular, the military treaties, joint forces and U.S bases established in the decade after World War II made such wars difficult. However, contradictions among the imperialist powers are now mounting, even though they express themselves in different forms. Uneven economic development among the imperialists makes for rising economic and financial contradictions. These are intensified by the increasing pressures and stuggles for national liberation, struggles to restrict the plunder of the imperialists and to stop it altogether.

Uneven development economically is repeating the pattern of the interwar period. However, the extent of unevenness is more marked than between the two world wars. In fact, it is more extreme than at any time in the history of imperialism. Japanese imperialism, at one extreme, is gaining in economic strength with unprecedented speed. British imperialism, on the other extreme, is losing positions most rapidly.

There are also new, important shifts in the relations between imperialist countries. There are important shifts in the world imperialist pyramid.

In a period when the current of history is running against imperialism, a war-orientated economy, such as U.S. imperialism has built since the Second World War, becomes a factor in the operation of the law of uneven development between capitalist countries.

It is the overseas expenditures that annually turn the U S. trade balance against itself. This has an accumulated negative effect on the U.S. economy. U.S. imperialism is caught in the vise of its plans for conquering the world.

Now it either has to retreat or keep spending billions of dollars to maintain the operation of the 3,405 overseas military bases, while its chief imperialist rivals spend much smaller amounts for their military establishments.

This and other factors have drastically changed the position of Japan in the imperialist pyramid. For example, during the past ten years the U.S. industrial growth rate has been about 5½ per cent per year. During the past fifteen years the growth rate for Japan has been 13½ per cent. But even more dramatic, during the past eight years the Japanese growth rate has been 14.7 per cent a year and during the past three years it rose to 16.5 per cent. In 1960 Japan's industrial output was 20 per cent of the U.S. level and 85 per cent of the West German level. But in 1968 it rose to 36 per cent of U.S. level and 157 per cent of West Germany's level. In gross national product, Japan has surpassed West Germany. Thus Japan has clearly now become the second industrial producing nation in the capitalist world. This has shifted many of the imperialist rivalries. The contradictions between U.S. and Japanese imperialism have greatly sharpened. The struggle over Okinawa is only symbolic of more far-reaching antagonisms between them.

This uneven development is undermining the hegemony of U.S. imperialism in the world of capitalism—in all phases, economic, political and military. The drive of the fastest-growing imperialists for a larger share of investment opportunities, markets and sources of raw materials is increasingly bringing to the fore elements of rivalry between U.S. imperialism and the other imperialist powers.

This economic rivalry contributes to growing contradictions in the political and military spheres. NATO and SEATO, the main systems of bases and alliances of U.S. imperialism, are significantly weakened. Even the U.S. military grip on Latin America is now being challenged. The U.S. and its military advisers are being driven—slowly but steadily—from foreign bases in one country after another.

Contributing to this is the relative strengthening of the socialist camp in economic and military power, and especially the growing economic, military and political might of the Soviet Union. This increases the risks to any capitalist power in being involved with the Pentagon planners militarily.

It is, however, a continuing part of reality that the centripetal forces tending to bring the imperialist powers together against the "menace" of communism remain strong. Consequently, we cannot take for granted the continuation of any given split among the imperialists. On the contrary, there is always the striving to patch things up, and to restore relative unity among themselves.

To ignore the possibility of an imperialist military unity directed against either the socialist sector, the forces of national liberation, or both, would not only be an illusion about the nature of imperialism, but it would be a misreading of what is the main contradiction of our times.

One must not ignore the element of desperation and irrationality of imperialism.

From this it follows that only an unbreakable unity and a constant and total mobilization of the forces of anti-imperialism can keep this possibility defused.

These are only examples of the changing scene of imperialism. We must get used to the idea that this is a period of fast-moving events. This applies to changes within class forces.

The draft before us correctly raises the struggle against racism, against anti-Semitism and all forms of chauvinism. Based on our experience we would like to emphasize sharply the importance of this phase of the struggle against imperialism.

Racism has always been a tool of imperialism. It is its most effective ideological tool. The use of the color of a man's skin is an age-old weapon of slavemasters. Imperialism has refined it. It has given it a global character.

The influence of racism is the most serious roadblock to the development of an anti-imperialist consciousness in the imperialist countries. It is an obstacle to the development of class consciousness in the ranks of the workers. Class consciousness is the strongest antidote against racism.

Racism is a live virus everywhere. Struggle and experience create the conditions for its elimination. But like all enemy ideologies it does not disappear without a struggle. It must be taken head on. U.S. imperialism is the main world dispenser of racism. For U.S. imperialism it is an extension of its racism at home. U.S. capitalism directly exploits some sixty million wage workers to the amount of $100 billion in profits each year. If we add such items as interest, rents, proprietors' income and corporation officials' salaries, the total extracted exceeds $250 billion a year. In addition, U.S. capitalism extracts close to $30 billion in additional superprofits each year from a special system of racial and national oppression practiced against 40 million of its citizens at home. They can continue these policies and practices only because of the influence of racism on the white Americans who permit it to go on.

We are speaking about raising the level of the anti-imperialist struggle. As an important feature of this effort we must raise to a new level the struggle against racism in all its forms.

We would like to see a world ideological conference devoted to burning out the influence of racism. Communists must not only be the staunchest but also the most skillful fighters against racism. This struggle must be seen as a key and most crucial feature of the struggle against the ideology of imperialism.

STRUGGLE AGAINST OPPORTUNISM

Marxism-Leninism, the world and class outlook of the Communist movement, has been largely molded in the struggle against the influence of opportunism.

In an earlier period the acid of opportunism, unseen and unnoticed, weakened the ideological fibers within the revolutionary movement, and at a crucial moment in history it finally destroyed powerful working-class parties of socialism. The acid had done its harm. It is of great importance that the crisis brought on by opportunism came in the struggle against imperialism. When the test came the professed internationalism of the different working-class parties vanished. The unity between parties first was diluted to a formal unity. But very quickly even the formal ties became obstacles. World class ties between parties became an embarrassment.

Each party stated that its internationalism would be expressed through effective work, each within its own national entity.

The leaders of the socialist parties very quickly made new discoveries. Very quickly they decided Marx was wrong. There were no laws of capitalism that applied universally. There were no worldwide concepts of the class struggle. In each country they discovered fundamental national peculiarities that overshadowed international similarities.

The class struggle became purely a people's struggle. Class concepts became "national" concepts. No party condemned internationalism, it just put it on the shelf "for the duration."

Many of the parties became large mass parties. This was good. But what was *not* good was that they became broad popular parties by going along with popular concepts of nationalism and classlessness. They became mass parties by giving up their advanced working-class positions. They ceased to be revolutionary parties and became mass reformist parties.

Only Lenin saw the nature of the acid. Only Lenin took up the struggle before it reached the crisis stage. Only Lenin saw its creeping insidious nature.

Much has happened since then. Much has changed. The ideological fiber of Communist parties is stronger. But the need to be on guard against the acid of opportunism has not lessened. The acid is the same. It still eats at the fibers of internationalism. It still erodes class concepts. It feeds on and itself feeds nationalism. It still leads to an accommodation to the pressures of the enemy. It still leads toward reformism. In its "Left" cloak it still leads to petty-bourgeois radicalism, to dogmatism.

The relationship of forces is different—the pressures are different—the influences of opportunism are different. But as long as there is a struggle between the two classes there will be a need for a struggle against opportunism. In the absence of such a struggle the pressures of opportunism keep mounting.

There are two opposite approaches to the question of relationships between internationalism and national interests. Whenever there are momentary differences between one's class international responsibility and some specific national interests, opportunism will in all cases lead to the discounting of internationalism. Opportunism leads to an emphasis on difference and on seeming contradiction by its emphasis on nationalism. A working-class revolutionary concept will lead to a search for the points of unity. Opportunism will seek to widen the points of difference. A revolutionary concept leads to the elimination of the differences. The struggle for concepts of internationalism is a struggle against opportunism.

Theories of disunity are also not new in the history of the revolutionary movement. They appear in exact ratio to opposition to working-class internationalism.

In the parties of the Second International, internationalism was never actually condemned. It was simply dispensed with, as an obstacle to inner class unity. Their scuttling of internationalism was also covered by numerous theories of disunity.

We are for the rejection of all theories of disunity.

We rejected the theory that constant splitting is as natural for the revolutionary movement as it is in nature. It is an open theory of disunity. It is a disguise for nationalism. It is also a distortion of the dialectics of nature.

It is also one thing to take note of and examine differences and momentary contradictions within the world socialist sector. But it is another matter to use this as the basis for a theory of disunity that in essence says "that's how things are and that is how it will be," that we must therefore accept this as a fact of reality, and that any attempt to find a path of unity is only an illusion.

Opportunism leads to theories based on nonexistent internal contradictions within the socialist world. Marxism-Leninism seeks the path of cohesion and of overcoming momentary differences.

We reject all theories that efforts to bring about working-class unity in fact only bring disunity.

We also reject the concept that silence can disperse ideological differences and thus create the basis for unity. U.S. imperialism has never for a moment given up its drive to chip away at the unity of the socialist world. For it, the focus of the class struggle on the world scale is the Soviet Union. For it, the Soviet Union is the political and military power base of the world's working class. It views the Soviet Union as the main roadblock to its plans of world conquest. This has been and remains the pivot of its imperialist policies.

Thus its main ideological attack is on the Soviet Union. U.S. capitalism is ready to make significant short range concessions to any group, party or state, if these concessions fit into the tactical or strategic plans of U.S. imperialism against the Soviet Union, into its plans of dividing the socialist sector and the other forces of anti-imperialism.

For example, for years there has been a well-organized, high-power political group, composed of some of the most reactionary imperialist forces and called the *"China Lobby."* It has been the organizational and ideological center for the U.S. policies of aggression in the Far East. This most reactionary force has now undertaken a drive, both in the open and behind the scenes, to bring about a working relationship between the U.S. and the People's Republic of China. This is a well-financed drive, supported by some of the most aggressive monopoly circles in the heartland of world imperialism. Needless to say, these forces are not interested in U.S.-Chinese friendship. Their main interests are not even trade with Communist China. Their aim is to use the split in the socialist world. Their aim is to try to use the People's Republic of China in their anti-Soviet plans. Their aim is to open the doors of China for political penetration. One cannot blame China for what U.S. imperialism does, but one cannot ignore policies that lead imperialism to conclude that it can use them.

The use of such negative policies is not necessarily a matter of agreements or contracts with imperialism. The same end is accomplished by giving the massive imperialist networks the material with which to vilify and slander the Soviet Union, socialism and the Communist parties of the world. The imperialist network is much more anxious to spread slander coming from such a source than slander from its own barn of ideological fabricators. They are fully aware of the credibility gap of a Morgan, a Nixon or a Rockefeller.

U.S. imperialism has such a specific, worked-out plan of action for every socialist country—for every newly liberated country—for every political party throughout the world.

What the progressive forces of the world must understand is that no world power has ever had an active policy of penetration, of subversion, of corruption, of buying off, of terror and murder on such a massive scale as is the case with U.S. imperialism.

The policy is world-wide but the pivot around which these plans revolve is the plan against the Soviet Union.

Any accommodation to the ideological pressures that arise from this reality weakens the forces of anti-imperialism. No amount of ideological tiptoeing or sidestepping is going to change this hard rock of reality. Any attempt by one socialist country or one Communist party to gain favors by being silent or by any other form of accommodation can only lead to capitulation and defeat.

It is true that the Soviet Union does not ask for nor does it need the kind of defense it did as the first young socialist republic. But even then the significance of the world-wide campaign was far more than the defense of the Soviet Union *per se*. It was an important ideological campaign. In fact this was its central purpose.

For this same reason the statement by some people concerning Soviet self-sufficiency, while correct, cannot be a cover for not taking up the challenge of the anti-Soviet campaign. Such silence, for whatever reason, has political and ideological consequences—not in the Soviet Union, but for the masses in the rest of the world. Herein lies the importance of replying to the slander no matter where it comes from. Anti-Sovietism is a form of anti-Communism. It is a special ideological instrument in the imperialist drive to create dissension in the socialist world, to mislead the anti-imperialist movement.

THE FIGHT AGAINST MAOISM

No one wants to condemn or to "read out" any other Communist party. The best possible of all solutions would be for all Communist and Marxist parties to be here in this comradely and democratic discussion. This is the only path to greater unity. However, no one can honestly say that every possible effort has not been made to bring this about. I am sure we are of one mind in our determination to continue to work to bring about such a collective dialogue between all parties.

But let us not forget—there is a long history to the efforts of most Communist parties in trying to find a basis for a dialogue with the present leading group in the leadership of the Communist Party of China. In this history there have been periods of private exchanges, periods of public discussions, periods of no public or private retorts, to the vituperative and slanderous attacks from Peking. But as we know it has all fallen on deaf ears. Silence in the face of injustice, silence in the presence of slanders and falsehoods, silence in the knowledge of a military attack is acquiescence, is support for the slanders, the falsehoods and the attacks. Whether one inwardly means to acquiesce or not, is not important. It is the effects of such silence that count. The imperialist network spreads such silence as support for the slanders. Silence in the face of the slanders and acts of provocation by the Marxist group is itself opportunism.

The main content of the Maoist ideological attack is anti-Soviet. It is directed against the other socialist countries and the world Communist movement, but it is sharply focused against the Soviet Union. This, as we all know, is the main focus of U.S. imperialism's attack also. How are we, then, to separate these attacks. They cannot be separated in content, in their viciousness, in their scope and persistence.

Where then is the logic in the position of some parties of remaining silent in the face of every possible kind of slander, and of vilification that has no limits. Remaining silent when there is proof of military attacks and provocations is acquiescence. But on the other hand, as soon as there is even the most responsible and measured reply to the slanders and attacks, then the silence of these parties ends and the response to these slanders, is called slander and abuse—these responses are called divisive. During this Conference the Mao group has said: "The Soviet Union and its socialist satellites are a fascist prison camp of peoples." How can partisans of socialism, partisans of the working class, remain silent? Must not one weigh the effects of such silence? Do not masses have a right to draw the conclusion that such silence is, in fact, acquiescence? Whether they have such a right or not, they do draw such conclusions.

Under these circumstances those who remain silent and those who dig into the pile of slander and falsehoods, in search of a word or two from which they can construct some far-fetched positive connotation, may do so. But they must also accept the responsibility for what conclusions the millions draw from such positions, from such silence. That responsibility cannot be escaped.

What should concern all, of course, is the slanders and the attacks, but what is of even greater concern is the consistent direction of the Maoist policy.

It is not a policy of confrontation with the forces of imperialism anywhere. The policy moves in the direction of a sharper confrontation with imperialism—anywhere.

The point is not to read the Communist Party of China out. The real question is how to reverse the present direction of the Maoist policy and to bring the Chinese people and nation back into the stream of anti-imperialism, and into the world communist and socialist movements.

We are in full agreement with the draft document in its emphasis on the centrality of the struggle against U.S. imperialism. This is a world-wide struggle.

In the other imperialist countries, however, this struggle will be most effective if it related to the struggle against the imperialism of one's own country. Communists can never be in the position of supporting the replacement of one imperialist domination by another—especially if the replacement is the imperialism of one's own country. A revolutionary party cannot evade or soften the struggle against one's own imperialism in the name of the struggle against world imperialism.

This can also be a form of opportunism.

THE BARBARIC WAR AGAINST VIETNAM

The U.S. Air Force and Navy have destroyed most of the substantial structures and bridges in North Vietnam, including, by their own claim, tens of thousands of trucks, thousands of railroad engines and cars, large numbers of vessels, the bulk of all industrial installations. They have destroyed the majority of above-ground schools and hospitals, and countless homes. They have damaged the invaluable dikes and irrigation systems.

The U.S. Armed Forces have destroyed most of Hue, large parts of Saigon, Cantho, and other cities in South Vietnam, and countless villages and hamlets, by aerial bombardment and artillery fire.

The U.S. Armed Forces have ruined a million acres of arable land through defoliation, bulldozing, conversion into military bases. They have destroyed vast rubber plantations, and rice fields, shops, and small industrial establishments in South Vietnam. They have destroyed or stolen hundreds of thousands of tons of rice, tens of thousands of head of livestock.

The U.S. Government strives openly to kill the maximum number of Vietnamese people, boasts daily of the number killed,

and of the "kill ratio." It has in fact killed more than one million Vietnamese men, women and children.

The U.S. Government has surpassed all of its past efforts at destruction in this war. It has dropped more tons of bombs than in any previous war. The damage has been correspondingly colossal.

The U.S. is completely responsible for this war, and is guilty of unprovoked aggression against the people of Vietnam, North and South. Similar massive destruction has been carried out in Laos, and serious damage has been done in Cambodia.

World public opinion must force U.S. imperialism to pay full reparations for the damage it has wrought. Nobody needs or wants the charity of U.S. imperialism, and their so-called aid is only given to their clients and puppets. But what is involved here is reparations, which by international custom are paid by the aggressor to the country attacked. And it is our supreme duty to make sure that U.S. imperialism is in fact defeated in its criminal attempt to make a de facto colony of South Vietnam.

How much reparations? There is no sum big enough to pay for human lives lost. The damage done to property in Vietnam, measured by U.S. standards, by the prices the U.S. pays its munitions makers, by the actual costs of rebuilding at world prices, would mount into the tens of billions of dollars.

Undoubtedly, the Vietnamese people themselves will be able to add up the bill accurately. But I think that to make economic amends, to pay its just material debt to Vietnam, the U.S. must pay at least the amount it spent in a single year striving to conquer and to destroy Vietnam—$30 billion. Let the American workers now producing munitions be put to work on providing some of the goods represented by these $30 billion owed to Vietnam.

This must be made an issue in the anti-imperialist movements and struggles.

The U.S. is not only the economic and military citadel of world imperialism. It is also its political and ideological center. It has in its service the most massive propaganda machine of any power in history. It has at its service tens of thousands of well trained ideological and political specialists. This is a most highly class-conscious cadre. This imperialist network is sharply keyed to this Conference. Its agents have been briefed and rebriefed. They have been supplied with political, ideological, health and psychological dossiers on most top Communist cadres. They are not afraid of any secret decisions from this Conference. They are worried about the effects the Conference will have on the millions.

This network is geared to minimize the effects. It can do this to the extent that it can create an impression of disunity. Every discordant note is being magnified a thousand fold. In this sense the statement of Comrade Rodriguez for the Communist Party of Cuba that they would not let their absence here be used by the forces of imperialism is of very great importance.

Let us not feed this imperialist network of propaganda.

Let us rather feed the spirit of struggle, the sense of new confidence, that masses will gather from a new level of unity symbolized in the historic Conference of Communist and workers' parties.

There are some in the Communist movement who feel that the draft document is too positive in tone. We do not think so. Communist analysis must of course be rounded out. But there is one special quality in Communist assessments. We are dealing with processes in motion. We are dealing with currents in the process of emerging. It is necessary for us to seek out that which is positive, that which is emerging. We must examine weaknesses, but we must build on that which is positive.

Communists deal with currents and forces that contain within themselves the future. Our assessments reflect our deep confidence in the future of these forces. We have a positive posture because we are the present—but because we are also the future.

EXHIBIT 2

CLEAVER IS REPORTED SEEKING AN EXCHANGE OF JAILED PANTHERS FOR U.S. PRISONERS IN VIETNAM

(By J. Anthony Lukas)

CHICAGO, October 21.—Eldridge Cleaver, the Black Panther leader who is now in Algeria, was reported today to have begun discussions with the enemy in Vietnam about an exchange of United States military prisoners for Panthers in custody in this country.

This was announced today by Rennard C. Davis, one of the defendants in the trial of the Chicago eight, at a news conference during the trial's noon recess.

Mr. Davis has helped to negotiate releases of several United States military prisoners held by North Vietnam.

He said today that the proposed exchange would involve Bobby G. Seale, national chairman of the Black Panther party, who is also a defendant in the trial, and Huey P. Newton, a Panther leader who is serving a sentence of two to 15 years, in California for shooting a policeman.

Mr. Seale is being held in Cook County Jail on charges of conspiracy to commit murder in Connecticut. He, Mr. Davis and the six other defendants in the Chicago Eight trial are charged with conspiracy to incite a riot during last year's Democratic National Convention.

Mr. Davis told newsmen that the report of the discussions of the prisoner exchange had come from the national office of the Black Panther party in Oakland, Calif., several days ago.

Later, it was learned that the news was passed to Thomas E. Hayden, another of the defendants in the trial, during a meeting last Sunday in Oakland with the Black Panther party's central committee.

In Oakland, leaders of the Black Panther party could not be reached for comment.

Mr. Davis and Mr. Hayden said that, as far as they knew, the United States Government knew nothing of the discussions initiated by Mr. Cleaver.

Mr. Hayden said the Panthers had not made it clear whether the discussions involved the North Vietnamese Government or the National Liberation Front of South Vietnam.

He said the discussions took place "sometime during the last two months." He said the Panthers did not say where they were held, but he noted that within the last two months Mr. Cleaver had been in several Communist countries, including the Soviet Union and North Korea.

Mr. Cleaver dropped out of sight in California last year after parole was revoked. Several months later he turned up in Cuba and later moved to Algiers, where he is reported to be living with his wife.

Mr. Davis said the eight defendants had been asked to assist in the prisoner exchange, should it come about.

Mr. Hayden and David T. Dellinger, another defendant, who is chairman of the Mobilization Committee to End the War in Vietnam, have previously helped arrange the release of United States prisoners in Vietnam.

Mr. Hayden said there was at least one precedent for an exchange such as that proposed by the Panthers. He said that during the Algerian war the French had exchanged political prisoners for French prisoners of war held by the Algerians.

Asked why North Vietnam would be interested in the release of Mr. Seale and Newton, Mr. Davis declined to answer.

He referred all questions to Mr. Cleaver in Algiers and David Hilliard, chief of staff of the Panthers, in Oakland.

Mr. Seale has been embroiled in several bitter clashes with Judge Julius J. Hoffman during the trial's first four weeks. The most bitter came yesterday when he called Judge Hoffman "a fascist and a racist" after the judge denied a motion to let him act as his own lawyer.

Mr. Seale asserted that he had been deprived of the counsel of his choice because his attorney, Charles Garry, had just undergone a gall bladder operation and Judge Hoffman had refused to postpone the trial until he recovered.

Judge Hoffman warned Mr. Seale yesterday that he had means to deal with a defendant who refused to be quiet in court. This was interpreted by legal observers here as a warning that Mr. Seale could be shackled and gagged in court if his outbursts continued.

This morning as an undercover Chicago policeman was about to leave the stand, Mr. Seale protested again.

"Judge," he said, "will you ask the witness a question for me."

Judge Hoffman said Mr. Seale could ask any questions he wanted through a defense lawyer, William M. Kunstler.

Mr. Kunstler rose to say that he had been dismissed by Mr. Seale and no longer regarded himself as Mr. Seale's lawyer.

"Somebody's got to ask questions on my behalf," Mr. Seale said. Judge Hoffman refused to let him continue.

For the rest of the day, another undercover Chicago policeman testified about events during the Democratic convention.

Kenneth Carcarano, a plainclothesman assigned to the police department's "subversive unit," said he had seen Mr. Davis lead a march into Grant Park on the evening of Aug. 26, 1968.

He testified that Mr. Davis had shouted through a bullhorn, "What do you want?" and that demonstrators had responded, "Revolution!"

Mr. Davis yelled "When do we want it?" and the crowd responded, "Now," the policeman said.

When the demonstrators reached the park, Mr. Carcarano said, Mr. Davis yelled, "Take the hill. Take the high ground. Don't let the pigs take the hill."

PRISONER EXCHANGE DOUBTED

WASHINGTON, October 22—State Department officials expressed doubt today whether North Vietnam had any interest in exchanging American prisoners of war for Black Panthers in the United States and said it had no information about such a proposed exchange.

The report that Eldridge Cleaver, a Panther leader in self-imposed exile, has begun discussion on an exchange with the enemy in Vietnam was issued in Chicago yesterday by Rennie Davis, one of the defendants in the Chicago Eight trial.

A State Department spokesman said that "we have no information about this report." Later, other officials said privately they doubted that the enemy would be interested in the proposed exchange.

"GROUNDWORK" PREPARED

SAN FRANCISCO, October 22—The Black Panther party said today that "the groundwork has been set" for the release of American prisoners of war if jailed Panther leaders are freed.

At a news conference this morning, David Hilliard, the party's national chief of staff, said that the Panthers are seeking the freedom of Huey P. Newton and Bobby G. Seale, the party's co-founders.

In exchange for their release, he said, the Government of North Vietnam would free an unspecified number of American prisoners.

Mr. Hilliard added that the "final details" of the proposed exchange are being worked out by Eldridge Cleaver, the Panther's exiled minister of information.

Mr. Hilliard said that the Vietnamese would ask that Rennie Davis and David Dellinger, two of the defendants in the Chicago eight trial, along with Mr. Seale, act as the go-betweens in the proposed swap.

The proposal could become active "as soon as Davis and Dellinger are cleared to go and meet with Eldridge," Mr. Dellinger said.

CONSPIRACY TRIAL

(By Tom Hayden)

CHICAGO.—The Conspiracy trial no longer seems to be the carnival it was in the first week.

We no longer humorously refer to federal judge Julius Hoffman as "Magoo" (a reference to a comic character the judge is said to resemble) but as "Adolph Hitler Hoffman."

The first 21 government witnesses have been from the Chicago police department and the FBI. Their testimony has unfolded as an attack on the movement, political ideas, language and style rather than on concrete crimes. The most concrete action charged any of the defendants so far was letting the air out of police car tires, throwing sweaters at undercover agents and other trivia which defense attorney William Kunstler asserts belong in a municipal police court, not before the federal bench.

Occasionally there is a fantastic claim such as the one that Rennie Davis arranged for live television coverage in front of the Conrad Hilton hotel Aug. 27 and then ordered Mobilization marshals to kick the line of policemen in the shins so demonstrators would be clubbed before the TV audience. On this particular charge as on many others, cross-examination revealed no shins were kicked.

The heavy emphasis in the police testimony has been on the provocative language and identity of the defendants. With a pretense at embarrassment officer after officer tells the jury that the defendants shouted, "——— LBJ," "Ho, Ho, Ho Chi Minh" and other chants.

When defense attorneys ask police if any obscenities were used by them while clubbing demonstrators, they are given pious denials. The most any police witness has acknowledged is that he heard one officer say to another, "These little ——— are really tough . . ."

The Conspiracy is attempting to pinpoint the blame for the Chicago melee on authorities at the highest level and show that the trial is an integral part of a national policy to institute a legalized fascism. The Nixon administration, according to the defendants, is rigging the Supreme Court and Justice Department with reactionary political figures prepared to go beyond present Constitutional standards towards a new policy of reaction.

As examples of a move toward fascism, there are the proceedings of the Conspiracy trial itself. For example, the government has admitted illegal wiretapping of defendants but asks the court to uphold wiretapping in the overriding interest of national security. Furthermore, the prosecution case cites as "evidence" of crime speeches given before and during the convention to public meetings where there was no evidence whatsoever of a "clear and present danger to the peace."

The Conspiracy is waging a struggle coordinating the defense inside the courtroom with a political campaign on the outside to stop the trial. The defense case will try to re-enact what happened in Chicago and bring political figures such as Lyndon Johnson and Mayor Richard Daley to explain their policies. Leaders of the civil rights, academic and liberal communities are expected to testify about what happened in Chicago as well as ordinary people who were beaten or gassed in the streets.

The Conspiracy hopes to make part of its defense a "people's case" and encourages all witnesses to return to testify.

Since the trial has sparked widespread international concern, the Conspiracy hopes to turn it into a political showdown.

Dave Dellinger, at the request of the Black Panther party, announced the possibility of releasing U.S. military prisoners in Vietnam if and when the U.S. unconditionally released Bobby Seale and Panther leader Huey Newton. Panther Eldridge Cleaver has been in consultation with the Vietnamese about this. The political import is that Seale and Newton are not simply political prisoners but prisoners of war because it's a military policy the government utilizes against the Panthers.

Dellinger and Davis asked to be allowed to go to Paris to discuss release of American prisoners with the North Vietnamese delegation to the peace talks. Hoffman denied permission, but lawyer Kunstler went instead.

One of the most tumultuous scenes in the court last week was when seven Panthers were not permitted to bring a cake into the courtroom to celebrate defendant Seale's 34th birthday. Hoffman denied a request from Kunstler to celebrate the birthday. After a recess, as the defendants emerged from the conference room in ceremonial procession with the cake inscribed "Free Huey and Bobby" across it, a line of marshals wrestled the cake from Jerry Rubin.

"That's a cake-napping!" shouted Abbie Hoffman and Rennie Davis turned to Seale and said "Hey, Bobby, they've arrested your cake."

"They've arrested a cake," said Seale loudly, "but they can't arrest a revolution."

The Panthers seated in the second row shouted "Fight on!" and raised their fists.

When Hoffman ordered the spectators to be silent Seale turned to his supporters and said, "Okay, brothers, just sit in the courtroom and listen and don't say anything."

"I give the orders here, sir," said Hoffman.

"They don't take orders from a racist judge," Seale replied.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THURMOND. Mr. President, I ask unanimous consent that I be permitted to continue for an additional 4 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hearing none, it is so ordered.

RISING TEXTILE IMPORTS FROM JAPAN

Mr. THURMOND. Next week the Prime Minister of Japan will visit in Washington for 3 days of meetings with the President of the United States on problems of mutual interest between the two countries.

We welcome the Prime Minister to this country and hope his stay will be a pleasant and meaningful one. He comes when relations between Japan and this country are relatively stable.

For over 10 years textile producing States, such as my State, South Carolina, have been viewing with alarm the steady rise in imports of cotton, wool, and manmade fiber products, the majority of which are coming from Japan.

In 1969 these imports reached a high of 3.7 billion yards, an increase of 400 million yards over 1968 and a considerable increase above the 1.5 billion yards coming into the United States in 1964.

Over the last 8 years imports of manmades have doubled roughly every 2 years. In 1969, these imports will constitute half of our total imports.

Mr. President, there is absolutely no doubt the import flow in textiles has become a flood, if not a tidal wave. Even more alarming is the fact that we have lost 33,000 jobs in textiles and apparel since January of this year. Total textile and apparel employment, which fell below 2.4 million workers in August for the first time in 15 months, continued to decline in September.

No government can ignore such an alarming trend. President Nixon made plans to solve this problem even before his inauguration, and he and his administration have given it high priority since that time. Commerce Secretary Maurice Stans has visited abroad in an effort to obtain voluntary quotas which would insure orderly progress of the textile interests of all concerned. The problem has been a generally uncooperative attitude by the Japanese Government. Ample time has expired to correct this situation. If our friends in Japan continue to keep their heads in the sand, then the Congress should take forthright action to insure the survival of our textile industry. It is my feeling that Congress would not hesitate to act.

Another point worthy of note is the fact that our textile industry is essential to the military security of our country. The textile industry was described by the World War II Army Quartermaster General as second only to steel in essentiality. In 1959 the Office of Civil and Defense Mobilization made the following statement to the Senate Textile Subcommittee:

> The OCDM regards the textile industry as an essential industry and considers it an essential part of the nation's mobilization base.

At the present time the textile industry is supplying an average of 200 yards of cloth for every man and woman in uniform. In all, some 10,000 textile items from socks to bulletproof vests are used by our servicemen.

In a speech last October, Stanley Nehmer, Deputy Assistant Secretary of Commerce, revealed some interesting facts. He stated:

> The United Kingdom sets quotas on various wool and man-made fiber products from Japan. Italy restricts imports of various wool and man-made fiber products from Japan. France has similar restrictions on Japanese imports, but restricts imports from Hong Kong as well. West Germany has restrictions against Japan, Hong Kong, India and Pakistan. Austria has restrictions on Japanese textiles but also has an "anti-dumping and market disruption law" which permits automatic action when prices of specified textiles are considered too low. The Benelux countries have a bilateral agreement setting quotas on Japanese textiles and apparel, while the Japanese-Canadian agreement imposes quotas on some synthetics. Canada has similar agreements with Korea and Hong Kong. Denmark uses licenses to regulate textile imports from Japan, Korea and Taiwan. Switzerland employs a "price certificate system" for textile imports under which textile imports are kept out if prices are too low. This is administered through a system of import licenses for all textiles at the fabric stage and beyond, regardless of origin. However, the licenses have been granted automatically to high-cost countries. Norway and

Sweden have restrictions on imports from several Asian countries. Even Japan has a global quota on imports of woven woolen fabrics under which Japan sets quotas for France, Italy and the U.S.

Mr. President, these facts amply illustrate the dilemma with which this country is faced. It is my hope this administration can reach a negotiated solution, but if our friends abroad think we lack the determination to pass a unilateral arrangement in the Congress, then they are sadly mistaken. Hopefully, such a solution will not be necessary, but let it be understood we stand ready to act if the present deadlock is not soon broken.

SALT—GIANT STEP IN THE LONG JOURNEY TOWARD PEACE

Mr. YOUNG of Ohio. Mr. President, November 17, 1969, the day set for preliminary discussions at Helsinki, Finland, on strategic arms limitation talks, commonly referred to as SALT, could mark a historic turning point in history. Since the first atomic bomb was exploded in August 1945, mankind has lived precariously under what the late, great President John F. Kennedy described as "a nuclear sword of Damocles."

In urging Senate ratification of the Limited Nuclear Test Ban Treaty, President Kennedy, quoting an ancient Chinese proverb said, "A journey of a thousand miles must begin with a single step." Since then additional meaningful steps have been taken toward permanent peace—the Nuclear Nonproliferation Treaty and the treaty banning the use of nuclear weapons in outer space. Now, with the SALT negotiations, the opportunity presents itself for a giant step forward on that long journey toward permanent peace.

The armaments race between the major powers continues unabated. The insane nuclear arms and missile race between the United States and the Soviet Union has brought all mankind nearer the possibility of total destruction. Many of these armaments systems are obsolete before they even reach completion. The emphasis may change from bombs to missiles, from missiles to antimissile missiles, but the armaments race continues. Hundreds of billions of dollars and rubles are wasted on the seemingly insatiable demands of militarists of both nations for more and more weapons.

After years of this dangerous rivalry, neither our Nation nor the Soviet Union is any more secure than it was at the beginning of this decade. Every effort to develop and stockpile new superweapons has only resulted in a similar action by the other side. After each nation has developed a new one, the race starts all over again to produce new, more expensive and more sophisticated weapons.

Despite assurances to the lesser powers, the Soviet Union and the United States have used the 15 months since the signing of the Nuclear Nonproliferation Treaty not to curb the armaments race but to proceed with the testing of new weapons systems.

The first order of business at Helsinki must be to seek a mutual moratorium on all testing. Then, efforts may proceed toward more comprehensive arms agreement that can only be arrived at after years of difficult and painstaking negotiations. Senators will recall that it took years of such tedious and often discouraging negotiations to arrive at the Limited Nuclear Test Ban Treaty and the Nuclear Nonproliferation Treaty.

It is of utmost importance that none of the superweapons be excluded from the discussions—the ABM, the multiple independently targetable reentry vehicles, commonly referred to as MIRV's, and others. The continuing development by the Soviet Union and the United States of the testing and deployment of MIRV systems and further deployment of ABM systems must be halted.

MIRV is the major factor that could cause a tragic spiral in the arms race and preclude for many years the opportunity for meaningful arms limitation negotiations. Unless MIRV flight testing is halted soon, we may reach the point of no return toward being able to halt the mad momentum of the arms race.

We may never have a better opportunity to do so. Administration leaders and leaders in the Kremlin both appear willing to negotiate seriously. More important, it appears that both sides can negotiate from a position of approximate nuclear equality. The fact is that there is no such thing as nuclear superiority when each side has it within its capability to totally destroy the other.

The President's decision to enter into SALT negotiations is, without a doubt, his most significant act since assuming office. These negotiations are only the beginning. We harbor no false hopes that firm agreements will be arrived at in a week, a month, or even a year. The negotiations will be long, arduous, and frustrating. However, the outcome will determine whether the United States and the Soviet Union will be forced to continue to expend vast amounts of their resources and energy on nuclear weapons; whether mankind will be confronted with the bleak prospect of nuclear weapons proliferation; whether the horrible uncertainty of a horrible nuclear war will continue to hover over mankind; and possibly whether civilization as we know it will live or die.

Mr. President, I am proud to be a cosponsor along with 41 of my colleagues of the resolution introduced by the distinguished junior Senator from Massachusetts (Mr. BROOKE), calling for a halt in the testing of all multiple-warhead missiles by the United States and the Soviet Union. I can think of no better way of expressing the good faith of our Nation in the SALT negotiations than by prompt approval by the Senate of that resolution.

Mr. President, in announcing that I would not be a candidate for reelection in 1970, I stated "the most important vote of my senatorial career to date was cast in support of the Limited Nuclear Test Ban Treaty." In 14 months I shall retire from the Senate. It is my hope that before those 14 months have ended, I shall have the opportunity to cast an even more important vote—a vote for a meaningful Strategic Arms Limitation Treaty.

BILLS INTRODUCED

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

By Mr. CASE:

S. 3138. A bill for the relief of Ruth E. Calvert; to the Committee on the Judiciary.

By Mr. MONDALE:

S. 3139. A bill for the relief of Grant J. Merritt and Mary Merritt Bergson; to the Committee on Interior and Insular Affairs.

ADDITIONAL COSPONSOR OF A BILL

S. 2168

Mr. BENNETT. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Pennsylvania (Mr. SCOTT) be added as a cosponsor of S. 2168, the mink quota bill.

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

DEPARTMENTS OF LABOR, AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1970—AMENDMENT

AMENDMENT NO. 278

Mr. PERCY. Mr. President, today there are approximately 20 million Americans aged 65 or over in this country. Of these Americans, 3.2 million are restricted in their movements or confined to bed; 3 million are classified as illiterate or functionally illiterate; 4.4 million live alone, many divorced from community life; and 1.2 million are confined to hospitals or other institutions.

These people need more than a social security or welfare check to make their lives meaningful or comfortable. They need programs designed to meet their specific needs and to help them contribute to the development of their communities despite their advanced years. Title III of the Older Americans Act provides them with these programs by allocating money for training, planning, and service projects for the elderly.

With the help of title III funds, communities can establish home health, transportation, reassurance, personal counseling, and job training services for their elderly residents. In addition, they can develop hot meal, recreation, and leisure time programs, many of which depend upon the assistance of the senior citizens themselves to operate.

There are currently 4 million older Americans residing in areas covered by local planning programs of title III. Last year, nearly 600,000 of these people participated in the 1,100 projects financed by title III funds.

In Illinois alone, 18,000 older Americans were assisted through 38 pilot projects ranging from senior centers for recreation to homemaker, health assistance, adult education, transportation, and referral services. In addition, 192 elderly men and women who might not otherwise participate in community activities were trained to help operate these projects. They worked along side of 754 older volunteers who gained a sense of significance and recognition that elderly people desire but too often do not achieve.

While the progress being made by title III programs in Illinois and across the United States is encouraging, there is still much more to be done. Less than 2 percent of the elderly in the State and in the Nation are being served by these activities. And they will not be served unless the programs multiply and receive adequate funding.

I am today submitting an amendment to the Labor, Health, Education, and Welfare appropriations bill that will increase the funds for title III. This legislation will provide for the appropriation of $20 million, the full authorization, for that title, rather than the $9 million recommended in the revised budget.

The additional funds provided by this amendment will make a significant impact in every State. For Illinois, they will make the difference between a $700,000 grant—a slight increase from the $613,000 approved last year—or a $318,087 grant for title III programs representing almost a 50-percent decrease from the previous year. They will thus contribute to the expansion rather than the reduction of many worthwhile projects. There is no earthly reason why in a rich America of the 1970's we cannot provide better for poor senior citizens in great need of help.

Mr. President, I believe that every State, and the elderly of every State, will derive great benefit from an increased level of funding for title III of the Older Americans Act. I urge, therefore, that this amendment be adopted when it is considered by the Senate.

The PRESIDING OFFICER. The amendment will be received, printed, and appropriately referred.

The amendment (No. 278) was referred to the Committee on Appropriations.

AMENDMENT OF ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965 AND RELATED ACTS—AMENDMENTS

AMENDMENTS NOS. 279 THROUGH 286

INCREASED AUTHORIZATIONS FOR VITAL EDUCATION PROGRAMS

Mr. MONDALE. Mr. President, today I am submitting for the RECORD a series of amendments to S. 2218, which I proposed during the executive sessions held this week by the Education Subcommittee on bills to extend and improve the Elementary and Secondary Education Act. The amendments I am submitting today complement an amendment I offered last week to establish a National Advisory Commission on School Finance.

COMMISSION ON SCHOOL FINANCE

That amendment, which will be considered in the executive session of the full Labor and Public Welfare committee, would amend the Elementary and Secondary Education Act by establishing a National Advisory Commission on School Finance to study and make recommendations regarding the severe financial crises faced by school districts throughout the Nation. It would focus attention on the tremendous educational burdens faced by rapidly growing communities, on the serious inequities within and among States of this Nation with respect to the quality of education offered in elementary and secondary schools, and on the appropriate structure for local-State-Federal partnerships in financing education.

This Commission would pay particular attention to the problems of school construction assistance—problems that are perhaps best illustrated by fast growing suburban and isolated rural school districts in my own State of Minnesota. The suburban school district of Anoka-Hennepin, for example, faces annual enrollment increases of almost 10 percent. It is dependent upon a relatively limited tax base. The average age in this community is 14. Its public school enrollment has tripled in the past 10 years. As a result, the residents of this district have found their taxes increasing by as much as 30 percent in a single year.

On the other hand, the Aitkin school district, located in a rural area, faces financial problems typical of many communities. With much of its land either unproductive or owned by the State and, therefore tax forfeited, the district has been forced to increase the school taxes at a rate approaching 40 percent in a single year.

The tremendous financial burden placed on educational agencies trying to provide quality education in situations such as these requires serious consideration by talented individuals representing all aspects of the educational process. The amendment I offered last week would establish a qualified Commission to do this task, and I am hopeful that it will be adopted by the committee.

AUTHORIZATION INCREASES

The amendments I am submitting today were adopted yesterday by the Education Subcommittee. If they are retained by the full committee, the Senate, and the Senate-House conference, they will make increased funds available to elementary and secondary schools throughout the Nation. They recognize the need to maintain and increase the Federal Government's commitment to quality education. They are designed to insure that inflation and increased enrollments do not dilute that commitment.

These amendments will provide that the authorizations for elementary and secondary educational programs, and several of the vocational education programs being considered in this bill, are increased annually to the levels consistent with, and in some cases superior to, our existing commitments. They are based on an understanding that education must rank as a high priority item on the post-Vietnam national agenda. They are grounded in the belief that as our Nation struggles to reorder its priorities, the education of our children must receive greater attention and support. Finally, they were offered with the feeling that as the Congress is now beginning to apppropriate for education at a level approaching full funding, it would be a tragic mistake to cripple future funding of education programs by leaving existing authorization levels as inflexible ceilings.

The remainder of my statement will be devoted to a discussion of the specific authorization amendments I have offered.

I ask unanimous consent that the text of these amendments be printed in the RECORD at the close of my remarks.

The PRESIDING OFFICER. The amendments will be received, printed, and appropriately referred; and, without objection, the amendments will be printed in the RECORD, as requested by the Senator from Minnesota.

(See exhibit 1.)

PROGRAMS FOR THE DISADVANTAGED

Mr. MONDALE. Mr. President, title I of the Elementary and Secondary Education Act of 1965 was designed to make our educational programs more responsive to the special needs of children from poor families. It is estimated that 9 million disadvantaged children benefit from this program each year. Since its inception, over $4 billion has been appropriated under title I.

While a recent report issued by the Washington research project and the NAACP legal defense and educational fund has criticized certain aspects of the administration of this program—pointing out many severe administrative difficulties which must be corrected, and which other provisions in the bill reported by the Education Subcommittee are designed to correct—few people have contested the validity of the purpose and goal of title I. The unmet needs which disadvantaged children face throughout our educational process are overwhelming. The purpose of this program is eminently sound. In my judgment, the authorization and appropriations for the title I program must be increased substantially.

The amendment to title I which I introduced yesterday seeks to improve and strengthen the programs for disadvantaged students in two very important respects. First, it increases the authorization for title I from an anticipated $3.6 billion in fiscal year 1971 to an estimated $4.7 billion in that year. It accomplishes this increase by changing the title I formula so that the authorization is based on the number of children from families with incomes under $4,000, rather than on the number of children from families with incomes under $3,000, as existing legislation provides.

This increase is necessary to improve and strengthen our ability to provide educational assistance to disadvantaged children. As Mrs. Charles Hymes, former member and vice chairman of the Minneapolis Board of Education, stated in her testimony this year before the Education Subcommittee:

> Even if all the funds authorized and appropriated were available, it (the Elementary and Secondary Education Act) would not meet the needs of education today.

This comment is particularly relevant to programs for the disadvantaged. Present authorizations do not provide funds for millions of poor children. Government statistics, for example, indicate that the poverty line for a family of four is now above $3,500 a year, and that larger families with incomes as high as $4,000 are living in poverty. If title I is expected to provide assistance to disadvantaged children, I believe it is essen-

tial that this bill extending the program for another 4 years include an amendment raising the family income eligibility criteria for title I from $3,000 to $4,000. A change in the formula along the lines of my amendment will increase authorizations for title I assistance for the State of Minnesota in fiscal year 1971 from an estimated $61 million to an estimated $84 million.

This amendment will also strengthen existing assurances that, if the program is not fully funded, money would be allocated first to help the most deprived children. Presently, the legislation requires that money be first allocated on the basis of the number of children from families with incomes under $2,000. However, if sufficient funds are appropriated to reach more than these children, then the entire allocation is based on the number of children from families with incomes under $3,000. In other words, a drastic change in allocations among districts and among States will occur as soon as there is $1 more appropriated than is necessary to meet the requirements under this title for children from families under $2,000.

My amendment will prevent such a drastic and sudden shift from occurring. It will provide that, no matter how much money is appropriated, it will be allocated first on the basis of the number of children from families with incomes under $2,000, with any excess then allocated on the basis of children from families with incomes between $2,000 and $3,000. Similarly, if sufficient funds were available to meet the needs of all children from families with incomes under $2,000, and all children from families with incomes under $3,000, then any excess would be allocated on the basis of the number of children from families with incomes between $3,000 and $4,000.

This portion of the amendment will maintain the program's focus on the most severely disadvantaged children. It will assure that children from school districts currently receiving assistance will not suffer large reductions under their title I assistance as a result of increased appropriations. It will help prevent the diversion of funds from the most desperately needy children.

The Office of Education has provided a table estimating the authorizations by State for fiscal year 1971 under both current formula and the formula proposed in my amendment.

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

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

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1969—ESTIMATED AUTHORIZATIONS, PUBLIC LAW 89-10, TITLE I: FISCAL YEAR 1971

	Existing law ($3,000 income level, 50 percent Federal percentage)	Mondale amendment ($4,000 income level, 50 percent Federal percentage)	Increase under Mondale amendment
United States and outlying areas	$3,620,543,719	$4,683,646,105	$1,063,102,386
50 States and District of Columbia	3,520,946,751	4,554,880,590	1,033,933,839
Alabama	120,723,655	157,096,133	36,372,478
Alaska	5,182,890	6,032,035	849,145
Arizona	24,269,187	34,784,292	10,515,105
Arkansas	75,242,236	96,109,476	20,867,240
California	213,753,553	239,405,739	25,652,186
Colorado	24,837,369	35,995,846	11,158,477
Connecticut	27,798,211	31,324,874	3,526,663
Delaware	6,239,166	9,085,856	2,846,690
Florida	96,722,568	143,622,060	46,899,492
Georgia	130,982,907	173,295,437	42,312,530
Hawaii	6,392,303	11,888,271	5,495,968
Idaho	9,641,030	15,317,091	5,676,061
Illinois	132,369,410	160,737,108	28,367,698
Indiana	51,159,494	81,235,363	30,075,869
Iowa	46,483,052	67,346,210	20,863,158
Kansas	30,456,244	43,957,875	13,501,631
Kentucky	97,741,893	127,233,929	29,492,036
Louisiana	108,592,124	143,041,970	34,449,846
Maine	13,825,505	24,258,299	10,432,794
Maryland	46,012,318	63,642,379	17,630,061
Massachusetts	52,365,779	65,677,782	13,312,003
Michigan	112,612,540	141,812,839	29,200,299
Minnesota	60,737,072	83,893,020	23,155,948
Mississippi	116,266,320	139,061,636	22,795,316
Missouri	$74,131,049	$105,678,065	$31,547,016
Montana	10,240,185	15,587,035	5,346,850
Nebraska	23,558,449	36,491,559	12,933,110
Nevada	2,624,520	3,962,941	1,338,421
New Hampshire	5,464,977	9,198,396	3,733,419
New Jersey	79,463,171	91,548,667	12,085,496
New Mexico	22,700,392	32,234,959	9,534,567
New York	419,413,566	427,160,414	7,746,848
North Carolina	170,961,808	226,665,737	55,703,928
North Dakota	15,286,471	22,739,519	7,453,048
Ohio	104,269,518	146,685,478	42,415,960
Oklahoma	51,687,869	71,717,807	20,029,938
Oregon	21,192,115	29,564,662	8,372,547
Pennsylvania	155,219,094	209,045,430	53,826,336
Rhode Island	10,922,991	15,611,404	4,688,413
South Carolina	102,718,077	130,913,501	28,195,424
South Dakota	17,987,886	24,948,623	9,960,737
Tennessee	116,167,313	154,968,343	38,801,030
Texas	236,976,705	331,884,493	94,908,188
Utah	8,842,672	13,604,525	4,761,853
Vermont	6,765,254	10,420,476	3,655,222
Virginia	95,582,122	132,839,875	37,257,753
Washington	33,294,281	43,601,883	10,307,602
West Virginia	53,461,140	71,099,271	17,638,131
Wisconsin	52,135,057	74,136,512	22,001,455
Wyoming	3,855,996	6,385,917	2,529,921
District of Columbia	15,617,246	20,329,578	4,712,332
Outlying areas	99,596,968	128,765,515	29,168,547

LIBRARY ASSISTANCE

Mr. MONDALE. Mr. President, one of the most effective programs funded under the Elementary and Secondary Education Act has been title II, which makes funds available to public and private schools for the purchase of library and audio-visual materials. This program has been a popular ESEA program because of its visible and direct effect on the schools. In modern schools, the instructional materials center has become a focal point upon which the educational program is based. Title II has enabled schools across the Nation to make dramatic advances in the quality and quantity of instructional materials available to their students and teachers.

My amendment which was adopted by the Education Subcommittee yesterday, provides that the authorization for title II be increased from its basic 1970 level of $200 million—plus its 3 percent set aside—to $225 million in fiscal 1971 with $25 million annual increments through 1974. In view of potential cost increases, these authorization levels will maintain the Federal commitment at its present level and maintain a modest, yet important, goal for our efforts to obtain full funding for these vital programs.

INNOVATIVE AND EXEMPLARY PROGRAMS

Title III has sparked major educational innovations in thousands of school districts since its inception in 1965. At a time when our educational system is facing unprecedented demands for change and renewal, title III—PACE—is one of the major sources of financial support available to the imaginative educator.

The 1968 report of the National Advisory Council on Supplementary Centers and Services stated:

> We believe that this title is in a unique position to serve as a catalyst for the innovative ferment that is becoming known as the "permanent revolution in education," giving direction and purpose to it. In this role, the value of PACE can extend far beyond its limited appropriations.

I recommend authorization levels which will permit us to maintain the innovative thrust and objective of title III which has done so much to improve the quality of education in the schools of Minnesota and the Nation. The amendment I proposed—and which was adopted—increases the basic 1970 title III authorization of $550 million—plus the 3 percent set aside—to $600 million for 1971, $650 million for 1972, $700 million for 1973, and $750 million for 1974. We cannot afford to let inflation and increasing enrollment dilute our commitment to encouraging innovation and experimentation in our schools. The modest authorization increases in this amendment are designed to preserve these very worthy objectives.

STRENGTHENING STATE DEPARTMENTS OF EDUCATION

The role of the states in improving education is becoming increasingly critical. Local communities are looking to state governments for financial support and proposals are being made for shifting more discretion and responsibility to the state level for administering federal-

ly funded programs. In this context, it becomes increasingly important to provide adequate resources to state Departments of Education.

Title V of ESEA has been providing needed assistance in this area. In 1968, alone, title V funds enabled state departments of education to add one thousand staff members to broaden their consultative services to local districts and their departmental management capabilities.

The President's Task Force Report on Education stated:

> The third (question) is whether the funding for Title V, under which grants are made to strengthen state departments of education, should not be substantially increased. We believe it should, because we regard an improvement in the capacity of state governments to handle their responsibilities in education as being of absolutely critical importance.

I am in complete agreement with this viewpoint, and the amendment I proposed provides that the 1970 title V authorization of $80 million be increased to $90 million in fiscal year 1971, $100 million in fiscal year 1972, $110 million in fiscal year 1973, and $120 million in fiscal year 1974. The Education Subcommittee accepted the amendment in its action during yesterday's executive session.

I have also cosponsored an amendment introduced by Senator JAVITS extending the title V concept to provide Federal grants to strengthen local educational agencies as they attempt to improve their capacity for revitalization and sound planning.

EDUCATION OF THE HANDICAPPED

Mr. President, it is absolutely essential that the legislation now being considered be amended to include significantly increased authorizations for programs providing education for the handicapped. The barriers which confront the handicapped child as he enters and seeks to benefit from our educational system are immense. His special needs demand special attention. Our attempts to provide equality of educational opportunity will continue to be thwarted until we make a full commitment to providing necessary services to the handicapped.

The outstanding leadership which Senators YARBOROUGH, PELL, and PROUTY have given to the cause of education of the handicapped over the years has provided an important framework for progress, yet tremendous unmet needs still remain. There are, for example, nearly 6 million handicapped children in our country and only 40 percent of them receive special educational services.

We must build on the framework that exists and declare as a national commitment the provision of a full educational opportunity for every handicapped child in America.

I strongly supported amendments offered by Senator YARBOROUGH, and adopted by the Education Subcommittee, which will provide substantially increased authorizations for various programs serving the handicapped.

I look forward to supporting these necessary amendments on the floor of the Senate, and then fighting to obtain full and adequate funding for them.

BILINGUAL EDUCATION

On January 2, 1968, the Congress adopted an amendment to the Elementary and Secondary Education Act to provide special bilingual programs for schoolchildren with limited English-speaking ability. This significant amendment—title VII of ESEA—was due in large part to the tireless efforts of the distinguished Senator from Texas, the Honorable RALPH YARBOROUGH, who brought public attention to our Nation's insensitive approach to the education of Spanish-speaking Americans through hearings of his Special Subcommittee on Bilingual Education.

Senator YARBOROUGH's subcommittee revealed to us, for example, that: In the five-State Southwest area of Texas, New Mexico, Colorado, Arizona, and California, at least 1.75 million Mexican-American schoolchildren experience academic failure in school because of linguistic, cultural and psychological handicaps; the average number of school years completed by the Mexican American in the Southwest is 7.1 years, as compared to 9 years for the Negro and 12.1 years for the "Anglo"; 50 percent of Spanish-speaking students in California drop out by the eighth grade; the language barrier is largely responsible for keeping six to seven million Spanish-speaking citizens from climbing the economic ladder; and, almost two million children—Mexican-Americans, Indians, Puerto Ricans, and others—drop out of school because of language difficulties. More than a million others who could use language assistance manage to get through school, but only under a serious handicap.

While serving as chairman of the Migratory Labor Subcommittee and as a member of the Indian Education Subcommittee I have seen firsthand how Mexican American and American Indians are educated in our Nation.

Many of these children enter school with the ability to speak only their native language. A 1967 study by the U.S. Office of Education found that more than half of all Indian children between the ages of 6 and 18 speak in their native tongue. The Smithsonian Institution reports there are nearly 300 recognizably separate American Indian languages and dialects existent today, and that 65 of these languages are spoken by more than 1,000 persons.

In most instances, the non-English child is thrown into a classroom in which the teacher speaks and understands only English.

The teacher has little, if any, knowledge about the student's language or culture. The textbooks are all in English, and often deal with ideas and concepts foreign to the student's native culture. I was shocked, for example, to find in Alaska that natives are taught to read with the "Dick and Jane" reading series, which describes a world of automobiles, cows, farms, and grass—a world totally unknown to the Alaskan native. In many schools, Alaskans and Indians are forbidden to use their native languages. They are actually taught that the language used by their parents is undesirable and inferior.

Education experts tell us that language is the most important manifestation of the human personality. The consequences, therefore, when the school rejects a child's native tongue are grave. The child's concept of his parents, his home, his way of life, and himself, is adversely affected. The Office of Education's Coleman Report entitled "Equality of Educational Opportunity" bore this out with its findings that Indian children, more than any other group, believe themselves to be below average in intelligence, and that Indian children in the 12th grade have the poorest self-concept of all minority groups tested.

Dr. Bruce Gaarder, formerly chief of the U.S. Office of Education's modern foreign language section, and an expert in bilingual education, described the situation this way:

> The official language policy has kept the Indians in the primitive status of non-literate peoples, and the constant effort to eliminate the differences, forcing each child, in greater or lesser degree, to choose between his own people and the outside world, is nothing less than attempted assimilation by alienation. The language and alienation policies together have effectively prevented the formation of an Indian intelligentsia and have systematically cut away from the tribes most of their potential leaders. The overall result has tended to keep the Indians in a condition of unleavened peasantry.

It becomes our task, therefore, to build upon the cultural strengths a child brings into the classroom, to cultivate in that child a pride in his ancestry and to reinforce, not destroy, the language he natively speaks. We must give that child the sense of personal identification so essential to his social maturation, so essential to his growth in learning.

Educators tell us that a bilingual approach to education, an approach in which the indigenous native tongue is used as a teaching medium to assure acquisition and mastery of the content of the curriculum while English is still being mastered as a vehicle of instruction, is the way to accomplish our task. This approach means the curriculum must reflect the student's cultural background, and that teachers must be trained in bilingual education and sensitive to the differences between cultures. I saw for myself the effectiveness of a bilingual program at the Rough Rock Demostration School on the Navajo Reservation and am convinced of its value. At Rough Rock, students use bicultural materials prepared by the Navajo people themselves. Bilingual techniques are used, and the students are learning English rapidly while at the same time sustaining pride in their culture. These are the kinds of programs we need.

The bilingual education amendment submitted by the Senator from Texas (Mr. YARBOROUGH) sought to provide such programs for the more than 3 million schoolchildren in this country who have limited capabilities in the English language. But funding for this ESEA title has been so poor that the surface of the problem has barely been scratched.

In fiscal 1969, only 76 title VII bilingual education programs were funded. Another 239 program applications were denied because of lack of funds. The fiscal 1969 appropriation was only $7.5 million. The Office of Education reports that they would have needed $41 million just to fill the 1969 applications.

The 76 programs presently in operation are serving 26,531 children. That means that more than 3 million children are still failing, dropping out of school and developing personality problems because their language is different from their teachers and because the school is unable to provide the special bilingual programs necessary for them to have equal educational opportunities.

Massive increases are essential in both the authorization and appropriation of title VII ESEA if we are to stop the destruction of our greatest natural resource, the citizens of our Nation. We can start by doubling the fiscal 1971 authorization for this title, raising it from its fiscal 1970 level of $40 million to $80 million. We must continue to increase that authorization level so that by fiscal 1974 we are providing at least $250 million for these programs. I was pleased to be able to support Senator YARBOROUGH's amendment adopted by the subcommittee yesterday providing these necessary authorizations for bilingual education programs.

Considering the millions of dollars the Government spends annually to teach languages in the Foreign Service, the Department of Defense, the AID, the USIA, the CIA, and other agencies and departments, I do not believe it is asking too much to provide programs to help American children who speak the same languages natively—and who suffer severe educational handicaps because of that.

DROPOUT PREVENTION

One of the greatest and unnecessary wastes of our country's human resources is the tremendous number of American youth who drop out of school each year. Every year approximately one million children in this country drop out of school. Almost one quarter of the children who enter fifth grade leave school before their class reaches high school graduation.

A recent amendment, sponsored by the distinguished Senator from California (Mr. MURPHY) established title VIII of the Elementary and Secondary Education Act. This title authorizes the resources, flexibility, and commitment necessary to permit our educational institutions to prevent and reduce this tragic loss of human potential. It offers the schools in our Nation an opportunity to provide the kinds of services which are desperately needed to encourage youth to stay in school.

Unfortunately, this promising program has been severely hampered by limited funding. The amendment which I offered yesterday and which was adopted substantially increases authorization for title VIII, raising existing authorization ceilings from $30 million to $70 million in fiscal year 1971, $120 million in fiscal year 1972, $180 million in fiscal year 1973, and $250 million in fiscal year 1974. Authorization increases of this magnitude, coupled with fuller and more adequate appropriations, are necessary if our Nation is to fulfill its commitment to the education of its children.

VOCATIONAL EDUCATION

The Vocational Education Amendments of 1968 signaled an important change in emphasis for American education. In addition to making job preparation geared to the realities of a changing society one of the major goals of the public schools, this legislation paid special attention to the training of persons largely ignored in previous Federal vocational education programs—the disadvantaged, the handicapped, the potential dropout, and persons seeking training in fast growing technical specialities.

Vocational educators were provided with far greater flexibility to meet the changing needs of our population with new and imaginative approaches. I supported then and continue to support this expansion and redirection of our vocational education effort.

Amendments were adopted by the Education Subcommittee extending for 2 years a number of important vocational education programs which would have expired in 1970. I supported the extension of these programs and recommended that their authorizations be increased to insure that the intent of this legislation can be met.

My specific amendments for vocational education—which were adopted by the subcommittee—provide: First, that the work-study program authorization be increased from its 1970 level of $35 million to $45 million in 1971 and $55 million in 1972; second, that the special programs for the disadvantaged be increased from the 1970 authorization level of $40 million to $50 million in 1970 and $60 million in 1972; and third, that part F of the Education Professions Development Act be increased from the 1970 authorization level of $35 million to $40 million in 1971 and $45 million in 1972.

I regret that the programs for the disadvantaged and the work-study program have yet to be funded. The House has, however, taken action in the HEW appropriations bill to begin these programs in fiscal 1970, and I will do all I can to insure that the House action on these programs will be preserved or improved in the Senate.

I am confident that these increased authorizations, and increased appropriations we will fight for, will be of great assistance to outstanding vocational educational efforts underway in Minnesota and the entire Nation.

The amendments (Nos. 279 through 286) were referred to the Committee on Labor and Public Welfare, as follows:

EXHIBIT 1

AMENDMENT NO. 279

Insert at the appropriate place:

"LOW-INCOME FACTOR

"SEC. —. (a) Subsection (c) of section 103 of title I of the Elementary and Secondary Education Act of 1965 is amended by inserting before the period at the end of the last sentence a comma and the following: 'and for each fiscal year thereafter, they shall be 50 per centum and $4,000, respectively'.

"(b) Paragraph (2) of section 108 of title I of the Elementary and Secondary Education Act of 1965 is amended by redesignating subparagraph (B) as subparagraph (D) and by inserting immediately above such subparagraph the following new subparagraphs:

"'(B) until appropriations are sufficient to satisfy all maximum grants as computed by using a low-income factor of $3,000, any amount remaining after allocations are computed pursuant to subparagraph (A) shall be allocated by using a low-income factor of $3,000 with respect to children described in section 103(a)(2) who are not counted for purposes of subparagraph (A); and

"'(C) until appropriations are sufficient to satisfy all maximum grants as computed by using a low-income factor of $4,000, any amount remaining after allocations are computed pursuant to subparagraphs (A) and (B) shall be allocated by using a low-income factor of $4,000 with respect to children described in section 103(a)(2) who are not counted for purposes of subparagraphs (A) and (B); and'."

AMENDMENT NO. 280

On page 17, strike out lines 20 through 24, and insert in lieu thereof the following:

"SEC. —. Section 201(b) of the Elementary and Secondary Education Act of 1965 is amended by striking out 'and' where it appears after '1969,' and by inserting before the period at the end thereof a comma and the following: '$225,000,000 for the fiscal year ending June 30, 1971, $250,000,000 for the fiscal year ending June 30, 1972, $275,000,000 for the fiscal year ending June 30, 1973, and $300,000,000 for the fiscal year ending June 30, 1974'."

AMENDMENT NO. 281

On page 19, strike out lines 12 through 15 and insert in lieu thereof the following:

"(1) The first sentence of section 301(b) of such title is amended by striking out 'and' where it appears after '1969,' and by inserting before the period at the end thereof a comma and the following: '$600,000,000 for the fiscal year ending June 30, 1971, $650,000,000 for the fiscal year ending June 30, 1972, $700,000,000 for the fiscal year ending June 30, 1973, and $750,000,000 for the fiscal year ending June 3, 1974'."

AMENDMENT NO. 282

On page 24, strike out lines 13 through 17, and insert in lieu thereof the following:

"SEC. —. Section 501(b) of the Elementary and Secondary Education Act of 1965 is amended by striking out 'and' where it appears after '1969', and by inserting before the period at the end thereof a comma and the following: '$90,000,000 for the fiscal year ending June 30, 1971, $100,000,000 for the fiscal year ending June 30, 1972, $110,000,000 for the fiscal year ending June 30, 1973, and $120,000,000 for the fiscal year ending June 30, 1974'."

AMENDMENT NO. 283

On page 52, strike out lines 17 through 21 and insert in lieu thereof the following:

"SEC. —. Section 807(c) of the Elementary and Secondary Education Act of 1965 is amended by striking out 'and' where it appears after '1969,' and by inserting before the period at the end thereof, a comma and the following: '$70,000,000 for the fiscal year ending June 30, 1971, $120,000,000 for the fiscal year ending June 30, 1972, $180,000,000 for the fiscal year ending June 30, 1973, and $250,000,000 for the fiscal year ending June 30, 1974'."

AMENDMENT NO. 284

On page 145, strike out lines 5 through 10 and insert in lieu thereof the following:

"Sec. —. Section 181(a) of the Vocational Education Act of 1963 is amended by inserting after '1970,' the following: '$45,000,000 for the fiscal year ending June 30, 1971, and $55,000,000 for the fiscal year ending June 30, 1972'."

AMENDMENT No. 285

On page 144, strike out lines 4 through 7 and insert in lieu thereof the following:

"Sec. —. Section 102(b) of the Vocational Education Act of 1963 is amended by inserting after '1970,' the following: '$50,000,000 for the fiscal year ending June 30, 1971, and $60,000,000 for the fiscal year ending June 30, 1972'."

AMENDMENT No. 286

On page 145, strike out lines 21 through 25 and insert in lieu thereof the following:

"Sec. —. Section 555 of the Education Professions Development Act (title V of the Higher Education Act of 1965) is amended by striking out 'and' where it appears after '1969,' and by inserting before the period at the end thereof a comma and the following: '$40,000,000 for the fiscal year ending June 30, 1971, and $45,000,000 for the fiscal year ending June 30, 1972'."

NOTICE CONCERNING NOMINATIONS BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

William C. Black, of Texas, to be U.S. marshal for the northern district of Texas for the term of 4 years, vice Robert I. Nash.

J. Keith Gary, of Texas, to be U.S. marshal for the eastern district of Texas for the term of 4 years, vice Tully Reynolds.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, November 20, 1969, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

ANNOUNCEMENT OF HEARING BY THE SUBCOMMITTEE ON AGRICULTURAL RESEARCH AND GENERAL LEGISLATION, SENATE COMMITTEE ON AGRICULTURE AND FORESTRY, ON S. 2225, THE AGRICULTURAL MARKETING AND BARGAINING ACT

Mr. JORDAN of North Carolina. Mr. President, I wish to announce that the Subcommittee on Agricultural Research and General Legislation of the Committee on Agriculture and Forestry will hold a hearing on Thursday, November 20, on S. 2225, the Agricultural Marketing and Bargaining Act.

All persons interested in testifying should contact the committee staff as soon as possible to schedule their appearance.

PEACE DEMONSTRATIONS

Mr. DOLE. Mr. President, there has been much speculation about what effect the so-called marches for peace may have on not only our country but also on the enemy in North Vietnam. To make the record perfectly clear, let me recite a wire service story of this morning which says:

North Vietnam and the Vietcong made it plain today they were counting on growing protests in the United States to speed the end of the Vietnam war on their terms.

Let me hasten to add that our Ambassador, Henry Cabot Lodge, then told the North Vietnamese they were harboring "false expectations." He said:

The great majority of the American people support President Nixon as he seeks a just peace.

We can speculate and debate and discuss, pro and con, what effect the so-called march against death or the peace march might have on our role in Vietnam. But when the enemy says that it will lead to a quick end of the war on their terms, it is crystal clear what effect these activities have.

I recognize that many of those assembled in Washington today are well-intentioned young Americans who are concerned about war—concerned about all war, not just the war in Vietnam. I recognize that there are others who may not be so concerned about what is best for America.

I would only say to those who are here with a sincere desire to end the war in Vietnam that they should make certain there is no violence this weekend, because if they become the violent minority, I am not certain what response there would be from the silent majority.

Let me also add that those who are here with nothing to do might consider visiting some of our historic shrines. They might want to visit Arlington Cemetery. They might want to visit Mount Vernon. They might want to visit the Nation's Capitol. Or they might want to go back home to avoid the possibility of even remotely giving comfort to the enemy.

Mr. GRIFFIN. Mr. President, I wish to commend the distinguished Senator from Kansas on his statement, and I wish to associate myself with what he said.

Many thousands of well-intentioned people from all walks of American life are beginning to assemble in the Nation's Capital to protest and demonstrate against the war in Vietnam.

If the activities are peaceful, these young citizens will be exercising their constitutionally guaranteed right to dissent—a right which they would not enjoy if they lived under Communist domination.

There can be no quarrel with their exercise of this precious right. They should thank God they have it; and they should also thank thousands of brave young men who have fought and died in the uniform of our country to protect that right.

Since I, too, enjoy the right of free speech, I want to say, as these activities begin, that I stand firmly with my President in his dedicated pursuit of a fair and just peace in Vietnam.

In a dramatic, moving address to the Nation just 10 days ago, President Nixon called for broad citizen support of his policies. Since then, I believe it has become more apparent to many more people that cohesion and unity in support of the President and his policies can speed the day when we will have a meaningful peace in Southeast Asia.

The great silent majority to which the President has appealed is responding. A Gallup poll taken shortly after his address indicated that at least 77 percent of the American people support the President and his policies.

In the last few days there has been an impressive outpouring of public support across the length and breadth of our great land in connection with ceremonies commemorating Veterans Day.

It is encouraging that so many citizens of this great Republic are coming to realize that by supporting the President they are taking the shortest path to a lasting and honorable peace in Southeast Asia.

As a result of the outpouring of support for President Nixon, I believe there is a better chance that the Hanoi regime and the Vietcong will not misread our intentions as a nation.

They should be on notice that the protests of a vocal minority are not a sign of national weakness.

They should avoid the false assumption that a free society, which tolerates dissent, is a weak society. The very fact that we tolerate dissent is a sign of the strength of our Nation—an indication of faith we have in the viability of our democratic institutions.

On the other hand, the enemy would do well to take serious note of the resolutions of support for President Nixon and his policies which have been introduced and are strongly backed in both Houses of Congress.

Perhaps it would be too much to expect that the enemy suddenly, or overnight, will become reasonable and willing to negotiate rationally in Paris. But in any event, the representatives of our Nation are prepared to remain at the peace table in the hope that a belligerent and intransigent foe will eventually undergo a metamorphosis.

We hope that genuine negotiations will get underway soon at Paris. And in the meantime, as one American, and as one U.S. Senator, I join in the appeal to all Americans to steadfastly support our President and his wise policies for ending the war.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the time under the previous order allotted for the transaction of routine morning business be extended by an additional 15 minutes.

The PRESIDING OFFICER (Mr. YOUNG of Ohio in the chair). Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that statements in relation to the transaction of

routine morning business be limited to 3 minutes.

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

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SYMINGTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. SYMINGTON. Mr. President, I ask unanimous consent that I may proceed at this time for 15 minutes.

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

Mr. BYRD of West Virginia. Mr. President, may we have order in the Senate.

The PRESIDING OFFICER. The Chair would request the Sergeant at Arms to keep the floor clear of staff members. Those staff members who are talking must be seated at once or must get out of the Chamber. This will be enforced throughout the day.

The Senator from Missouri may proceed.

THE NOMINATION OF JUDGE CLEMENT F. HAYNSWORTH, JR.

Mr. SYMINGTON. Mr. President, in making appointments to the Supreme Court, tradition is that the President has the right to name to that high and independent branch of government, men of his political persuasion; and insofar as his clairvoyance permits, those whose constitutional views he considers might carry the Court on a course which the Chief Executive believes to be in the best interest of the Nation.

There has been much written, and considerable discussion, about the strong objections to this appointment that has come from various important segments of the people in our land; and I do believe that an appointment, if it were possible, should be one that would help heal, rather than further fragment, the deep divisions that are now all too evident among millions of our citizens. But I do not believe that either geography or ideology should be the major factor in reaching a decision in this matter.

I do also believe, however, that as an individual Senator it is my obligation to evaluate the qualifications of the nominee in the light of all the circumstances; and a nominee to the Supreme Court of the United States is perhaps the most important nomination that ever comes before this body.

To a Supreme Court seat recently vacated by a Justice accused of errors in "personal judgment," as well as "injudicious conduct," the President has nominated Chief Judge Clement F. Haynsworth, Jr. of the Fourth Circuit Court of Appeals.

The nomination has been subject to lengthy and controversial testimony before the Senate Judiciary Committee; and by a vote of 10 to 7, that committee recommended this confirmation.

During the committee hearings a number of issues were raised concerning Judge Haynsworth's adherence to the principles embraced in the Canons of Judicial Ethics. Since each Senator now must make a judgment on those matters in deciding how to vote on this nomination, it is desirable to state the facts on which my decision turns; and this I now do.

In 1957, Judge Haynsworth was appointed to the Fourth Circuit Court of Appeals. Prior to his appointment, Judge Haynsworth had been a respected lawyer and a member of a South Carolina law firm that numbered many textile concerns among its clients.

Seven years before his appointment, Judge Haynsworth and some of his law partners organized and founded the Carolina Vend-A-Matic Co. With a $2,400 investment, he held one-seventh of the stock and served as vice president and a member of the board of directors.

The business of this company was to place coffee and food vending machines in business offices and industrial plants.

Upon his appointment in 1957, Judge Haynsworth resigned from whatever other company directorships he held, but retained his position with a company called the Main Oak Corp.; and also his directorship and vice-presidency of Carolina Vend-A-Matic.

From 1957 to 1963, while serving as a Federal judge, Judge Haynsworth was not an inactive officer and director in that company. He attended regularly weekly board meetings. He endorsed notes for the corporation, and his wife served for 2 years as secretary of the corporation. For 3 years he served as a trustee of the Carolina Vend-A-Matic "profit sharing and retirement" plan.

The record also shows that this one-seventh interest held in Carolina Vend-A-Matic was substantial. When Judge Haynsworth ultimately disposed of the stock in 1964, the amount involved almost a half-million dollars.

In addition, Judge Haynsworth's 1963 portfolio included stock investments in a number of textile companies.

Over the years, Carolina Vend-A-Matic grew and prospered, with sales increasing from $169,355 in 1951 to $3,160,665 in 1963. In that latter year, the large majority of its business was with textile concerns.

Carolina Vend-A-Matic had several contracts to supply vending machines to textile mills, including one with Judson Mills. That company, along with the Darlington Manufacturing Co. and 15 other textile plants, was owned or controlled by Deering-Milliken.

For many years, Judson Mills had been a client of the law firm in which Judge Haynsworth had been a partner; and when the management of Carolina Vend-A-Matic sought a new manager in 1957, they brought in Mr. Wade Dennis of Judson Mills.

In May 1963, when Carolina Vend-A-Matic set up a North Carolina subsidiary, it retained the law firm of McLendon, Brimm, Holderness & Brooks to incorporate the vending company. That law firm represented the Darlington Manufacturing Co. in the now-celebrated second case of Darlington Manufacturing Co. against National Labor Relations Board. That case was argued June 13, 1963, before the Fourth Circuit Court of Appeals sitting en banc; and was decided November 15, 1963.

Carolina Vend-A-Matic was not a litigant in the Fourth Circuit Court of Appeals. The Darlington case, however, was one of six coming before Judge Haynsworth in which one of the parties was a customer of Carolina Vend-A-Matic.

In regard to Personal Investments and Relations, canon 26 of the American Bar Association Canons of Judicial Ethics advises:

> Personal Investments and Relations: A judge should abstain from making personal investments in enterprises which are apt to be involved in litigation in the court; and after his succession to the Bench, he should not retain such investments previously made longer than a period sufficient to enable him to dispose of them without serious loss. It is desirable that he should, so far as reasonably possible, refrain from all relations which would normally tend to arouse the suspicion that such relations warp or bias his judgment, or prevent his impartial attitude of mind in the administration of his judicial duties.
>
> He should not utilize information coming to him in a judicial capacity for purposes of speculation: and it detracts from the public confidence in his integrity, and the soundness of his judicial judgment for him at any time to become a speculative investor upon the hazard of a margin.

Ordinary common knowledge of the growth and importance of the textile industry in the South would lead any reasonable person to anticipate that there would be a fair amount of litigation in the courts involving textile firms.

Prior to his judicial appointment, the nominee had represented a number of textile companies. For these reasons there would appear a need to exercise a higher degree of care to assure public confidence in his impartiality.

Judge Haynsworth, however, continued his financial investments in textiles; and also his business activities in a vending machine company primarily involved with textile plants.

Under these circumstances, the character of these ties would, in my opinion and according to the words of canon 26, "normally tend to arouse the suspicion that such relations warp or bias his judgment, or prevent his impartial attitude of mind in the administration of his judicial duties."

Canon 29 provides:

> A judge should abstain from performing or taking part in any judicial act in which his personal interests are involved. If he has personal litigation in the court of which he is judge, he need not resign his judgeship on that account, but he should, of course, refrain from any judicial act in such a controversy.

Despite the large number of stocks he held, and traded, Judge Haynsworth apparently made no effective arrangements to assure that he did not in fact sit on cases involving corporations in which he

owned shares and thus observe the principles of canon 29.

In three known cases, Judge Haynsworth held a financial interest in one of the corporate litigants, but did not disqualify himself. It is almost universally agreed that if a judge has a pecuniary interest in a party, he may not sit; and canon 29 so provides.

American citizens are more acutely aware than ever before that the highest standards of conduct should prevail in public office.

As skepticism has increased, so have the expectations of the American people risen in regard to the character and conduct of those who hold public office in all three branches of government. With particular reference to the judiciary, we should expect the highest sense of propriety, because from the standpoint of fact and appearance, the quality of impartiality is the cornerstone on which public confidence in our judicial system rests.

I believe Judge Haynsworth to be an honest man. Nevertheless I am persuaded that the record of lack of care exercised in avoiding reasonable grounds for suspicion of impartiality should not serve as a steppingstone to the Supreme Court.

The Court, a powerful and important institution in our democratic society, has the unique function of interpreting our Constitution; and through that interpretation, it has been only in recent years that many Americans have won important rights of citizenship.

The feeling of hostility and frustration which this nomination has evoked could only be exacerbated by honoring a jurist who does not have the highest sense of ethical considerations. At this stage in the development of our Nation, we are in great need of the service of men and women who can and will inspire confidence and unity.

Surely there are many such capable American judges and lawyers among us whose constitutional views may span a reasonably wide range of the spectrum.

It is for these reasons that I shall vote against the confirmation of Judge Haynsworth.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. SYMINGTON. I am glad to yield to my friend from Kansas.

Mr. DOLE. Mr. President, I listened with great interest to the statement of the Senator from Missouri and understood, as I listened to his last few words, that the Senator feels Judge Whittaker is a man of integrity and a man of honesty. He does not question the man's honesty or question the man's integrity. He questions what others have termed his "sensitivity," which I have been unable to find reference to in any of the Canons of Ethics. But, assuming there are such canons, I would remind the Senator from Missouri that Justice Whittaker, whom he probably knows personally, served the Court with great distinction from 1957 to 1962. In an interview which appeared in the Kansas City Star, I believe, Sunday, Justice Whittaker is quoted as saying that he felt, after reading all the records and all the statements and every word of the testimony, that there were no grounds for believing that Judge Haynsworth was guilty of any improper or unethical conduct. I am wondering, therefore, what the Senator might wish to say in light of the statement of former Justice Whittaker.

Mr. SYMINGTON. Mr. President, what I was presenting was primarily a question of ethics. I say to my good friend from Kansas, that I do know Justice Whittaker and have great respect for him. It was my privilege to see him when he was here in Washington. I was only sorry he felt he was not able to continue with his work on the Supreme Court of the United States and therefore resigned from that body.

May I say to my good friend that I have read in the RECORD the Senator's statement with respect to Judge Whittaker, and also have great respect for him as a lawyer and a gentleman. After examining the case to the best of my ability for many weeks and having had an opportunity to look at both the majority and the minority reports, this does not change my mind.

Mr. DOLE. There is another basic issue in this case which will be explored in great detail. I do not want to take the time of the distinguished Senator from Missouri now but does the Senator see any parallel between this case and the Fortas case? I do not know what the position of the Senator from Missouri was on the Fortas case as I was not a Member of the Senate at that time.

Mr. SYMINGTON. Mr. President, I would say to the able Senator from Kansas that at no time did I take the floor to defend the action disclosed which resulted in the resignation of an able lawyer, Justice Fortas.

Mr. DOLE. My point is, does the Senator feel there is a difference between the Fortas case and the Haynsworth case?

Mr. SYMINGTON. Mr. President, I have great respect for my distinguished colleague from Kansas, but would prefer not to compare any problems that had to do with Justice Fortas with those now being considered with respect to Judge Haynsworth. There does not seem to be be any reason to comparison between those two gentlemen.

Mr. DOLE. That is a fair statement and I say so because there are some who see some great parallel between the Haynsworth nomination and the Fortas nomination. The Senator from Missouri has stated it fairly and clearly and we will discuss any comparison when we consider today, tomorrow, and probably next week, the confirmation of Judge Haynsworth. I was in the category of the Senator from Missouri, in the undecided column for some time. I thoroughly read the record with great care and tried to apply it to the legal questions involved and the ethical questions involved, including canon 26 and canon 29.

There was also another canon I looked at as a lawyer, Canon No. 1 on professional ethics, which says that a member of the court is, of course, in a peculiar situation in that he cannot defend himself. In this case it is sometimes incumbent upon a member of the bar, when there is no showing of improper conduct or fraud or impropriety, to defend a member of the court, whoever he may be, wherever he may come from, whatever his party may be.

I hope that in the debate of the next few days we can lay this matter to rest.

Of course, I hope the nomination of Judge Haynsworth may be confirmed.

I thank the Senator for yielding.

Mr. SYMINGTON. I thank the Senator from Kansas. Be assured that I have full respect for his position.

ORDER OF BUSINESS

Mr. MUSKIE. Mr. President, I ask unanimous consent that the period for transacting morning business may be extended for 5 minutes so that I may make a statement.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

STRATEGIC ARMS LIMITATION TALKS

Mr. MUSKIE. Mr. President, the U.S. delegation has now left for Helsinki for the first round in the strategic arms limitation talks with the Soviet Union. The negotiations which are about to open are of overriding importance to the peoples of all countries. We all wish our representatives every success in their efforts to halt the nuclear arms race.

The newspaper stories which came out of the administration's background press conference following last Monday's National Security Council meeting indicate that the President has decided to defer substantive proposals until the second round of discussions, hopefully to be scheduled to open in January at the earliest. Accordingly, the discussions in Helsinki are described as "exploratory" and "preliminary" even though it is reported that our representatives can discuss substantive issues during this phase.

Deferral for at least 2 months of substantive proposals may have the most far-reaching consequences. The director of research and development at the Pentagon, Mr. John Foster, has previously stated that our testing program for multiple independently targeted reentry vehicles, the so-called MIRV's, will be completed by May or June 1970. Accordingly, the decision to defer until January at best a proposal to freeze the testing of these new weapons is equivalent to a decision to complete 2 more months of the projected additional tests.

Once these weapons have been tested to the point at which deployment could be undertaken with assurance of success, we will have entered a new and extraordinarily more dangerous and difficult period in the arms race between the two great powers. A freeze on deployment would obviously require onsite inspection to monitor—a provision which we are highly unlikely to be able to negotiate. Once deployment is possible any agreement coming out of the SALT talks based on an agreed number of launchers on both sides will be of radically reduced value, since each missile may hold an

unknown number of warheads, each capable of inflicting immense damage. In addition, we will be committed to a vast new level of expenditure to reequip and deploy the new multiple warheads on each of many missiles in our arsenal.

Some of the stories about the administration's backgrounder indicate that there is still hope in the executive branch that a MIRV moratorium might be possible as a first item of business when the substantive talks do begin. Let us hope that this assumption is correct, and that the administration will decide to put forward such a proposal at that stage if not earlier. I note that none of the stories based on the backgrounder indicate that there was any substantial doubt about our ability to monitor a multiple warhead testing ban, and that no one in a position of responsibility about these talks is characterizing such a proposal as "Russian roulette."

It is my fervent hope that this delay until next year of putting forward substantive proposals in this crucial area will not prejudice an early agreement on this all important subject.

As the stories about the administration's decision also indicate, the Johnson administration was prepared to table concrete proposals at the opening of these talks if that had occurred before last January. This was based on the strong advice of those with longest experience with the Soviets. They believe that in order to bridge the wide gulf of suspicion between us on a subject of such basic importance a concrete proposal would be needed from the start or encouragement would be given to those in the Soviet military and elsewhere who favor a cautious and limited approach toward us. Obviously the administration has chosen to ignore this advice, and we can only hope that this tactical decision will not adversely affect the outcome of the negotiations.

For all these reasons, Mr. President, I believe it is imperative that the administration give serious consideration to a suspension of multiple warhead testing now. I cannot stress too strongly the importance of halting development of multiple warhead testing before it is too late. The issue is not whether an agreement on MIRV is part of a larger agreement between the United States and Russia on strategic arms control. The question is whether the larger agreement is possible without stopping deployment of multiple warhead missiles. If the administration does not answer that question now, and take action to prevent that deployment, the hope of meaningful arms control can be snuffed out. I urge my colleagues in the Senate to do all in their power to impress this hard fact on the administration and to get action on multiple warheads before it is too late.

MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Geisler, one of his secretaries, and he announced that on November 10, 1969, the President had approved and signed the act (S. 73) to amend the act entitled "An Act to authorize the sale and exchange of isolated tracts of tribal land on the Rosebud Sioux Indian Reservation, South Dakota."

REPORT OF NATIONAL AERONAUTICS AND SPACE ADMINISTRATION—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER laid before the Senate the following messsage from the President of the United States, which, with the accompanying report, was referred to the Committee on Aeronautical and Space Sciences:

To the Congress of the United States:

I am transmitting herewith the Twentieth Semiannual Report of the National Aeronautics and Space Administration, covering the period July 1 through December 31, 1968.

This account encompasses the tenth anniversary of the National Aeronautics and Space Administration and includes space flight activities through the pioneering flight of Apollo 8. During this decade, we have successfully met many challenges and have achieved significant progress in our ability to utilize space for practical applications, scientific exploration, and expansion of man's frontiers.

We have subsequently landed astronauts upon the Moon, explored its surface, and returned these men to Earth. This historic event was made possible because of the solid foundation of a broad range of earlier activities, and through the skill and dedication of the many contributors to our space program.

I am pleased to forward this report to the Congress as part of the continuing record of our progress in space.

RICHARD NIXON.

THE WHITE HOUSE, *November 13, 1969.*

EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer laid before the Senate a message from the President of the United States submitting the nomination of George M. Low, of Texas, to be Deputy Administrator of the National Aeronautics and Space Administration, which was referred to the Committee on Aeronautical and Space Sciences.

ARKANSAS RIVER DEVELOPMENT PROJECT

Mr. FULBRIGHT. Mr. President, the Arkansas River was opened to navigation in 1968, an event of major significance in my State. By next year the Arkansas River development project is due to be completed, providing a navigable waterway from the Mississippi River to Catoosa, Okla., near Tulsa.

Col. Charles L. Steel, who is district engineer at Little Rock for the U.S. Army Corps of Engineers, recently wrote a most interesting two-part series of articles on the history of the river and its development entitled "Arkansas—Renaissance of a River." The articles pay tribute to many of those who dedicated their efforts to the realization of the Arkansas River project.

Colonel Steel's articles appeared as a part of a series in the Arkansas Gazette reviewing our State's progress and attempting to measure this progress against the State's needs and potential. The articles are being published in conjunction with the 150th anniversary of the Gazette, which began publication on November 20, 1819, making it the oldest continuously published newspaper west of the Mississippi.

Mr. President, I ask unanimous consent that these two articles be printed in the RECORD.

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

[From the Arkansas Gazette, Oct. 26, 1969]

ARKANSAS—RENAISSANCE OF A RIVER: PART I

(By Col. Charles L. Steel)

For more centuries than man can count, the Arkansas River was left to its own devices. Whatever nature's whims, the Arkansas followed. Over the last 150 years, man has set himself to the task of taming and reshaping the river and the once-unpredictable Arkansas has been changed from a power of destruction to a power of production. The river now works for mankind.

By an act of Congress, Arkansas became a separate territory in 1819 and one year later the Comet, the first steamboat to nose into the waters of the Arkansas, arrived at Arkansas Post. The date was March 31, 1820.

Thus did the River establish itself as the water route for the settlement of the first communities just as it had served as the route for the explorations of La Salle and Henri de Tonti.

The first 60-mile steamboat trip from the mouth of the river to Arkansas Post was usual in one respect: the Comet ran aground. In another way it was unusual: the captain took the "long" way up the river by staying in the main stream, rather than the more practical way of entering the White River and cutting over to the Arkansas a few miles below the Post. The short-cut was well known, even in those early times, and the pilot's failure to follow the route can only be attributed to his inexperience on the river.

In the same year, another steamboat—The Maid of Orleans—ventured up the river to Arkansas Post. The Maid was noteworthy in that she was built to sail on the high seas and to traverse inland waterways under steam power.

These early adventurous steamboat captains were at least as daring as the hardy pioneers who were then beating back both the Indians and the wilderness in the struggle to establish themselves in the interior. The rivers, especially the Arkansas, were capricious, indolent, raging, turgid, ominous, and even peaceful according to the whims of nature, but captains took them on with amazing success. As in cat-and-mouse games, captains eyed currents with nervous concern, and took their chances when those chances seemed practical. Miscalculations were generally disastrous.

Five years before the first of a long list of enterprising steamboat captains commenced plying the Arkansas, President James Madison turned the attention of the nation toward improving the waterways and roads of the country. In his Seventh Annual Message on December 5, 1815, President Madison expressed his point of view:

"Among the means of advancing the public interest the occasion is a proper one for recalling the attention of Congress to the great importance of establishing throughout our Country the roads and canals which can be best executed under the national authority. No objects within the circle of political econ-

omy so richly repay the expenses bestowed on them."

The legislative branch supported this policy of federal responsibility for waterways improvement and three congressmen—Daniel Webster of Massachusetts, John C. Calhoun of South Carolina and Henry Clay of Kentucky—frequently voiced their support for such a program.

In 1818 the House passed the following resolution:

"Resolved that Congress has power, under the Constitution, to appropriate money for construction of post roads, military and other roads, and of canals, and for the improvement of water courses."

This resolution has had a far reaching impact on the growth and the economy of Arkansas—and the ultimate development of the Arkansas River.

By 1824 traffic on the inland waterways expanded so rapidly with the development of the steamboat that Congress acted to improve the rivers and harbors on a planned basis. The president was authorized to utilize the services of the Army Corps of Engineers for this work. Ever since that time, the Corps has had the responsibility for the planning, improving and maintaining of the Nation's navigable waters.

Yet, even before the Corps was charged with the responsibility of maintaining the water routes, the adventurous river captains had pushed on above Arkansas Post to the tiny settlement of Little Rock. In the spring of 1822, the villagers of Little Rock were jubilant over the safe arrival of the steamboat Eagle as it puffed into view. The Eagle was little more than a packet, at 118 tons, but it was a harbinger of greater days. Margaret Ross, an authority on Arkansas River steamboats, notes that it was not the commercial importance of Little Rock that attracted the Eagle, but rather the supplying of Dwight Missionary School farther up river, in what is now Pope County. The fact that the Eagle could not make it all the way to the Mission was an indication of the condition of the River at that moment, but it did not deter other more successful attempts to go even farther upstream. Within a few months another steamboat, the Robert Thompson, took advantage of better conditions and made it all the way to Fort Smith. It was found that in high water periods it was possible for light draught boats to ascend as far as Fort Gibson, in the heart of the Indian territory.

The first appropriation by Congress for river improvements was made on May 24, 1824. It granted $75,000 "for removing sand bars from the Ohio, and planters, sawyers, and snags from the Mississippi." This was the first practical step under federal responsibility for development of the nation's navigable channels.

The Mississippi River and its major tributaries represented the central transportation system but it was a system in poor repair. The original and almost exclusive work of the Corps consisted of snagging and dredging operations, and even these minimal efforts were often severely limited by an incredibly tight budget.

Twenty to $25,000 "judiciously and economically expended" by Congress would improve the Arkansas River for navigation. Chittenden Lyon declared on December 15, 1828.

The lower house of Congress voted $15,000 for work on the Arkansas in 1829, and both houses approved a $15,000 appropriation in 1830 but it was not approved by President Andrew Jackson.

Congress finally turned its attention to the Arkansas River in the River and Harbor Act of 1832 when it appropriated $15,000 and authorized the Corps of Engineers to maintain a channel in the Arkansas River bed.

The channel was to be wide enough and deep enough for "free passage of heavy boats" and was to be kept open from the mouth of the River to the mouth of the Grand (Neosho) River, a distance of about 465 miles. The Act did not provide for any permanent improvements, but only for snagging, dredging, revetments, and "contraction" works, as neither the nation nor the Corps were mature enough to undertake projects of any great magnitude.

Even this limited scope of authority was more often than not curtailed by insufficient funds. It was not too unusual for the Corps to work, at snagging until the money was gone, then simply stop work until the next year when additional funds might hopefully be available. Since no method of transportation was fully developed, a partially opened river was not considered any more reprehensible than a partially opened road. Man took what was offered with gratitude.

Henry M. Shreve, whose famed work with the Red River Raft caused his name to be memorialized by the town of Shreveport, La., went to work on the Arkansas River in August 1833. He removed 20 snags before he ran into another difficulty which frequently plagued the Arkansas—the River was too low for work.

He returned to the Arkansas on January 1, 1834, and reported that by February 22 he had cleared 250 miles, up to Little Rock—removing 1,537 snags. In addition, he said, "3,370 snags and logs cut from the dry sandbars, and under the banks within the bed of the river, producing together with those taken from the channel, a total of 4,907 removed from the high water bed of the river."

That averages out to one snag or hazard to navigation every 88 yards, from the mouth of the River to Little Rock. For the work, Shreve had at his command the snag boats Helepolis and Archimedes, three machine boats "worked by hand," and the steamboat Java.

Larger machine boats were needed, Shreve reported, as some snags on the Arkansas weighed "at least one hundred tons" or 200,000 pounds. Shreve recommended larger boats, and clearing timber along the river—at an estimated cost of $40,000.

Yet the Corps activities on the Arkansas were sufficient to excite further interest in the profitable river trade, and in the pre-Civil War period several little shipyards turned out not only steamboats but steam ferries. Most of them were launched as hulls and floated down to New Orleans for outfitting of engines and other hardware. Since these boats were specifically designed for Arkansas waters, and since the Arkansas often ran shallow, they were limited in size and designed for minimum draft. The Neosho, constructed at Van Buren by Captain Truesdell, drew only 13 inches of water, but even this amazing boat would be surpassed.

In 1855 Little Rock saw the launching of the Know Nothing (named after the American political party). The Know Nothing drew only three inches with an empty hull, and only six inches when outfitted with machinery, and a bare two feet when fully loaded. Two years later Little Rock launched the Rock City, a steamboat of 250 tons, 127 feet long, 28-foot beam, 16 staterooms, and other civilized accouterments. Design ingenuity kept this even relatively large packet to a scant draft of 10 inches. With this sort of engineering, and with the help of the Engineers, river trade increase in volume and value.

Successive river and harbor bills throughout the 19th Century allowed channel maintenance work on the Arkansas to be continued and also extended this type work to other less well known tributaries—the Fourche LaFave, Petit Jean, White, Black, Little Red, St. Francis, Little, Cache and L'Anguille. Since appropriations were not increased proportionately, the Corps found itself spread even more thinly.

It was not until 1878 that the first contract work on the Arkansas River was performed, and it consisted of nothing more than the construction of a brush and stone dike designed to wash away a sandbar in front of the Fort Smith landing. The success of this first effort encouraged the Corps to later undertake more ambitious projects; however, the lack of funds impeded progress. Appropriations barely covered minimal snagging operations, and with the increase in river traffic, there was the additional problem of clearing wrecked steamboats.

In 1872, the Arkansas Gazette published a list of 117 steamboats which had already been lost on the Arkansas, and the list was far from complete. Although a few terrifying boiler explosions accounted for some of the sinkings, the vast majority of the boats had been ripped apart by snags. Even snag boats were sunk by collisions with snags and submerged wrecks, and by the 1870's the Engineers were pleading for steel-hulled snag boats.

It was not until 1881 that a Corps of Engineers office was established in Little Rock. Considering the increased commercial importance of the Arkansas and its tributaries, a special district was created out of the old St. Louis and Memphis offices. Captain Thomas H. Handbury was the first Little Rock District Engineer. When Captain Handbury arrived at Little Rock, the city was still a frontier town; Main Street was a dirt path snaking between rows of one-story buildings and electric lights were still a dream of the future. Stagecoach robberies were major hazards for those traveling outside the city.

Nevertheless, the creation of a special office at Little Rock was symbolic of the new significance of the area. Captain Handbury demonstrated his faith in that future by calling for a complete survey of the River so that a permanent improvement program could be formulated.

On the Arkansas, a city with a special problem was Pine Bluff. The city was located on a bluff about 45 feet in height, but that bluff was situated on the outside of an acute bend in the Arkansas River. Even during normal flow the River gnawed into the soft limestone of the bank and during times of high water and floods the bank was eaten away in prodigious quantities until the township of Pine Bluff began to slough off into the swirling waters of the Arkansas. Street after street caved into the water and the frantic citizens sought help from the district engineer.

The problem of erosion was only one of two major problems facing the town; the other had to do with the possibility that the River would cut through at Yell Bend, approximately 3.5 miles upstream. This would leave Pine Bluff high and dry but far removed from the River. In order to resolve these two problems, Captain Handbury suggested that Yell Bend be strengthened and the curvature of the River at Pine Bluff be made more gentle. This work commenced in 1882, and it was only the second contract work on the Arkansas.

This effort would not be too successful because of the severe limitation of funds, but the citizens of Pine Bluff were much encouraged by the concern of the Engineers. Having no alternative, for the time being, the Corps continued to make these temporary improvements on a year to year basis, and just as regularly the River swept away these temporary improvements.

At about this time the railroads began taking their toll on Arkansas River traffic. But the railroads themselves were sometimes in trouble. During times of high water, the rail lines were often unusable, conversely the steamboats were in better operating environment. In 1882 train service was disrupted between Memphis and Little Rock and the railroads were placed in the embarrassing position of having to charter steam-

boats to maintain the railroad contacts between these two points. Also, the railroads sometimes complained that they could not compete with the low freight rates of the steamboats. But even where the railroads paralleled an established water route, the water route generally suffered from the competition. Overland hauling was not yet competitive because of the condition of the roads, or the nonexistent roads. An example of road conditions is well illustrated by an article in the Arkansas Gazette of April 10, 1880. The newspaper noted with amazement and pride that Joe Berlin had made the trip from Pine Bluff to Little Rock in the record time of five hours and 52 minutes, by using only a light buggy and a team of fine horses.

In 1884 the railroad between Little Rock and Fort Smith was completed and work was started on a bridge across the River at Little Rock. Though the day of the steamboat was past that fact was not immediately evident.

In 1884 Captain Henry Sheldon Taber was assigned as Little Rock District Engineer. During his nine-year tenure, the District would throb to an increased tempo, as Captain Taber requested, pleaded, demanded, and nagged Congress for funds. It was Captain Taber who finally succeeded in saving Pine Bluff from the River, through permanent improvements, and it was Captain Taber who established the Corps of Engineers as the most efficacious branch of the federal government in the minds of the local people.

Part of the reason for Captain Taber's immense success was that he was so often left on his own and worked at whatever he thought he could accomplish. The District Engineers usually received a lump-sum appropriation for navigation operations and allocated that money in such a manner as to be more efficiently utilized. Recommendations and requests from the District Engineers were relayed on to Congress for consideration. The requests were generally limited to the need for more and better snagboats and only occasionally were they concerned with anything approaching a major program.

Snagging was not only the major concern of the Corps; it was its most obviously beneficial work. The loss of a packet and cargo represented a loss of $15,000 to $75,000 and was very often the ruin of a small company, yet sinkings were routinely expected. In 1887 the president of the Memphis, Vicksburg, and Arkansas City Packet Company was so elated at having no boats lost during the year that he felt compelled to write the Corps and express his gratitude. He wrote that he had been involved in river traffic for many years, and "there had been no year up to the last one when there has not been one or more boats sunk by snags on this river [the Arkansas]." He attributed that immunity "wholly to the United States snag boats."

In the late 1890s the completion of various railroad spurs began to have a serious effect on river traffic. Also, the railroad bridges at Little Rock and Fort Smith proved to be serious impediments to regular River commerce. Significantly, the secretary of War approved the Fort Smith bridge, at the urging of the citizens of Fort Smith and Van Buren who considered the railroads of greater value to them and their cotton crops.

Captain Taber continued to see the future of the River in terms of ever increasing importance however, and in 1887 he wrote: "The future of Little Rock seems bright in connection with the Arkansas River. When the vast acreage of the Indian Territory is brought under cultivation, its product must go this way. That already well known and fertile state of Kansas will find Fort Smith or Little Rock its nearest water outlet." He also noted that Pine Bluff was now safe and secure due to the permanent improvements he had suggested.

"The town has taken on new life, street railways, new water works, and a fine hotel, all safe behind the point which had been most dangerous until this time," he said. He felt that his three-year study proved that the "State of Arkansas will ere long rise many files in the rank of States, and public improvements will return manifold their cost in material benefit to the entire state."

In 1894 Captain Taber was succeeded by Captain Carl F. Palfrey. Taber was in poor health, though only 44 years old, and would die within a year, but his vision and aggressiveness would be an inspiration to his successors. Within a few months Captain Palfrey was echoing the requests of his predecessors in almost the same words.

Palfrey was succeeded within a year by Lt. W. L. Sibert, later a leading figure in the construction of the Panama Canal. Like Taber, he eagerly accepted the challenge of the Arkansas River, but, he too, found his effort restricted by an economy-minded Congress.

The Arkansas rose to flood level in 1898 and wiped out the experimental work, and left the River as nature had formed it. In those days the Corps was not so deeply involved as it would be later, for floods, like depressions, were considered acts of God, best handled by God. Levees were the responsibilities of private citizens or communities and the Corps was only an interested bystander. Before the flood had run its full course, whole families had been wiped out and at Van Buren the town was under six to 10 feet of water.

Lieutenant Sibert went to Pine Bluff aboard the Beauregard to render assistance to people stranded by the flood. Fifth and Sixth Streets were completely under water and the "permanent" improvements constructed to protect Pine Bluff were washed away. Pine Bluff was once more vulnerable and the Corps was faced with the same problems it had fought for more than a decade.

To add to the disaster of the 1898 flood, nature would once again impose her will on the River—not by sending a raging torrent down the channel but by withholding normal rainfall and reducing the majestic River to a muddy stream. River commerce, already hurt by the railroads and the snags, had its problems compounded when the channel was reduced to an impassable shallow depth. The "disastrous drought" began in April 1901 and lasted to February 1902, and brought financial ruin to many.

The water level did not regain its normal depth for months, and in December of 1903 the River stages at Little Rock were recorded as "in some places not more than three feet deep." Small boys waded across the river and the water "did not come up over their knees," according to the Arkansas Gazette. A year later in 1904, the Gazette reported that boats had to be tied up at the levees because of the "thickness" of the water—estimated to be about one-third mud. Steamboat boilers could not cope with that much mud as it caused the water to foam when pumped into the boilers, and the gauges and regulating equipment would not function. Such an extreme condition did not occur too often, the last having been reported 11 years earlier, but the same condition arose in the following year, because of a flood on the Canadian River, and once again all steamboat navigation was suspended for about 10 days.

River traffic was brought to a complete halt in the winter of 1904–'05 for a different reason. For the first time in many years the Arkansas River was frozen over and at Little Rock large numbers of skaters were seen cavorting about on the ice in spite of police warnings.

[From the Arkansas Gazette, Nov. 2, 1969]

ARKANSAS—RENAISSANCE OF A RIVER: PART II

(By Col. Charles L. Steel)

For all practical purposes, the steamboats were driven from the Arkansas River in 1910. One of the most profitable legs of river traffic—daily service between Little Rock and Memphis—was discontinued.

The old St. Louis, Iron Mountain and Southern Railroad charged higher freight rates but rail traffic was considered more efficient than river movement. Since river traffic was essentially a passenger and freight business, the concept of barge traffic did not excite a great amount of interest.

The great flood of 1912, which swept the Mississippi, Missouri and Ohio River systems, created widespread support for national improvements on the waterways but the area of primary concern was the prevention of future disasters. In East Arkansas, observers saw hundreds of head of cattle and hogs floating toward the Gulf. For the first time, government aid was sought and obtained. Engineers were put in charge of strengthening the levees and were assigned the task of transporting food and supplies to the flood victims. This flood reoriented the policies of the federal government from a preoccupation with river transportation to a more direct involvement in river improvement and flood control.

In 1913, Congress appropriated about $60 million for the improvement of the Lower Mississippi. The bill allocated $285,000 for the improvement of the Arkansas and nine other rivers in the state.

The outbreak of the war in Europe in 1914 altered the attitude of Congress and the country so that $18 million was cut from the Rivers and Harbors Bill as an emergency war relief measure.

During the course of the war no major Corps activities were begun in the Little Rock District and as it turned out, national interest in river improvement would die out as soon as hostilities were ended. In spite of frantic efforts by river town chambers of commerce, the government withdrew its support for further river improvement, and the Corps would be allocated only minimal funds to carry on some snagging operations.

As an indication of the new policy of withdrawal and retrenchment, the Little Rock District was abolished as an independent office in 1921 and the area was placed within the Memphis District. Actually, the change had little local effect because the reduction of Corps activities had already been decreed.

If the flood of 1912 can be considered an event which focused national attention on the problem of flood damage, then the disastrous flood of 1927 can be considered no less than nature's punishment for procrastination. Starting early in January, unusually heavy and constant rains began to swell the rivers of Arkansas and the entire Mississippi Valley. By April the unrelenting rains had soaked 31 States and two Canadian provinces with a downpour totaling 250 cubic miles of water—enough to cover the entire area with over a foot of water, had it been spread evenly. Even after absorption and evaporation, more than 60 cubic miles of water had to find its way to the Gulf.

It was estimated that half the state of Arkansas was under water with all rivers out of their banks and all streams turned into raging rivers. On April 19, there were three feet of water in the North Little Rock business district. At Pine Bluff, some 500 persons were marooned on a bridge northeast of the city. At Arkansas City, while the Mississippi levee held, water from upstream poured into the town to a depth of 10 feet. Inland seas were formed over farmland and it was possible for sidewheelers to leave the riverbed and steam boldly across flooded fields and even over treetops to rescue stranded men and livestock. An entire herd of fat steers was seen struggling against the current and disappearing in a whirlpool. It was estimated that, aside from the animals swept downstream, over 50,000 dead animals had to be burned or buried when the waters finally subsided. Flood losses along the Arkansas exceeded $43 million, exclusive of

the millions lost by the three major railroads in Arkansas. All levees between Fort Smith and Little Rock were washed away.

The Federal Government responded as best it could to this overwhelming disaster and the Corps of Engineers was utilized to fullest advantage in every possible way. The chief of Engineers, Maj. Gen. Edgar Jadwin, established temporary headquarters in Memphis and worked closely with the then secretary of Commerce Herbert Hoover, who had set up flood relief headquarters in the same city General Jadwin again advocated a system of permanent flood control measures, rather than temporary works. His plan would eventually take concrete form in the Flood Control Act of 1928, more popularly known as the "Jadwin Plan." Basically, it called for the extension and augmentation of levees along the Mississippi and later would include some of the tributaries after the 1936 floods.

The stock market crash of October 1929 crushed any hopes that meaningful activities would be undertaken along the Arkansas. Within a three-week period, some $30 billion was lost on the Stock Market and the most urgent need seemed to be for economic control rather than flood control.

The 1930's saw farmers, businessmen, Arkansas governors, and Arkansas congressmen make fervent pleas for legislation for development of the Arkansas, White, and other rivers in the state. Most of the concern was for flood-control measures but the Mississippi Valley, Arkansas River and Arkansas Valley Associations continued to promote the idea of inland waterway development. Businessmen from Arkansas riverfront communities made periodic trips to Washington to try to promote legislation favorable toward Arkansas River development.

Arkansas would again be hit by devastating floods in both 1936 and 1937, with the latter flood resulting in the re-establishment of the Little Rock District. The handful of employees who arrived in the spring, and who were later joined by another small group in the summer of 1937, to organize the District Office, could not have imagined the magnitude of work which the Little Rock District would undertake in the next three decades. Of the initial small group of employees who arrived in the spring, Earl R. Martin of 7104 Pontiac Drive, North Little Rock, the District's purchasing agent, remains active in the District Office. Harry G. Bozarth of 122 North Monroe, Little Rock, the District's personnel officer, arrived seven days after the original group. As personnel officer, he would see the employees surge in number from approximately 15, at the time he arrived, to some 6,000 people during World War II.

Following the pattern established in World War I, the Corps of Engineers massed its engineering skills as the nation mobilized itself for worldwide operations. Civil works projects, in most cases, were suspended and would lie dormant until the end of hostilities. In Arkansas, the Little Rock District concerned itself chiefly with military construction. Camp Robinson and Fort Chaffee were built and would become the training grounds for thousands of World War II soldiers. The roll call of military facilities constructed include the Blytheville Air Force Base, the Pine Bluff Arsenal, the Maumelle Ordnance Works and many others.

A few civil works projects were continued, notably the building of Norfolk Dam, which had begun in the spring of 1941, before the advent of the war. It was considered essential to the war effort that work not stop on this project so that sorely needed hydro-electric power would be produced. The generation of power began in 1944; however, the entire project was not completed until 1949. With the ending of hostilities in 1945, the District once again turned its attention to civil works. The sprawling work force of some 6,000 rapidly was reduced within one year to less than 1,000.

As far back as 1832, Congress recognized that the Arkansas River channel had to be kept wide and deep enough for free passage of heavy boats. And for the next 100-odd years, the lawmakers sporadically set aside money for snagging and revetments to hold the banks in place. Regularly, the work would be washed away by floods, curtailed by economy-minded congressmen, or suspended by wars.

The record of congressional committees contains many reports about the Arkansas River. In 1888, for example, the Corps of Engineers concluded that a three-foot channel at low water could be established above Little Rock by means of contract works—revetments and bank stabilization.

A series of locks and dams, to permit navigation as far upstream as Muskogee, then in Indian Territory, was recommended in 1907. While this plan for improving the river was considered feasible, it was not deemed advisable on account of the great cost of the locks and dams.

Again, in 1927, the year of the great floods, a report on flood control and navigation was received and studied by the Congress. This plan, too, was considered too costly. More reports followed in the 1930's.

But the foundation for development of the Arkansas River had been established, and was getting recognition.

Finally, on July 24, 1946, President Harry S. Truman signed the River and Harbor Act, which authorized the current project for development of the Arkansas River and tributaries for navigation, flood control, hydroelectric power, and other purposes; but there was no bill appropriating funds for the work.

Three decades ago a Fort Smith newspaperman wrote and talked about his pet project, the Arkansas River. It is said that the walls of his office were bare—no maps of the River. Also, it is said that Clarence Byrns, the legendary leader of the Arkansas River project, needed no maps of the River because, lodged firmly in his mind, was a graphic, up-to-the-minute picture of what he was prepared to discuss or write about at a moment's notice.

Byrns, the late Newt Graham of Tulsa, Reece Caudle of Russellville, and one or two others dared to dream the dreams that are now a reality. They could see far more than water and mud when they looked toward the River. Byrns talked and wrote about its possibilities in those days and continued to talk and write about his dreams, but in the eyes of many, his views were those of a crackpot.

Years later and for many years, Byrns chaired the powerful Tri-State Committee that handled the appropriation requests for Arkansas, Oklahoma, and Kansas. The success of the Committee and the status of the Arkansas River project today is reflective of Byrns himself.

The wheels of government sometimes move slowly and—in the views of many of the Arkansas River boosters—those wheels moved at an agonizingly slow pace as they asked Congress for money to set the Arkansas River program into motion. Finally, in 1949, some funds were appropriated—and one of the most challenging engineering jobs ever faced by the Corps was under way.

The Engineers realized the true magnitude of the project, which has been described as larger, from an engineering standpoint, than was the Tennessee Valley Authority project, or even the Panama Canal.

Here was a River that did as it pleased, a River with an infamous record of catastrophic floods, a River where bank caving of 200–300 feet was common and which carried over 100 million tons of sediment downstream year after year.

The first step was to fix the channel—to reshape and contain it within a permanent location. While the Engineers were doubtful that the River could ever be completely tamed, they knew some of its teeth could be pulled and it could be caged to limit its wanderings. The Corps knew it could build upstream reservoirs to trap the sediment, which otherwise would clog the channel. It knew that these and other reservoirs could hold back much of the flood waters and then release sufficient water during times of low flow. It knew that locks and dams on the main stream could provide suitable, navigable depths and that dredges could remove sandbars and shoals.

But those dedicated Engineers also knew that all of this could be almost immediately nullified by a single flood, and that bank caving, meandering, and shoaling would surely follow.

So, the first money appropriated in 1949 was earmarked for bank stabilization work at the most critical locations along the river. Work on most other aspects of the project would not really get under way until 1961.

It has been estimated that the bank-stabilization work would cost $120 million with the benefits resulting each year from protection of land, crops, and other impovements at $6 million.

The outbreak of the Korean War in 1950 caused the Arkansas River project again to be sidetracked as the Little Rock Engineer District was given responsibilities for military construction with the Arkansas River work, except for some bank stabilization work, suspended through 1955.

Throughout the mid-50's, the Arkansas Basin Association kept trying to keep the Arkansas River project alive by urging Congress to appropriate money—at least for bank-stabilization work. At the same time, the Association urged Congress to authorize beginning of construction of two key reservoirs—Keystone and Eufaula in Oklahoma.

Operation of both these dams was considered essential before Dardanelle Dam could be finished and effectively operated. These were the two dams which would retain silt which otherwise would be carried downstream and clog the Dardanelle project. Work started on both of the Oklahoma reservoirs in 1956 and both were essentially completed at the same time in 1964. An interesting sidelight to the complex construction plan, which would often be revised due to budget cuts, floods, and droughts, strikes, and shortage of materials, is reflected by a remark made in 1956 by the then chief of Engineers, Maj. Gen. E. C. Itschner. General Itschner predicted before an audience of river boosters from Arkansas and Oklahoma that the Arkansas River project would be completed in 1973. As this article was being prepared—some 13 years later, his prediction was borne out by the fact that the work was on schedule and overall completion still set for 1973.

Work on the first structure on the River in Arkansas started in 1959. This was at Dardanelle when the first spadeful of dirt was turned for the $81 million navigation and power project.

In that same year, the rain-swollen Arkansas River broke through a levee in Johnson County, flooding some 11,000 acres and causing heavy crop damage. At Little Rock, four fairways at Rebsamen Golf Course were under water.

In 1961, after having been scattered in four different office buildings in Little Rock, the Little Rock District moved into its present home in the Federal Building. That same year would see the District transfer its military construction activities to the Fort Worth Engineer District and began to devote all its energies to civil works construction, chiefly the Arkansas River work.

Work on the navigation locks and dams in Arkansas and Oklahoma generally began downstream and proceeded, more or less, in sequence. Locks and Dams 1 and 2 were started in 1963 and by early 1966 construction on the last lock and dam in Arkansas, Lock and Dam 13 at Fort Smith, began. By 1968, all of the navigation locks and dams in Oklahoma were under contract.

While the Arkansas River was not considered navigable, in the true sense of the word, for many years, sparse barge and towboat operations were conducted on a local basis. The dredging of sand and gravel from the river-bed by private firms was and is carried on with much of the sand and gravel used in the making of concrete for missile silos, interstate highways, and flood-control projects such as Greers Ferry Dam in North Central Arkansas.

An indication of the backing by the Congress of the Arkansas River project was reflected in the Corps of Engineers civil works budget which Congress approved in 1965. In that year, Arkansas drew $140 million for civil works construction or 11 per cent of the total amount allotted for all 50 states.

With the effective operation of the upstream reservoirs in Oklahoma and the bank-stabilization program reducing the silting problems on the Arkansas, fishing showed a marked improvement. In fact, so many fishermen flocked to the waters just below the Dardanelle Dam that the Arkansas Game and Fish Commission ruled that fishing within 300 feet of the dam was prohibited. Despite signs warning fishermen to stay beyond the 300-foot marker, several lives were lost as fishing boats capsized in the turbulent waters.

In April 1966 the Arkansas River project was 50 per cent complete and a small band of river boosters met at David O. Terry Lock and Dam to commemorate the occasion. However, the ceremonies and speech making did not slow down the furious pace of the construction and it was necessary to use a portable public address system for the word of the speakers to be heard over the din of the huge construction equipment.

In 1967, the Coast Guard announced it would spend $1 million in installing channel markers and other navigational aids along the 450-mile navigation route. The Coast Guard, which patrols all inland waterways, said it would spend $1.5 million on two 75-foot cutters for patrol duties and build dock facilities at Pine Bluff and in Oklahoma.

During the same year, the Arkansas State Health Department said the Arkansas River did not meet the minimum health standards for swimmers because of a high bacteria count. The Corps deleted swimming beaches from its plans for developing recreation areas, with the understanding that the beaches would be added later when the quality of the water improved.

The acceptance of Lock and Dam No. 1 by the Corps from the contractor as a completed structure was marked in a most appropriate fashion. On June 2, 1967, a band of Corps inspectors and officials, along with the contractor and several newspapermen, climbed aboard a towboat and took a historic ride through the lock. The ride, in itself, would have been of no great significance, except for the fact that it marked the occasion of the completion and operation of the first Arkansas River Lock and Dam. Just as on other meaningful occasions, no one recorded the name of the lock employee who pushed the button which set in motion the first lockage on the Arkansas River.

Early in 1968, the Arkansas Basin Association began planning a ceremony which would mark the opening of the river to navigation. The president of the United States was invited and indicated an interest in attending, but at the last moment he had to decline. Postmaster General Lawrence F. O'Brien issued a commemorative stamp and thousands were purchased by stamp collectors, river boosters and the public. At the dedication ceremonies, which were held at the David D. Terry Lock and Dam on October 4, Senator J. W. Fulbright called it a "memorable day for Arkansas." Delivering the principal address, Senator John L. McClellan said completion of river development in 1970 "would bring benefits and present a multitude of impressive opportunities too numerous to mention."

And so it came to pass when on the 31st day of December 1968, the Arkansas River was officially declared open for navigation by myself, the current district engineer, and a towboat appropriately named the "Arkansas Traveler" began its historic journey upstream to Little Rock. It carried 1,200 tons of steel in two appropriately marked barges, but more important, it carried with it the culmination of the dreams of the Clarence Byrns, Newt Graham, Reece Caudle and others who in so many years before saw much more than just mud and water when they gazed at the Arkansas.

ARKANSAS—RENAISSANCE OF A RIVER: PART III

(By James A. Constantin)

Over the past dozen years or so, the effect of the eventual transition of the Arkansas River from its natural state to a potentially mighty resource of the region has been the inspiration for many political caucuses, speeches, discussion sessions, arguments, caricature, seminars, and articles—including this one. It has served as a springboard for countless rhetorical orgies by politicians, Army officers, civic leaders, editors, and professors—including this one. It has spawned metaphors inspired banalities, and launched cliches by the gross—including these.

I had mixed feelings when I was invited to write an article on the implications of the Arkansas River for this sesquicentennial series of the Arkansas Gazette. On the one hand, I welcomed another opportunity to express my deep concern for the lack of long range objectives, planning, and programs for the use of this great resource. On the other hand, I was not certain I wanted to say again the things that should be said because most of us like to hear how well we are doing. We have done well in planning for the opening of the port. It is not fair to say we have done poorly in planning for the long run because we have not done anything; at least I have not been able to find out what long range plans, programs, objectives and policies have been established.

At any rate, I accepted the invitation. Two sets of factors have guided me in organizing this article. I was asked to comment on the effect of the River on the total economy, and the effect of the River on transportation patterns, and I was asked what the people of the region should do to use a potentially powerful resource. What should be done? This leads to the second set of factors underlying this article. The Arkansas River, before work began on it, could probably be called a resistance to development rather than a resource because it was troublesome at certain times but more particularly it was a barrier that effectively separated the state into two parts. The River *will* develop into a resource of sorts. The River *can be* developed into a powerful resource. Splitting hairs? I think not. The difference is that which exists between sitting around waiting for something to happen or setting out to make happen those things we want to have happen.

My basic thesis is that a more valuable resource can be created out of the Arkansas River than the one which will just naturally merge if a positive approach is not made.

Several simple statements are made in order to establish the fact that this article is based upon a positive view of the future.

First, we have the River, and the project will be completed soon. Discussions of whether it should have been built are as fruitful as those centering on how many angels can dance on the head of a pin.

Second, even if we as citizens do nothing, firms will seek out the area and locate there. While the adage "build a better mousetrap and the world will beat a path to your door" is good rhetoric, it is bad logic and pure bunk. A few people will come to the door, but the mousetrap builder had better build a good path, well marked, if he wants more than a few customers. We have built *another* mousetrap, competitive with St. Louis, Louisville, etc., not necessarily a better one, and people will come to our door, path or no path. But: to realize our potential, we must make it better, and we can.

Third, various estimates have been made of the total tonnage likely to move on the River at some point in the future. Whatever the estimate is, it will probably be exceeded if experience on other rivers can serve as a predictor for the future of our River. This is not to say that the projections were either right or wrong: The growth of the economy seems to surprise even the most liberal forecasters; so even if the early projections were based on bad assumptions, they will probably be too low. Even this optimistic view must be tempered, because the new railroad rate and service policies may change things drastically.

Fourth, the fact that estimates may prove to be too conservative—even if we do nothing—does not imply that we have done well. Projections of the type discussed are necessarily made with one fundamental thesis underlying them: That nothing unexpected will happen and normal trends will continue. In resource development projects, there are assumptions which Congress requires. What we are really saying is, "if we don't monkey with the machinery, we can expect a certain amount of tonnage." To be able to get the full benefit of this resource, we should ask the question: "What if we do monkey with the machinery? Can we make it perform better?" We are saying in the first case "other things remaining the same, our development will have a certain pattern." This is the essence of much planning. It is bad planning, for we are taking a passive role by letting the environment determine our planning. In other words, we assume that we have no control over our destiny, and fatalistically plan for those things which are going to take place, "other things remaining the same."

Our approach should be to take an active role in shaping our economic environment and attempt to control our destiny by determining what we want to have happen and then planning for it. We should forget "other things remaining the same."

The effect on the economy of the region of the Arkansas River will depend upon which path is followed. Let us look for a moment at the one path of planning for those things which are going to happen, other things remaining the same.

The economy of the region behind the Arkansas River port cities does not compare favorably with the economies served by most other inland ports on the other rivers. When we draw a circle with a radius of 500 miles around Little Rock, for example, we assume that the area enclosed is within the economic orbit of Little Rock as well as the geographic range. Such an assumption may or may not be valid. Transportation rates will help determine the size of the market area of a given city. Because of the peculiarities of our freight rate structure, we may find that Little Rock producers pay a higher freight rate, mile for mile, than do producers located at other producing points. The result of this situation is an effective shrinking of the Little Rock trade area.

Further, much of this same region, potentially in the orbit of Little Rock, is also served by such well developed distribution and marketing centers as Houston, Dallas, Memphis, Kansas City, and St. Louis.

Finally, the major transportation systems

which serve the region from these other distribution points have an incentive to continue to adjust their rates and services to keep goods moving in their present channels. For example, the Missouri Pacific has announced a study to determine the feasibility of shuttling trainloads of containers between St. Louis and coastal cities.

Despite these comments, some firms will locate along the River because it is natural and economic for them to do so—almost regardless of what the people of the region do or neglect to do. These new firms, some of which have already announced locations in the area, will certainly help bring prosperity to the region. The points made have one central theme: If the region does nothing, it will almost certainly prosper as a result of the River being here. The losses of the region will not be measurable, but the will be real because of potential prosperity not realized.

The first phase of our growth as a nation was influenced by water tranpsortation. Even the coming of the railroads, as would be expected, emphasized the growth of those cities located on water because of the established trade routes. Both railroads and motor trucks stimulated development of inland points.

Topographic features, such as rivers and mountains, were influential in shaping trade routes. As technology improved, the influence of these topographical factors diminished. It becomes easier and easier to go over, under, and around physical barriers to the free flow of commerce.

In the future, it is likely that commerce will become less and less dependent upon our rivers for transportation. Technology, economics, and management practice will contribute to this change.

When navigation was first proposed for the Arkansas River, it was thought by some that huge amounts of grain would move on the River. The economics of transportation and rail rate making techniques of the railroads have now combined to make this unlikely. One conclusion of a study by Dr. Richard Schermerhorn of Oklahoma State University, was that not much wheat would move from Oklahoma by water unless some drastic changes occurred.

Other things remaining unchanged, the same types of commodities which move on other waterways will move on our River: chemicals, coal, iron and steel products, paper, forest products, and the like. Rail rates on these commodities between our area and other points on or near water will almost certainly fall, and the revenue loss will hurt the railroads in at least two ways. First, they will lose some inbound traffic which is now exclusively theirs, and second, lower freight rates on the traffic they keep will reduce their revenue. A third possibility is that by rate reductions they will not lose much traffic but will lose revenue. However, because of the expected increase in production, employment, and income it is not unreasonable to expect that these losses will be more than made up from new traffic generated.

Who are the beneficiaries of the reduced transportation rates? Any answer to this seemingly harmless question almost invariably causes outraged responses. There is no argument about one part of the answer. The company which pays the freight bill, obviously benefits from reduced transportation charges. Are savings in transportation costs passed on to the ultimate consumer who buys goods in retail stores? Broad, general answers to such a question are difficult to give because there are so many complex factors that determine retail price in a given location for a particular product.

The purchaser of an automobile who is charged a certain price plus transportation would obviously benefit. On the other hand, a purchaser of gasoline at a River point and his brother located several hundred miles from water may pay the same price for their products. The same holds true for electric toasters, paper towels and detergents, made from steel, paper, and chemicals moved by water. In these cases, it is highly unlikely that the ultimate consumer buying at a retail store pays any less for his purchase because the raw materials from which it was made at one time or another, moved at low water transportation rates.

On the other hand, the taxpayers' dollar goes further if materials for public buildings, roads, bridges, etc., are capable of moving by water because the contractors' bid has probably reflected the lower transportation rate.

If the consumer does not benefit from lower transportation rates, what is his stake in waterway development? Aside from general benefits derived from a more complete use of resources, the greatest benefit to the consumer in the region is that more job opportunities are available, which leads to a higher level of income.

The patterns of air, motor, and pipeline transportation are lot likely to change, although air and motor carriers will benefit from improved economic activity in the area. (Technology surely will change air transportation, but the presence or absence of the River will have nothing to do with the change.)

Much of the above has been written on the premise that we don't "monkey with the machinery" or on the basis of planning for what is going to happen "other things remaining the same." The assumption of "other things remaining the same" implies that the same type of economic development efforts currently being made will continue to be made.

Even though the port of Little Rock does not have as favorable a location as other inland ports, it does have two outstanding advantages. First, until this year it did not exist as a port city; so it is not hampered by the dead hand of the past. Second—and probably its greatest advantage—the fact that it now is a port city attests to the vision and leadership of many persons. The port, is not merely limited to looking into the future; it can make its future.

What can be done on behalf of the total economy of the area? What can be done in transportation? The second question is an integral part of the first and should not be separated. We made an artificial separation to isolate certain issues, but now we discuss them together.

In the past decade or so, business firms, in rapidly increasing numbers, have shifted their ways of thinking about selling their product. They no longer sell it; they market it. Splitting hairs? Jargon? Perhaps, but by shifting their emphasis to marketing, they have adopted a whole new way of corporate thinking, of viewing their products, and of viewing their customers. This marketing concept implies that the firm should determine what its customers want and need (or might want and need) and then structure their entire effort to satisfying those wants and needs.

This concept involves the establishment, not only of corporate objectives in general, but marketing objectives in particular; the making of plans to reach those objectives; an internal analysis of the firm to appraise its resources and ability to make happen those things it wants to have happen, and an external analysis of the nature of the market. Then it develops strategies involving: Product design and product lines; channels of distribution; promotion policies; and price policies.

There is absolutely no difference in marketing a product and marketing economic development. Therefore, the first thing that should be done is for the Little Rock and Arkansas development agencies to do as business firms have done and adopt the marketing concept. A program for marketing economic development can and should be created.

A very significant aspect of this program involves transportation. Because of the pecularities and importance, special attention should be given to those transportation rates which discriminate against Arkansas as a location. Further, special attention should be given to all aspects of distribution servlces ranging from the introduction of modern warehousing techniques to the establishment of trainload rates and the provision of improved motor carrier service to the small towns of Arkansas.

Because we have been inspired by the potential of the River, we have been inclined to wax enthusiastic, and in our enthusiasm we have mixed a few metaphors and cliches in with our rhetoric. Perhaps all of this is forgivable; certainly it is understandable. You in Little Rock have your part of the River now. Soon all of us in the region will have a $1.25 billion resource on our hands, and what do we know about it? Nothing, really, other than a few outdated guesses about the tonnage it will handle. What plans have we made for the wise use of an asset that could be the greatest thing to have ever happened to our region—including the discovery of oil? Nothing, really, other than to build a few docks, lay out a few industrial parks and talk to a few firms about locating in the region. The things that we have done needed to be done. The fact that they have been done well is a tribute to the tireless efforts of a few port directors, their staffs, and their boards of directors, who have done impossible things with inadequate resources.

In effect, the things that have been done were those things necessary to start operation; to be able to say to the world of trade and commerce that we are ready to receive all comers. When the first barge got to Little Rock, Little Rock was ready for it. The industrial park is ready. But do the cities have long range plans to help guide them in reaching their objective? For that matter, do they have specific objectives? Answers I have received to these questions over the past several years have all been negative. It has also troubled many others with whom I have talked that we will spend well over $1 billion for a resource and nothing for determining how we eventually want to use it. Sadder still, we have done very little to plan for removing some of the resistances to economic development of the area in the form of eliminating discriminatory freight rates. To my knowledge, we are not even planning for those developments which will probably take place if present economic trends continue. More important, we are not planning to make happen those things we want to have happen. Even worse, we have not clearly identified what we want to have happen. It is past time to make our move in this direction.

When I said that the River could be the greatest thing that ever happened to our region—including oil—it was not because my pen had gone on a flight of fancy. It is potentially great because it is an asset which can bring together, with a common purpose, the best of men to do the best of things. It can be better than a springboard from regional poverty; it can be an elevator to greater prosperity.

Other things remaining the same, the Arkansas River area will develop because the River is there, and increased prosperity will result. If we determine what we want to have happen and set out to make it happen, the River-resource will be a base for even greater prosperity. As things now stand, other inland ports have advantages not enjoyed by Little Rock and other Arkansas River cities. While our area has a small trade

region of its own, it is in reality within the trade areas of such places as Dallas, St. Louis, Memphis, and Kansas City. With the River as one resource base, and vision, determination, and leadership as another, the area can enlarge its trade area substantially.

To put it differently, we are in the economic hinterland of other places. The crucial question is: Do we want to continue to be a hinterland or do we want to have a hinterland?

A SEARCH FOR SANITY

Mr. FULBRIGHT. Mr. President, in a message to his congregation this past Sunday, Dr. Russell C. Stroup, of the Georgetown Presbyterian Church, has put into perspective the most vital issues of our time. I commend this member of the clergy for facing with such candor the critical questions now before not only our country but the world. The timeliness of his address, entitled "A Search for Sanity," cannot be overstated. I ask unanimous consent that it be printed in the RECORD.

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

A SEARCH FOR SANITY

(By Dr. Russell C. Stroup, Georgetown Presbyterian Church)

Veterans Day is a time to remember the men who have suffered and died in the tragedy of war. It is good for us to do so. For me it is very personal. I have served with some of these men. I have shared their suffering and buried their dead in the rice paddies, beaches and jungles of the South Pacific. I have not forgotten.

For those who have died it is a day of honor; for us, the living, it is a day of dishonor, for we have been unfaithful to our dead. It has been almost 25 years since the guns of World War II fell silent. But in those years other guns have sounded, others bombs have fallen in Korea and Vietnam, and a cold war has been conducted with unabated intensity. In 1945 we might have said with Abraham Lincoln that "it is for us the living to be dedicated with increased devotion to the cause of peace to which they gave the last full measure of their devotion; that these dead might not have died in vain" as we took up their unfinished task establishing "a just and lasting peace among ourselves and with all nations." We have failed to show increased devotion to that task; we have not dedicated ourselves to its fulfillment. On the contrary, never before in the "peace-time" history of our republic have we shown less regard for peace. Never before have we maintained so many men under arms. Never before have we fought such sustained and bloody "undeclared" wars. Never before we expended such a major portion of our treasure and talent in preparing for our own and mankind's annihilation through unspeakable weapons of mass destruction. If we survive, and the history of this time is written, surely future generations must assume that we were gripped by mass madness.

The frightful extent of this madness is brought home to us in a recent book, The Economy of Death, by Richard Barnet, who served in the State Department, the Pentagon, and the Arms Control Agency. He writes: "Since the end of World War II a veil of demagoguery and silence has hidden what is probably the greatest monstrosity in human history. A few politicians, a few generals, a few contractors have managed to loot the federal treasury of a trillion dollars and create enough bombs, hideous gasses and other methods of mass destruction to wipe out all life on the planet earth. Not even Hitler, or even Stalin considered such reckless possibilities as our Christian, Godfearing nation has done. We manufacture enough atomic bombs to kill every man, woman and child ten time over, and enough nerve gas to do the same, to say nothing of other frightful weapons in our arsenal." And we are devising more and more weapons, unimaginable weapons as well as manufacturing more and more of the weapons we have. Few questions are ever raised on this point. It is encouraging that recently people seem to be concerned, at least from an economic standpoint, with the expenditures that we are making—70% of our budget for past, present and future wars. People are questioning, and this is well. But the questioning is minute.

Until very recently, military appropriation bills were passed by Congress almost automatically. And the tragedy is that the people have been no more concerned than their Congressmen with the spiraling arms race that could lead to destruction, that *will* lead to destruction unless it is halted. We live in a highly combustible world. A single spark could ignite it. One man in Cairo could start a chain of events ending in nuclear holocaust, as one man in Cuba almost did. But who cares? How many of our citizens are deeply concerned with the disarmament talks about to begin between the U.S. and the Soviet Union? How many know about these talks? For they receive little publicity in comparison with other events in our world of much less importance. We are concentrating on November 15th. We might be concentrating on November 17th, Helsinki, and what might begin there, God willing. Some beginning, one step at least, toward that disarmament which is essential to the preservation of mankind.

Millions of Americans are deeply disturbed about the war in Vietnam. Both the vocal minority, if it is a minority, and the "silent majority," if it is a majority, are determined to end the war there. Tens of thousands will gather in Washington this week to protest. But I am not minimizing the tragedy in Vietnam when I say that it is *not* the life-and-death issue before us. We are deeply disturbed, and should be, at the loss of forty thousand young men there. But we can and do calmly contemplate and prepare for the death of ten thousand times forty thousand in a nuclear conflict. We are shocked, and should be shocked, by napalm bombs which incinerate their hundreds. But we press for the development of missiles which will incinerate their millions.

But, in addition to Vietnam, all of our many problems pale into insignificance beside the problem of controlling the armaments race and establishing some measure of peaceful coexistence between ourselves and the Soviets. The race problem is real; but in the event of nuclear war there would be few blacks or whites left to carry it on. The problem of our ghettos are real; but if there is a nuclear war both the slums and the suburbs will be destroyed. The problems of our cities are real; but if there is a nuclear war our cities will be in ruin. The conflict between the East and the West will not be resolved by a nuclear war, for after it was over there would be no Communism, no capitalism, only chaos and anarchy. Only the population problem would be solved by such a conflict, for after it was over the world would be depopulated if not empty.

If we say, as we do, that disarmanent is impossible, that peace with the Soviet Union is impossible, then we are saying in effect that the future is impossible, that life is impossible, that the world as we know it is impossible. And let us make this crystal clear: there is no defense. No ABM system, nor any other retaliatory weapons can protect us or the Russians against devastating destruction that beggars the imagination. There is no hiding place down here. Our only protection is peace. It is easy to say, and heaven knows hard to achieve. The road to peace is not easy, it is a hard road. But the road to destruction is also hard.

There is no alternative to peace. I am not an alarmist, but a realist. For hydrogen bombs are *real*, and rockets are *real*, and arms races are *real*. It is our present race to ruin which is *unreal*, which is madness. And it is for us to search for a measure of sanity in our mad, mad world. In the name of sanity let us seek to give reality to the vision of Micah of a world in which men shall beat their swords into plowshares and their spears into pruning hooks; where nation shall not lift up sword against nation, neither shall they learn war any more. But they shall sit every man under his own vine and under his own fig tree, with none to make them afraid.

Prayer: Our Father, in a world of constant fear, in a world of ever present peril, grant to us the will for peace and the achievement of it, we ask in the name of the Prince of Peace, Amen.

AID TO THE INNER CITY

Mr. PERCY. Mr. President, the need to reverse the tide of dependence and decay within our inner cities should carry the highest priority. Our society, black and white, plays a very real, although sometimes hidden cost for these grave problems.

Donald M. Kendall, head of the National Alliance of Businessmen, has noted the kind of economic distortions that occur within the ghetto society. Using Sacramento as an example, Mr. Kendall reports that 20 percent of that city's population lives in the ghetto. In Sacramento, this 20 percent pays 12 percent of its taxes, and accounts for 36 percent of its fires, 42 percent of adult crimes, 76 percent of its tuberculosis cases, requires 50 percent of its public health services, and 41 percent of its police costs.

Investment of private enterprise funds in the ghetto, coupled with Government "seed" money, can ultimately be returned in higher tax yields and lower welfare payments. We can expect for some time to see a deficit between money spent in the inner city and the return on investment. But such deficits are substantially similar to the subsidies that we grant to the maritime industry, the airplane industry, and the oil industry and are significantly more worthwhile in their social impact.

These concepts are ably discussed by Leon B. Sager, an Illinois businessman, in an article he has written for the November 1969 issue of the Center magazine, a publication of the Center for the Study of Democratic Institutions in Santa Barbara, Calif. Mr. Sager, board chairman of the Embosograf Co. entitles his article "Give Dollars, Give Jobs, Give a Damn."

Among the proposals Mr. Sager discusses are some that have been recently studied in the Senate, particularly in the Committee on Banking and Currency, on which I serve.

He discusses the creation in large cities of planning organizations comprising business, the ghetto community, and the Federal Government; tax credits for

investment in innercity industry, housing, and training; expansion of mortgage loan insurance program of the Federal Housing Administration for the innercity; expansion of Federal deposit insurance to allow large corporations to deposit substantial sums in ghetto banks without risk of loss; changes in the banking laws to enable bank subsidiaries in inner cities to make high risk loans, and expansion of the 90 percent guarantee loan program of the Small Business Administration.

Mr. President, since Mr. Sager has written a most timely and interesting article, I ask unanimous consent that it be printed in the RECORD.

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

GIVE DOLLARS, GIVE JOBS, GIVE A DAMN

(By Leon B. Sager)

The problems of the inner city are so vast, so urgent that they cannot be solved by government alone or by the private sector alone. They require the combined efforts of both. Nor can the task be left to the cities, because the cities have lost their financial base. As recently as 1932, more than fifty per cent of all taxes went to local government; in the past twenty years the figure has sunk to fourteen per cent.

A nationwide effort to meet the challenge of the inner city is in progress—and it is growing. Since the establishing of the Urban Coalition in 1968, thirty-nine chapters have been set up across the nation. An additional one hundred and fifty organizations of business and civic leaders are devoting thousands of dollars and millions of hours to improve conditions in the ghettos. Businessmen are acting on the slogan of the Urban Coalition—"Give dollars, give jobs, give a damn." The efforts have moved in two directions: jobs, to improve economic conditions; and minority ownership, to provide management training and help members of minorities to become owners of businesses. The emergence of a new group of black businessmen is the most conspicuous of these developments.

One such businessman is Richard D. Allen of Los Angeles. In 1962, Allen and Warren D. Gray started American Tape Duplicators. Their investment of five hundred dollars apiece has grown. They operated a million-dollar business in 1968. A volume of $1.6 million is likely in 1969. Mr. Allen's case is, of course, exceptional. Not many black men will soon achieve presidencies of million-dollar businesses, and certainly not of billion-dollar businesses like General Motors or General Electric. What must be done, however, is to expand what is already under way by education and the development of individuals from minority groups to take over middle-level positions in white-owned firms, and the ownership and management of small businesses of their own in the inner city.

Another example is Al Hollingworth of Los Angeles. Mr. Hollingworth, now thirty, was a football star at the University of Colorado. After graduation he worked as a paper salesman in Seattle, then moved to Los Angeles and took a sales job for the Crown Zellerbach Company. Determined to have his own business, he applied for a loan from the Small Business Administration. S.B.A. referred him to the Economic Resources Corporation. E.R.C. found Mr. Hollingworth acceptable and within forty days he was in business for himself. He is now president and principal owner of a firm that, in the first year since its opening in October 1968, is doing a business of forty thousand dollars a month and making a profit. The firm, Sheet Plant Corporation, designs and manufactures corrugated boxes. Mr. Hollingworth invested about twenty-two thousand dollars of his own in the enterprise. He and his two salesmen, also black, have secured one hundred and twenty accounts. He will have to put on a second shift soon.

A considerable number of whites have become involved in helping blacks. Unfortunately, there is also a growing antagonism to the help blacks are receiving. Other minorities are asking why they shouldn't have the same help. Some skilled white union men claim that they are losing their jobs to blacks. Conflict is almost certain. Already there have been violent confrontations; more can be anticipated unless it is understood that help to the blacks must not be at the expense of the whites in the inner city. Everyone must be helped and help must come quickly.

How far is the Nixon Administration willing to go in implementing inner-city developments? The picture is cloudy.

Item: Philip Pruit, appointed assistant administrator to the newly created Minority Entrepreneur program of the Small Business Administration, tendered his resignation.

Item: Clifford Alexander, Jr., administrator, Equal Employment Opportunity Commission, also resigned "because of a crippling lack of Administration support."

Item: The Model City Program has been doubled to six hundred and fifty million dollars.

Item: An Urban Affairs Council of top Administration officials has been formed. It meets regularly once a week; Mr. Nixon attends nearly every session.

Item: The requested budget for the Small Business Administration for fiscal 1969–70 is $1,034,000,000. This compares with $816,-000,000, fiscal 1968–69, and $660,000,000 fiscal 1967–68.

Item: President Nixon's tax reform program, if adopted, will benefit the residents of inner cities. Many will be exempted from all taxes; others will receive greater benefits than ever before. A considerable portion of tax-sharing will go directly to cities, but there is no guaranty, of course, that the cities will use any or most of its shares for inner-city revitalization.

The outlook for significant assistance to minorities by the S.B.A. is promising if that item of Mr. Nixon's budget is approved. These efforts are in direct line with the conclusions drawn in the 1968 *Report of the National Advisory Commission on Civil Disorders:* "Maximum utilization of the tremendous capacity of the American free enterprise system is a crucial element in any program for improving conditions, in both the urban centers and our rural poverty areas."

The banking industry of the country is participating more than ever before, thanks in part to a ninety-per-cent guaranty by S.B.A. of bank loans made to minority businessmen.

The number of individuals—businessmen, government officials, community leaders—actively engaged in trying to solve ghetto problems is large. Some businesses have created their own independent organizations; the majority work with federal agencies and community leaders.

A. Wright Elliott, an officer of the National Association of Manufacturers, has said that in the last six months, "every major leading business journal has had at least two and, in one case, as many as nine articles devoted solely to the efforts of industry in the 'social problem' area." When N.A.M. asked seven hundred manufacturing concerns "Do you feel your company should be involved in social problems?" eighty-eight per cent answered affirmatively.

Since autumn 1967, Action Report, a digest of corporate approaches to public problems, has been issued by the Chase Manhattan Bank of New York City. "Thoughtful Americans are asking searching questions about the role of the business corporation," Mr. George Champion, former Chairman of the Board of Chase Manhattan, said. "Can it perform some functions better than government itself? Many of us believe that the answer is a resounding 'yes!'" Action Report details that answer by citing the original, effective techniques to solve ghetto problems that were devised by business organizations across the country. The Bi-Weekly Report on Business and Social Responsibility, a newsletter published by Business & Society, reports both the successes and failures of these efforts. More and more business organizations, including nearly all the nation's largest, are actively participating in reporting their experiences in the inner cities.

Many white-owned businesses act on their own in the ghettos. I.B.M. recently set up a plant in the center of Brooklyn's Bedford-Stuyvesant area. Rather than search for managers in Bedford-Stuyvesant, I.B.M. drew on its own talent. I.B.M. Chairman Thomas Watson selected a white man, Ernest K. Friedli, as plant manager. Friedli had been assistant manager of the I.B.M. plant in Kingston, New York, which employs thirty-five hundred persons. He chose five men for his new management team, three black and two white. Before opening the Bedford-Stuyvesant plant, Friedli had gone around the country visiting similar projects. He decided that starting a new plant with hard-core unemployed—the unmotivated, addicts, and alcoholics—would be risky. I.B.M. officials bristle, however, when they are accused of skimming only the top of the black labor market. They cite the fact that of the two hundred Bedford-Stuyvesant residents hired, eighty-three lacked a high-school education, one hundred and twelve had been unemployed at the time they were hired, and more than forty had records of arrest.

A. Bruce Rozet, President of Commonwealth-United, a Los Angeles conglomerate, persuaded his board of directors to become actively interested in the minority problems of Los Angeles. So far, Commonwealth-United has invested three hundred thousand dollars in Action Industries, Inc., in Vernon, a Los Angeles ghetto. The purpose of the Commonwealth-United is "to encourage minority leadership and to have a stake in the community." Fifteen minority-managed businesses are already in operation, including a small supermarket that competes successfully with the larger supermarkets. Ground is being cleared for a large Auto Wash & Auto Repair Corporation under black management and ultimately black ownership.

The striking characteristic of Action Industries is enthusiasm. From cleaning man to manager they share a feeling that it is their business. Jean Lewis, black, thirty-five, and mother of six children, works part-time as a checker. When she was asked what she liked about her job, she answered, "I like people, I meet all my friends." David Scoggins, white, nineteen, is a stock boy. His job at Action Industries makes it possible for him to attend City College. He is being trained to manage a supermarket. Barney Prior, black, twenty-two, who had held several other jobs before coming to Action Industries, said that the blacks of Vernon had a new pride since Action Industries got going: "It is changing the neighborhood."

Large corporations involved in inner-city developments include the Aetna Life Insurance & Casualty Company, the American Air Lines, Inc., the American Telephone & Telegraph Company, the Armstrong Cork Company, the Atlantic & Pacific, the Avco Corporation, B. Green & Company, the Bristol-Myers Company, the Brown Shoe Company,

and the Chrysler Corporation. In all, there are more than one hundred. They include the Eastman Kodak Company and the Xerox Corporation, which have enlisted the top businessmen of Rochester, New York. In Rochester two thousand six hundred jobs for hardcore unemployed have been found and fifty black-owned and -managed businesses have been created. Warner & Swazey, the Cleveland machine-tool firm, has created a subsidiary, Hough Manufacturing Company, which will eventually be black-owned and -operated. It has also established the Equitable Assurance Society's Action Housing, which is doing an imaginative job in home rehabilitation and has become a model for many others.

The most ambitious program for minority employment is that of the National Alliance of Businessmen (N.A.B.). Created in 1968 under the leadership of Henry Ford, it has now reached its first objective—one hundred thousand jobs by June, 1969. With branches across the country, N.A.B. is on its way toward its major goal—five hundred thousand jobs by 1971. Under the Manpower and Training Act, $9.5 million have been advanced by the federal government in this attack on hard-core unemployment.

In June, 1969, the N.A.B. was merged with Plans for Progress (P.f.P.). Dating back to 1961, P.f.P. was the first industry-government effort to end discrimination in American industry. A survey of four hundred and forty-one P.f.P. members shows they employ more than a million minority members in 1969, seventy-two per cent more than in 1965.

No other person in the United States has accomplished more for inner-city development than the Reverend Leon Sullivan of Philadelphia. A typical Sullivan feat is the Opportunities Industrialization Center (O.I.C.) Program. O.I.C. was begun with one hundred thousand dollars raised by the people of the community plus an anonymous gift of fifty thousand. It was the first massive grass-roots manpower training project in the United States. Today there are Centers in seventy-five American cities, and thirty-five thousand students in O.I.C. training programs, all created, guided, and controlled by the people themselves. The original (and still primary) objective of the O.I.C. was to provide the means by which uneducated and untrained persons in the inner city could develop self-respect through well-paid employment. It conducts a three- to four-week "feeder" course involving remedial reading, training in job skills, and assistance in job procurement. After that, a trainer-coach keeps in touch with the jobholder as long as necessary.

O.I.C. is supported by both business and government. Begun in 1963 in an abandoned jail, it now has an annual budget of twenty million dollars. Of this, two million dollars come from voluntary contributions, the other eighteen from four agencies of the federal government. By January, 1969, there were fifteen hundred students in the Philadelphia program. The enrollment across the country was twenty thousand. The expansion is so rapid that one hundred thousand O.I.C. students are expected by 1970, three hundred thousand by 1971.

Progress Enterprises, a second self-help program begun by Mr. Sullivan, moves into the area of entrepreneurship: blacks owning and managing their own businesses. Evolving out of what is called the "10–36 Plan"—ten dollars a month for thirty-six months—Progressive Enterprises now has three thousand members. It has built Progress Plaza, a multi-million-dollar shopping center; Progress Aerospace Enterprises, the first major aerospace enterprise in the world controlled by blacks; Progress Garment Manufacturers, which already employs over one hundred workers; and Progress Retail Store. Continuous growth and expansion of Progress Enterprises seem assured.

A third Sullivan project is Adult Armchair Education, a program for home education. It was created in 1966 to help the rural and small-town poor.

One of the most effective means of solving the inner-city problems is the Economic Resources Corporation (E.R.C.) of Los Angeles. With somewhat more than nine million dollars in federal funds from the Economic Development Administration, the O.E.O., and the U.S. Department of Labor, E.R.C. can conduct an unusually flexible program. It is an effort to produce a multiplying effect from a relatively small amount of government funds when these are tied to participation by private enterprise and involve community cooperation.

Central to the E.R.C. project is the creation of a forty-five-acre industrial park in south-central Los Angeles, the so-called Watts Industrial Park. Sections of the park will be leased or sold to large industrial firms sympathetic to E.R.C.'s objective of providing jobs and training for unskilled residents of south-central Los Angeles. Ground-breaking ceremonies were held on May 15, 1969, by the Lockheed-California Company, the first industrial tenant in the park. Lockheed's plant will open in early 1970, and will train and employ eventually three hundred persons on a single-shift basis. The plant—called the Watts-Willowbrook Plant—is an integral part of the Lockheed-California Company's operations. It is a feeder plant, which will produce subassembly parts for the new L-1011 TriStar commercial jet transport.

Although, initially the Watts-Willowbrook Plant will be managed by employees from Lockheed-California Company's main facility at Burbank, plans call for most of the employees—line operators, supervisors, and managers—to be residents of the local community. Opportunity for skilled occupations, through education and on-the-job training, will be provided for all employees. More important, the skills acquired will be marketable, providing the trainee mobility if he desires to seek employment elsewhere.

The impact on a black community of a plant employing two hundred to five hundred, with blacks holding important positions and having markets outside the ghetto, in the opinion of E.R.C. officials, is far more important than that of one hundred neighborhood-oriented firms with a handful of employees each.

A second major E.R.C. program is planned for thirteen acres of the industrial park. It will be leased to smaller minority entrepreneurs joined together in a Community Businessmen's Association, an independent, self-sufficient organization devoted to the interest of its members. At the start it will provide the specialized skills and services of a legal firm, an accounting firm, and a management-consulting firm. Other services will be added later. The method of processing loans is indicative of the care observed by E.R.C. in setting up new minority businesses—there are already seven in operation. From over one hundred and fifty requests, twelve, at this writing, have been processed—eight directly, two in participation with banks, two loans with ninety-per-cent guarantees from the Small Business Administration. Twenty other loans are being documented. The E.R.C. committee of three analysts helps the prospective entrepreneur put the package together. It is then presented as a formal proposal to a committee of credit representatives from seven or eight banks. If it is accepted by this committee, one of the banks services the loan through its nearest branch.

A minority-owned and managed business brought into being in 1968 by E.R.C. is Western Industrial Services of Los Angeles. E.R.C. loaned Robert Doss, a black man, sixty thousand dollars to set up the firm. Mr. Doss is thirty-six and a graduate of the Los Angeles Metropolitan College of Business. He himself invested eight thousand dollars. The business offers cleaning and industrial services. With yearly contracts with Pacific Telephone Company and Western Electric Company, Western Industrial Services now employs twenty-five workers and is doing a profitable business with a $12,500 monthly volume.

No task in the inner city is so formidable as the rehabilitation of rat-infested housing. In a quarter-century of activity the Federal Housing Authority (F.H.A.) has insured more than one hundred and twelve billion dollars in home mortgages. But ghetto homes, because of the high element of credit risk, were deliberately excluded. During a congressional hearing in 1967, one housing expert, Charles Abrams, said, "It would be a market phenomenon for a low-income Negro family to receive a conventional F.H.A.-insured mortgage." The percentage of existing one-family houses insured by F.H.A. for families in an income bracket of less than four thousand dollars has fallen from 42.8 per cent of the total in 1950, to 1.3 per cent in 1966.

Recognizing the failure to develop new housing in the ghettos, Congress in recent years has enacted new F.H.A. schemes for low-cost housing, including Section 221(d)(3), the below-market-interest-rate program. None of these new programs has produced any significant volume of low-income housing either inside or outside the ghetto. Instead of the sixty thousand apartment units per year planned by Congress in 1963 under 221(d)(3), six years later only forty thousand had been completed. What is needed then to get decent housing in the ghettos? The primary requirement is for expansion of mortgage-loan insurance by the F.H.A. to include mortgages on newly constructed properties in the inner city, as was done in the suburbs. Theodore L. Cross, a lawyer/director of the Banking Law Institute, and editor of Bankers Magazine, offered some suggestions in Black Capitalism. He proposed a system of self-executing loan guaranties, under which the lender is told that if he commits his capital to certain programs for enriching the slums, the repayment or his loan or investment is assured. F.H.A. now uses this automatic system for thousands of bank borrowers for home-improvement loans. Mr. Cross also proposed that federally chartered urban-development banks be created in ghettos, in order to overcome the long delay in project-loan applications and construction projects, which have been the despair of both builders and bankers.

A technique has been devised by the Office of Economic Opportunity (O.E.O.) to bypass the F.H.A. in order to speed housing. The O.E.O. financed five thousand housing units in New York, Cleveland, Baltimore, St. Louis, Philadelphia, and Washington, D.C. This was achieved by providing two million dollars of "front-end money costs before mortgage," or seed capital, for assistance in new housing projects.

Perhaps the best hope for housing is the Model Cities Program. It is part of the Department of Housing and Urban Development under the administration of George Romney. The six hundred twenty-five million dollars granted by Congress for the fiscal year 1969–70 doubled the preceding budget. Besides, Mr. Romney has two hundred million dollars left over from the previous fiscal year because project planning took longer than anticipated.

New York City is a major beneficiary. It was recently granted seventy million dollars. Mayor John Lindsay said: "I am deeply gratified by the speedy and thorough action. It will enable the city to begin work under the

comprehensive five-year Model City Program." This is significant "seed" money. Altogether New York City has a projection of four hundred million dollars—$123,000,000 in South Bronx, $82,000,000 in Harlem, and $195,000,000 in Central Brooklyn.

Many businessmen, making the best use of present legislation, are going ahead on their own. The Niagara Power Company of Syracuse, New York, has supplied six hundred thousand dollars of seed money for a combination land-planning and urban-renewal project, the Community Housing Development Corporation. Its objective is low- and medium-income housing in a ghetto area. It began with an ambitious information program (meetings, booklets, a movie depicting the city's situation) that moved key civic and business leaders and others. They are now participating in the program which in turn is being used as a model for other communities in upper New York State. Another corporation, Celotex, has purchased thirteen-and-a-half acres in Atlanta, Georgia, for a low- and moderate-income housing development. Celotex will design, finance, and construct the buildings; then the Friendship Baptist Church, the oldest Negro church in Atlanta, will take ownership. A second important partner is the F.H.A. "This F.H.A. program," said Eugene R. Katz, president of Celotex, "is one of the most effective ways of providing low-income housing; yet it is here that big capital, as a whole, has been notable by its absence." The permanent financing of the project is provided by a direct, forty-year, $2.5 million mortgage to Federal National Mortgage Association; the interest rate is three per cent. The site is located near university campuses and neighborhood commercial centers and is only a short distance from the center core of the city.

For the first time the banks of the country are involving themselves in ghetto problems. The beginning of the bankers' involvement may be traced to 1965 when William B. Walker, a native of Mississippi, a Phi Beta Kappa, a Harvard M.B.A., and a banker for more than thirty years, became president of The First Pennsylvania Bank & Trust Company. Due for retirement before 1970, Mr. Walker might easily have settled for a don't-rock-the-boat, caretaker regime; in fact, his tenure has turned out to be anything but that. One of his first moves was to hire a black man as assistant personnel officer to spur integration of the work force and advise on other black-oriented programs. First Pennsylvania has thus begun several projects—a special lending program, a cluster of special education, training, and counseling programs, financing of a shopping center, establishment of a company to purchase, rehabilitate, and sell homes to low-income families, and adoption of a Philadelphia high school.

First Pennsylvania, however, is not going into the charity or social-welfare business. "It is our thing . . . business enterprise . . . which we hope to preserve through our urban action programs," Mr. Walker said recently. Is it good for business? In the first year of its involvement in ghetto projects, First Pennsylvania enjoyed the highest percentage growth in profits of any of the nation's top twenty-five banking institutions.

Supermarkets, which take no small part of the twenty-five billion dollars of black consumer purchases, were, until June, 1968, completely white-owned. That is no longer true. The existence of the black-owned and black-managed Harlem River Consumers Cooperative, is due to the vision and untiring efforts of one woman, Cora Walker, a Harlem attorney. "It was my idea," Miss Walker said, "that there was a complete absence of realistic approaches to the problem of getting people to function in the mainstream. The 1964 riots taught me the need for something real."

For completely untrained people who lack not only capital but experience as well, to open a supermarket requires a certain daring. The ten thousand dollar stock purchased by two thousand co-op members was no more than token for a business with a $1.8 million sales potential. It needed and received unparalleled assistance from white organizations. Litton Industries Credit Corporation helped with a $160,000 loan; another $107,000 came from other co-ops. Leon Strauss, a vice-president of Supermarkets General, provided very important advice to the pioneers.

The rescue of another black enterprise, the Neighborhood Co-op of San Francisco, indicated the need for experienced white assistance. The Neighborhood Co-op is located in the Bay View-Hunters Point section, ten blocks from a Safeway supermarket. Tottering on the edge of bankruptcy it has received a massive transfusion of assistance from Safeway. By a legal agreement for the sum of one dollar, Safeway has agreed to provide management-consultant service for an indefinite period. "We want to see this co-op succeed because it symbolizes the free-enterprise system," Safeway's president, Quentin Reynolds, said. "We want to leave footprints. We want to influence others to take an active, demonstrable interest in pumping new life into Negro-owned businesses."

Other national supermarket chains followed Safeway's example. Among them were Giant Foods, the Jewel Tea Company, and the Atlantic & Pacific.

There have, to be sure, been failures in inner-city enterprises. Probably the first inner-city project after the Watts riot was the Watts Manufacturing Company plant of the Aerojet-General Corporation. The project was incorporated in August of 1966 and is still operating although on a greatly diminished basis. Starting with five hundred employees, the number has dropped to three hundred. A decision to lay off two-thirds of these was saved by a four-month contract extension from the Defense Department. This experience furnished valuable lessons to companies who began their operations later. Probably the most important was that building in the inner city is more difficult than elsewhere and that very thorough preplanning is essential. Also, inner-city plants must have experienced managers, usually white. An extensive training program should begin when the plant is opened and continue indefinitely.

The Green Power Foundation, a Los Angeles organization of one hundred and fifty black businessmen and professionals, also had troubles. Headed by Norman Hodges, a research engineer, G.P.F. decided on the manufacture of baseball bats as its first project. Named "Watts Wallopers," the bats were to be the world's best and would be chosen not only by Little Leaguers but by seasoned professionals. Unfortunately no consideration was given to the fact that the California oak of which they were made will splinter when a ball is hit vigorously. A treatment to harden the oak by irradiation was unsuccessful.

Absenteeism in the inner city often runs as high as twenty per cent. Training is usually expensive. Lower productivity can cut deeply into profit. Then there is the matter of turnover. Many ghetto employees have never been employed before and find it difficult to accustom themselves to steady work. Also the problem of finding enough managers and supervisory personnel plagues plant managers. In the early stages, some corporations have borrowed mid-management people from other plants to be replaced when blacks have received adequate training.

But there are real advantages to locating plants in the ghetto. A ghetto-based company has access to Labor Department funds for training employees. It is an area where the manpower pool is large and unemployment is high. Therefore the job of recruiting is easier, particularly when normal hiring requirements are relaxed, as they usually are. In ghetto plants employees are not faced wth arduous transportation problems to and from their jobs. And sometimes there are pleasant surprises. Ernest K. Friedli of the I.B.M. Bedford-Stuyvesant plant, said: "Once these trainees are on board, we often find skills the management didn't know they had when they were hired."

Friedli and other ghetto plant managers also stress the importance of working closely with the ghetto community and its organizations. Support from such groups helps change the cynical attitude of many slum dwellers toward Establishment ventures. In Washington, for example, Fairchild-Hiller probably could not have operated its new plant without the Model Inner City Community Organization, a local group with a broad-based ghetto support.

Conspicuous among over one hundred and fifty community-action groups is the Urban Coalition of New York City. Acting out the Urban Coalition slogan "Give dollars, give jobs, give a damn," leading corporations and labor organizations have participated in a diversity of activities. Blacks own and manage a foundry in the New York City area which employs twenty-seven persons and is doing a business of half a million dollars annually. The Association of United Contractors of America, which includes twenty-five contractors, and one hundred and fifty architects, engineers, and suppliers, is equipping black people to do their own construction work. Fifteen corporations have pledged seven hundred and fifty thousand dollars a year to establish street academies where drop-outs are drawn into the educational mainstream. Mini-parks, new and rehabilitated housing, and, above all, dialogue between blacks on the one hand and white business and labor leaders on the other are among its accomplishments.

Among other organizations whose activities have been unusually effective are Rochester Business Opportunities Corporation, which has enlisted the aid of nearly all the business leaders of Rochester, New York, and Menswear Retailers of America, whose members have pledged twenty million dollars and personal assistance enabling minority members to own and operate their own businesses. The government agency directly involved is the Office of Economic Opportunity. In 1968, it made a $1.6 million grant to a ghetto economic development corporation in the Hough area of Cleveland. In rural America, one hundred and thirty-one marketing co-operatives have been set up with $5.2 million in community-action funds. O.E.O. has budgeted ten million dollars for seed money for urban economic development projects in fiscal 1969.

Minority businessmen have had the occasional free, voluntary help of more experienced businessmen, many of whom are retired. The Service Corps of Retired Executives of the Small Business Administration and the Interracial Council for Business Opportunities have been very helpful. I.C.B.O. maintains offices in nine major cities. It assists in securing loans, and provides loan counseling and management assistance. I.C.B.O.'s limited staffs are augmented by large numbers of volunteer business people from the communities in which they are located. Though this service is of inestimable value, it is far from adequate, especially when contrasted with the one-hundred-dollar-a-day business consultative service used by experienced businesses. The voluntary consultative service is occasional; it is often given during the evening hours; it lacks the comprehensive, thorough consultation of a professional consultant; it often takes many days.

The real cost of inaction in the inner city was spelled out by Donald M. Kendall, head of the National Alliance for Businessmen.

Using Sacramento as an example, he reported that twenty per cent of Sacramento's population live in the city's ghetto and pay barely twelve per cent of its taxes, account for thirty-six per cent of its fires, forty-two per cent of its adult crime, seventy-six per cent of its tuberculosis cases, require fifty per cent of all its health services and forty-one per cent of its policing expense. Among poor blacks and whites, criticism of the government is constant: it concerns the money spent on space exploration. The criticism is succinctly stated: an investment of one thousand dollars for each of the thirty-five million men, women, and children in the ghettos would have done more good than the thirty-five billion dollars it took to put a man on the moon.

It is hoped that investment of government funds in the inner city will ultimately be returned in higher taxes and lower welfare payments. This may not happen. The deficit between what is invested in the inner city and what is returned may properly be deemed a subsidy. Subsidies, though, are hardly a new concept in the United States. There were, for example, the grants made to the railroads during Abraham Lincoln's Administration. In more recent years, recipients of huge subsidies include, among others, the maritime industry, the airplane industry, the entire military-industrial complex (including over nine billion dollars a year in research and development alone), and the oil industry.

The solution to inner-city problems is not primarily a matter of more government spending, but of spending money more effectively. Two things are called for: top-level decisions by the Administration to provide the essential seed money, and determination by business leaders to give revitalization of the inner city the high priority its seriousness demands. Only by a comprehensive program that creates identity between the ghetto's needs and the needs of the normal economy, can we begin to solve the problems of the inner cities. The components of such a program of action must surely include:

Creation in large cities of organizations comprising business, the community, and the federal government. An example is Economic Resources Corporation of Los Angeles.

Strong federal tax credits for investment in industry, housing, and training. The waste that would inevitably creep into incentive tax credits would be small compared to the benefits. Tax credits involve businessmen in a direct and compelling way. They help immeasurably in the achievement of a primary goal: the development of wealth-creating centers.

Expansion of mortgage-loan insurance of the Federal Housing Administration to include mortgages on newly constructed properties in the inner city as was done in the suburbs. After World War II, the F.H.A. mortgage-loan insurance program enabled millions of whites to move to the suburbs. No similar project extended to the inner city. While the suburbs flourished the ghetto deteriorated further.

Expansion of federal deposit insurance in such ways that corporations could deposit huge amounts in ghetto banks without risk of loss. At present, only a small proportion of the three hundred billion dollars of bank deposits is in the inner city.

Amendment of banking laws to enable bank subsidiaries in the inner cities to make high-risk loans. Senator William Proxmire, after extensive hearings by the Senate Committee on Banking and Currency, has introduced such a bill.

Expansion of the successful ninety-per-cent-guarantee loan program of the Small Business Administration. Two important benefits result from this program: it brings a great many banks into ghetto business involvement and it enables inner-city businessmen to acquire ownership and management of their own businesses.

Reallocation of federal tax income. At present only fourteen per cent of the total federal, state, and local taxes are collected by the cities, while the federal government collects seventy per cent. A significant portion of federal income should be returned to the cities.

PROPOSAL TO REPEAL TITLE II OF INTERNAL SECURITY ACT OF 1950

Mr. FONG. Mr. President, title II of the Internal Security Act of 1950, the emergency detention provision, provides that, upon declaration of an "internal security emergency," the Attorney General may apprehend and detain any person who probably will engage in or probably will conspire to engage in acts of espionage." Persons so detained under this section are denied rights to trial under law as well as other civil rights and civil liberties which are guaranteed under the Constitution.

It is well known that during World War II, 117,000 persons of Japanese ancestry, many of them loyal American citizens, were detained in so-called relocation camps under the authority of this law. These persons were totally denied their individual liberty and all of the constitutional safeguards traditionally insured all persons living under the American flag.

Mr. President, this law remains in full force and effect on our statute books. When this fact was brought to light, 26 Senators, including the junior Senator from Hawaii (Mr. INOUYE) and myself, joined in a proposal to repeal this very unjust provision.

I am sure that there is widespread agreement that this law represents an ugly symbol of totalitarianism; that it is "un-American" in the broadest sense of that term.

Mr. President, the Honolulu Star-Bulletin, on October 27, 1969, published an editorial which expresses exactly my sentiments on title II. I ask unanimous consent that the editorial and resolutions adopted by the City Council of Honolulu, and the Honolulu Japanese Chamber of Commerce be printed in the RECORD.

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

[From the Honolulu Star-Bulletin, Oct. 27, 1969]

WATCH YOUR LIP!

For the past 19 years a razor sharp ax has hung perilously over the heads of all Americans, held immobile only by a thin threat of circumstances.

That ax is Title II, the emergency detention provision of the Internal Security Act of 1950, the so-called McCarran Act.

The threat of questionable strength that keeps the blade from falling is the weak refrain of those who defend the McCarran Act that "This couldn't happen in America."

The McCarran Act gives the President the power to proclaim an "internal security emergency" in event of 1) invasion of the United States or its possessions; 2) declaration of war by Congress; and 3) insurrection within the United States in aid of a foreign enemy.

Should the "internal security emergency" be declared, the President may detain persons "if there is reasonable ground to believe that such a person will engage in acts of espionage or sabotage."

Hawaii's Sens. Daniel K. Inouye and Hiram L. Fong and Reps. Spark M. Matsunaga and Patsy T. Mink are sponsoring bills in Congress for repeal of Title II.

They point out that Title II has never been tested in the courts.

Before the Senate, Inouye noted that Title II became law over the veto of President Truman, who said the great majority of the law's provisions "would strike blows at our liberties."

Additionally, Sen. Inouye said, "widespread rumors have circulated throughout our Nation that the Federal Government is readying concentration camps to be filled with those who hold unpopular views and beliefs. These rumors are widely circulated and believed in our urban ghettos . . ."

Congressman Matsunaga noted, in his call for repeal, "As a lawyer, I find that Title II . . . is repugnant to the accepted traditions and precedents of our legal system. . . ."

The McCarran Act is reminiscent of 1942 when 110,000 Americans of Japanese ancestry were arrested, their property confiscated and they were detained in "relocation camps" for most of World War II.

Any person or group detained under this act would be assumed guilty and have the onus of proving innocence.

When it was conceived, Title II was sharpened especially for the Communists. But, as it is written, the President conceivably could apply its provisions to any group—Black Panthers, Mormons, Yippies or another.

What Title II says, in essence, is that everyone should "watch your lip," or else.

Title II is ridiculously horrifying in our "due process" society.

Its implications are readily apparent. Of course it has never been used—but it is there; it has remained a threat over the last 19 years to any group whose views run counter to those of the man in the White House.

Sens. Inouye and Fong have the backing of 24 other U.S. senators for their repeal proposal; Reps. Matsunaga and Mink are joined by 125 co-sponsors.

The sooner Title II is repealed the better. There is always a chance that the ax will be allowed to fall.

HONOLULU JAPANESE CHAMBER OF COMMERCE RESOLUTION

Whereas, the Honolulu Japanese Chamber of Commerce, being a duly ordained and organized group of Americans in the State of Hawaii, recognizes that sub-title II of the Internal Security Act of 1950 (Emergency Detention Act) presents a serious threat to the civil rights of all Americans, and

Whereas, the Emergency Detention Act authorizes detention of any person on the mere probability that he will engage in, or conspire with others to engage in acts of espionage or of sabotage during proclaimed periods of "Internal Security Emergency", and

Whereas, the Emergency Detention Act fails to provide for trial by jury, or even before a judge, substituting instead hearings before a departmental preliminary hearing officer and a detention review board where the detainee must prove his innocence but the government is not required to furnish evidence or witnesses to justify the detention, and

Whereas, the Emergency Detention Act thus violates the basic rights of the individual guaranteed by the Constitution of these United States and provides for deten-

tion procedures which are inconsistent with our normal judicial procedures, now therefore

Be it resolved, That, the Honolulu Japanese Chamber of Commerce strongly urge the repeal of sub-title II of the Internal Security Act of 1950, and

Be it further resolved, That, copies of this resolution be forwarded to:

Governor John A. Burns.

U.S. Senator Daniel K. Inouye.

U.S. Senator Hiram L. Fong.

U.S. Congressman Spark M. Matsunaga.

U.S. Congresswoman Patsy T. Mink.

Senator David McClung, President, State Senate.

Representative Tadao Beppu, Speaker, State House of Representatives.

Mr. Ray Okamura, JACL National Co-Chairman.

Mr. Mike Masaoka, JACL Washington Representative.

Dr. Robert Suzuki, JACL Executive Liaison.

Mr. A. A. Smyser, Editor, Honolulu Star Bulletin.

Mr. George Chaplin, Editor, Honolulu Advertiser.

Mr. Takeshi Fujikawa, Editor, Hawaii Hochi.

Mr. Ryokin Toyohira, Editor, Hawaii Times.

Mayor Frank F. Fasi, City & County of Honolulu.

Counciliman Walter Heen, Chairman, City & County of Honolulu.

CITY COUNCIL OF HONOLULU RESOLUTION

Whereas, the Congress of the United States has heretofore adopted subtitle II of the Internal Security Act of 1950, commonly known as the Emergency Detention Act; and

Whereas, the said Emergency Detention Act authorizes detention of any person on the mere probability that he will engage in, or conspire with others to engage in acts of espionage or of sabotage during proclaimed periods of "Internal Security Emergency"; and

Whereas, the said Emergency Detention Act fails to provide for trial by jury, or even before a judge substituting instead hearing before a departmental preliminary hearing officer and a detention review board; and

Whereas, the said detention procedures set forth in the said Emergency Detention Act, pose a serious threat to the Civil Rights of all Americans; now, therefore,

Be it resolved that the Council of the City and County of Honolulu strongly urges all members of the Congress of the United States to use their best efforts to have the said Emergency Detention Act repealed; and

Be it finally resolved that the Clerk be, and she is hereby directed to transmit copies of this resolution to: Governor John A. Burns; U.S. Senator Daniel K. Inouye; U.S. Senator Hiram L. Fong; U.S. Congressman Spark M. Matsunaga; U.S. Congressman Patsy T. Mink; Senator David McClung, President State Senate; Representative Tadao Beppu, Speaker, State House of Representatives; Mr. Ray Okamura, JACL National Co-Chairman; Mr. Mike Masaoka, JACL Washington Representative; Dr. Robert Suzuki, JACL Executive Liaison; Mr. A. A. Smyser, Editor, Honolulu Star Bulletin; Mr. George Chaplin, Editor, Honolulu Advertiser; Mr. Takeshi Fujikawa, Editor, Hawaii Hochi; Mr. Ryokin Toyohira, Editor, Hawaii Times; and Mayor Frank F. Wasi, City and County of Honolulu.

BEN F. KAITO,
CLESSON Y. CHIKASUYE.

The foregoing is a copy of a Resolution adopted by the city council of the City and County of Honolulu on November 4, 1969.

WALTER M. HEEN,
Chairman & Presiding Officer.
EILEEN K. LOTA,
City Clerk.

RESOLUTION OF THE CITY OF NEWBERRY, S.C.

Mr. THURMOND. Mr. President, this week has encouraged those of us who believe the President should be supported on his Vietnam policies. The silent majority is beginning to speak, and it is not saying the same thing we hear from the vicious and violent minority who are urging unilateral withdrawal from Vietnam.

The orderly and thoughtful crowd which gathered at the Washington Monument on Tuesday stood with the President; and all across this great land of ours, similar expressions of patriotism are occurring. The city of Newberry, S.C., passed a resolution, signed by Mayor Clarence Shealy and all six city councilmen, declaring November 10 through November 16 "Honor America Week." I should like to quote one paragraph from this resolution:

Whereas, it is in the highest tradition of these United States of America to present a united front behind the American fighting men; to do less would be a disservice to those brave young men who, at this very moment, are fighting and dying on foreign soil in the cause of freedom.

Mr. President, I believe this thought expresses the sentiments of the vast majority of Americans—Americans who are no longer the silent majority but who are speaking out in support of the President.

Mr. President, I ask unanimous consent that the resolution of the city of Newberry be printed in the RECORD.

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

RESOLUTION

Whereas, President Richard M. Nixon has called on the responsible citizens of these United States to join with him in a united effort to end the Viet Nam conflict through Vietnamization of the conflict and a gradual, phased withdrawal of all United States ground troops based on future actions and policies of the Republic of North Viet Nam, and

Whereas, numerous national organizations, including the American Legion and Veterans of Foreign Wars, have announced plans to sponsor various programs and events which will declare to the world that American people have the strength, courage, will and determination to bring this conflict to a victorious, just and peaceful conclusion in keeping with our American ideals, and

Whereas, private organizations and groups are sponsoring "Honor America Week", November 10–16 and other special events in efforts to make the majority will of the people known throughout this country and abroad, and

Whereas, it is in the highest tradition of these United States of America to present a united front behind the American fighting men; to do less would be a disservice to those brave young men who, at this very moment, are fighting and dying on foreign soil in the cause of freedom,

Now, therefore, be it resolved by the Mayor and City Council of The City of Newberry, South Carolina that we do hereby declare the week of November 10 through November 16, 1969 as "Honor America Week" and we call on all citizens to support the national effort by participating in the following suggested activities throughout the week; burn your car lights during the daylight hours each day; display the American Flag at all places of business and in front of your homes; write or wire your support to the President; write our boys in Viet Nam expressing your support; all organizations, private and public, are encouraged to adopt similar Resolutions, and

Be it further resolved, that a copy of this Resolution be forwarded to the President of the United States and members of the South Carolina Congressional Delegation as an endorsement and expression of support for the President's peace plan.

Done this 10th day of November, 1969 in council duly assembled.

CLARENCE A. SHEALY, Jr.,
Mayor.

THE PRESIDENT'S EFFORT TO ACHIEVE PEACE IN VIETNAM

Mr. BELLMON. Mr. President, all of us are becoming increasingly aware of the growing support of the American people for President Nixon in his efforts to achieve peace with honor in Vietnam. During recent visits to Oklahoma, I found many evidences of this among the citizens who make up the strong, silent majority in my State.

It is gratifying to me that many of Oklahoma's public officials are speaking out in support of the President. I believe it is highly significant that these statements are coming from Democrats as well as Republicans, confirming my earlier contention that this is a time for national unity rather than partisan divisiveness.

The Governor of Oklahoma, the Honorable Dewey F. Bartlett, a Republican, gave a strong endorsement of President Nixon's policies following the President's Vietnam speech on November 3. The Governor followed this endorsement with a proclamation calling on Oklahomans to observe the week of November 9 through 16 as a National Week of Unity by flying the flag and by other patriotic gestures. In his proclamation, Governor Bartlett said:

The United States is committed to the search for peace and seeks it unrelentingly. It is, therefore, deemed appropriate that support be given the search for peace through a vigorous show of support for this country and its leaders.

On Veterans Day, November 11, Lt. Gov. George Nigh of Oklahoma, a Democrat, sent President Nixon a telegram which he read in ceremonies at the State capitol. His telegram said, in part:

As we pause today to pay our respects to all those courageous Americans who have defended and are presently defending our country in the armed services. I am taking this opportunity to urge my fellow Oklahomans, young and old, Democrat and Republican, from all walks of life to support you, Mr. President, in your efforts to bring about an honorable and just end to the present crisis in Vietnam.

Oklahoma's Commissioner of Public Safety, Robert R. Lester, a Democrat, encouraged State highway patrolmen to participate in local Veterans Day observances throughout the State, and declared that the highway patrol would "pledge to support the safeguarding of our freedoms by continuing to combat these elements which attempt to weaken America's leadership throughout the free world."

Two leaders of the Oklahoma Legislature, Rex Privett, speaker of the house of representatives, and Senator Clem McSpadden, former president pro tempore of the State senate, called for support for President Nixon in Vietnam during speeches to the State convention of the Oklahoma AFL–CIO in Tulsa last week, and were warmly applauded. Both are Democrats.

In addition to these expressions of support, the mayors of Oklahoma City and Tulsa, as well as mayors of many other communities throughout the State have endorsed the President's stand. A particularly meaningful demonstration of community support was noted in the city of Frederick, Okla., where some 500 persons signed a resolution supporting the President. The resolution reads as follows:

We, the people of Frederick, Oklahoma, a rural town where the fear of God, the love of Country, and loyalty to our chosen leaders still exists as a way of life, do hereby affirm our support to the President of the United States in his efforts to guide our nation toward its goal of peace and equality for all people, everywhere.

Believing that our President is a dedicated, conscientious and capable Christian person upon whose shoulders we, the voters, have placed the awesome responsibilities of the highest Office of the United States of America:

We support President Richard M. Nixon in his efforts to negotiate a just, honorable and lasting peace in Vietnam. We recognize that he and his advisors have access to all available information pertaining to this situation and therefore are better able to make decisions than is anyone else.

We support President Richard M. Nixon in his efforts to restore law and order to our society having learned from many centuries of human misery that once a society departs from the rule of law and order, and every man becomes a judge of which laws he will obey, the result is anarchy and chaos.

We support President Richard M. Nixon in his efforts to return peace and calm to the campuses of our nation's colleges and universities, where, for the past few years, a very small minority, organized, led and encouraged by well-known subversive groups, have succeeded in depriving the vast majority of students from acquiring the education to which they are entitled.

We support President Richard M. Nixon in his efforts to assure equal rights and privileges for all citizens of our nation, regardless of race, creed or color as set forth in the Constitution of the United States of America.

We affirm our belief that the United States of America is the greatest nation in the world and that, while injustices and inequities should be corrected by the use of the many democratic processes at our disposal, processes based on a reverence to God, love of our country and our fellow man, and an allegiance to our chosen leaders.

We believe that in these critical days, policy should be set by our elected leaders who have access to all the facts and not by a vocal minority, who, for various reasons, seek to set policies based on fear, intimidation and threats of violence, and we have enough confidence in the citizens of our Country to believe that they will not allow this minority to succeed in undermining and destroying the American system of democracy and free enterprise.

Therefore, be it resolved that we, the undersigned, a group of God-fearing, law-abiding, taxpaying American citizens, do affirm and declare our allegiance to the United States of America, to its flag, to its principles, to its leaders and to its laws.

We further resolve to support President Richard M. Nixon, the chief executive of the world's greatest Nation in his efforts to protect the basic principles of Americanism and the Democratic way of life and we call upon all patriotic citizens to do the same.

Mr. President, these remarks are being placed in the RECORD to show that not only does the majority of the Oklahoma congressional delegation approve of the President's position and disapprove of the tactics being pursued by promoters of the so-called peace moratorium demonstration, but also that the leaders in Oklahoma's State government, as well as the citizens of Oklahoma, have rallied to the President's call for national unity. This is the kind of strong, bipartisan support which will see our country through this crisis.

UNMASKING THE MOBE

Mr. FANNIN. Mr. President, it is encouraging to be associated with men who are aware of the magnitude of the problems facing us in the Nation, and who are alert to the origins and aims of some who are seeking to exploit those problems to America's disadvantage.

The Senator from West Virginia (Mr. BYRD) has always been known for his forthrightness and candor as well as his courage in speaking out even when his position may be unpopular or subject to misinterpretation. Therefore, it was with great pleasure that I learned of his recent efforts to expose the leaders of the so-called "moratorium" for what they really are.

More and more Americans are coming to learn of the leftists and Marxists in charge of the New MOBE who are manipulating young students and some well intentioned but unthinking adults into doing their bidding. For my own part since as far back as September I have been trying to alert my friends and colleagues to the dangers of letting these people have their way.

I am happy to see that the Senator from West Virginia (Mr. BYRD) has received national attention for his recent efforts from nationally syndicated columnists Bob Allen and John Goldsmith. I ask unanimous consent that their column be printed in the RECORD at this point.

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

MOBE REALLY TROTSKY MOB

(By Robert S. Allen and John A. Goldsmith)

A self-appointed "steering committee" of communists, Trotskyites, socialists, radical pacifists and other extremists in masterminding and manipulating this week's series of anti-Vietnam activities.

This inner clique of Marxists and revolutionaries is the real power behind the so-called New Mobilization Committee to End the War in Vietnam.

"New Mobe" was set up by the leftists as a front to enable them to exercise control and domination of large numbers of well-meaning and respectable Vietnam dissenters. Actually, "New Mobe" is a new facade for the National Mobilization Committee for Peace in Vietnam ("Mobe"), which had a three-year history of violence and civil disobedience.

These operations include repeated attempts to storm and close down the Pentagon, the riots at the 1968 Democratic convention and the Washington demonstrations during President Nixon's inauguration.

"New Mobe" and the self-designated steering committee grew out of a "national anti-war conference" in Cleveland last July.

It was convened at the call of a group of 30 Marxist and radical leaders. Most of them are now members of the backstage steering committee. Some 900 representatives of revolutionary and pacifist organizations attended the meeting. Prominent among them were:

The Communist Party, USA; Students for a Democratic Society; W.E.B. DuBois Clubs of America; Socialist Workers Party (Trotskyite communists); Young Socialist Alliance (associated with SWP); Youth Against War and Fascism; Southern California Peace Action Council; Veterans for Peace in Vietnam; Fifth Avenue Vietnam Peace Parade Committee; Chicago Peace Council; Cleveland Area Peace Action Council; Women's Strike for Peace.

Also present were individuals who claim to be connected with "GI underground newspapers"—devoted to disseminating anti-war propaganda and denunciations of U.S. armed forces.

NAMING NAMES

In a detailed report, Senator Robert Byrd, W. Va., Deputy Democratic Whip and chairman of an Appropriations subcommittee, lists the backstage leaders who controlled and manipulated the Cleveland pow-wow. All are communists and revolutionaries, and include the following:

Arnold Johnson, public relations director and legislative representative of the Communist Party, USA; Irving Sarnoff, member of the district council of Southern California Communist Party, USA; Sidney Peck, former state committeeman of Wisconsin Communist Party, USA; Sidney Lens, leader of the now-defunct Revolutionary Workers League; David Dellinger, head of "Mobe" and one of the Chicago seven now on trial for disturbances at the Democratic convention.

Also Ishmael Flory, Afro-American Heritage Association; Phil Bart, chairman of the Ohio Communist Party, USA; Jay Schaffner, W.E.B. DuBois Clubs of America; Gene Tournour, national secretary of the W.E.B. DuBois Clubs; Sylvia Kushner, leader of the Chicago Peace Council.

Senator Byrd charges flatly that the underlying purpose of the current series of demonstrations is to "advance the insidious goals of communism and anarchy."

Many of those participating undoubtedly are well-intentioned. Byrd readily acknowledges that there is much disenchantment with the Vietnam war. But he points out that those who engineered this week's mass manifestations in Washington "include members of the lunatic fringe of the New Left as well as cunning, dedicated enemies of the United States whose ultimate goals are to subvert our citizenry, overthrow our government and establish a totalitarian society."

The great tragedy, he warns, is that "thousands of well-meaning Americans may allow themselves unwittingly to be manipulated into furthering these sinister goals."

The Senate Democratic leader contends that President Nixon is well aware of the strong disapproval of the Vietnam conflict, and is earnestly and determinedly seeking ways to bring it to an end.

"The President has spoken courageously," says Byrd. "He has articulated a positive plan for peace, and I believe it can work if the American people will unite behind him. Partisan politics should not be a consideration. Marching and waving placards in the streets will not aid the President in his difficult

task, and mass demonstrations of dissent will not hasten peace.

"Demonstrations can only serve to encourage the enemy, feed his propaganda mills and further weaken the bargaining position of the United States at the Paris peace talks."

Senator Byrd points out that Viet Cong and North Vietnam have "repeatedly used the anti-war movement in this country to strengthen their demands."

"The demonstrations will make the communists turn somersaults of joy in Paris, Peking, Moscow and Hanoi," he declares. "Some Americans may have rationalized that marching on the nation's capital is an act of patriotism. Quite to the contrary. It can only encourage the communists and prolong the war which we all want to see brought to an honorable end."

Representative Eligio de la Garza, D-Tex., strongly echoed Byrd's views. He characterized the demonstrations as "an exercise in futility."

"Such organized affairs are an insult to our servicemen and their families," said the World War II veteran, who enlisted in the Navy at the age of 17. "They show an appalling lack of faith in the democratic process. They are part and parcel of the continuing efforts to wreck the American government and to bring revolution and anarchy to our country."

JUDGE THURMAN ARNOLD

Mr. HANSEN. Mr. President, last Friday, the Nation lost one of its outstanding citizens and the State of Wyoming lost one of its finest native sons.

The brilliant career of Judge Thurman Arnold has always been a tremendous source of pride to the State of Wyoming. It led him from the windswept plains of the Rocky Mountain west to the halls of power on the eastern seaboard.

Judge Arnold was born in Laramie, Wyo., in 1891, just 1 year after Wyoming gained statehood. He grew up in this railroad town in the days of the old West, days which recall memories of running cattle on the open range, train robberies, cattle rustlers, and conflicts between cattle barons and homesteaders.

After attending Princeton and Harvard Law School, and following his service in France during World War I, Thurman Arnold returned to Laramie, Wyo., to practice law. He was instrumental in founding the University of Wyoming law school and served as one of its first faculty members.

At the age of 36, he left Wyoming to become dean of the University of West Virginia law school. In turn, he became a professor at Yale Law School; the chief trustbuster of the New Deal; a judge on the U.S. Court of Appeals for the District of Columbia Circuit; and the founder of one of the most successful law firms in the Nation's Capital.

Thurman Arnold, in addition to being an attorney, teacher, author, civil servant, and judge, possessed a great sense of humor. Among my most cherished memories are hearing his tales of life in Laramie during the early days and his service as the only Democratic member of the Wyoming State Legislature.

In spite of Judge Arnold's phenomenal success in the East, he never lost his love for Wyoming, the State of his birth and early life. He returned to Laramie often to visit friends, attend to family business, and drop in at the law school he had taught at so many years before. A highlight of the school year at the University of Wyoming College of Law would be a call by Judge Arnold, who would visit with the students, entertain them with his stories of early life in Larmie, and at the same time share his legal knowledge and philosophy with those starting out on the first steps of their legal careers.

On Monday, Thurman Arnold was laid to rest on the Laramie Plains, where his life began.

Mr. President, it was a privilege to have known Judge Thurman Arnold, and certainly it can be said that the accomplishments of his life have left a profound impression on the Nation.

The prestige in which Judge Thurman Arnold was held by the citizens of the Nation was shown by the front-page article published in the Washington Post on Saturday, announcing the sad news of his death.

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

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

THURMOND ARNOLD DIES AT 78, TRUST-BUSTER, LAWYER, JUDGE

(By James E. Clayton)

Thurman Arnold—lawyer, judge, professor, author, trust-buster, defender of civil liberties, destroyer of myths, raconteur—died yesterday at his home in Alexandria.

He died in his sleep sometime between 3 and 6 a.m., thereby ending, at 78, the life of one of the most remarkable men the New Deal brought to Washington. He had suffered four heart attacks in as many years.

Judge Arnold, as everybody had called him after his brief tenure on the United States Court of Appeals here a quarter of a century ago, was a battler for his clients, for the things in which he believed. Twice in the last 30 years he was at the center of vicious struggles that shaped the nation's future.

In the late 1930's, as President Roosevelt's trust-buster, he challenged American business as it had never been challenged before.

Fifteen years later, when loyalty-security issues had replaced economic ones as the focus of national interest, Judge Arnold was in the front ranks of the attack—in the cases of Owen Lattimore, John Peters, Dorothy Bailey, and the Ft. Monmouth 12—against the position that a citizen could be ruled disloyal on evidence provided by unknown witnesses.

These were undoubtedly the highlights of a life that began in the Old West of the 19th century. But they were only part of a career in which Judge Arnold influenced an entire generation with his books, fought and won innumerable lawsuits, and helped found a law firm—now called Arnold and Porter, which is one of Washington's, and the nation's most respected and most lucrative.

But the history of what he did tells little of what he was. It was the whimsy and the impudence that marked his every move, as well as the brilliance—some would call it genius—of his thought, that made him unforgettable to anyone he encountered.

He was like the boy in the story of the emperor's new clothes. His insights into the realities of economic and legal affairs, delivered often in unexpressably humorous ways, stripped the myths of the past bare.

Judge Arnolds two most important books—"The Symbols of Government" and "The Folklore of Capitalism"—did just that to government and business. They cut through and poked fun at the practices and beliefs of the business-oriented economy of the 1920s and early '30s and cleared the way for the more realistic analyses of government and economic forces that followed.

Perhaps his spirit is caught best, however, by an event that occurred when Judge Arnold was the only Democrat in the Wyoming House of Representatives following the Republican sweep of 1920. The story is set out in his semi-autobiography, "Fair Fights and Foul":

"On the fateful day the legislature assembled to elect a speaker, there were a number of flowery speeches made for the leading candidate. After they were over and the question was about to be put to a vote, I rose and said:

" 'Mr. Speaker, the Democratic Party caucused last night, and when the name of Thurman Arnold was mentioned, it threw its hat up in the air and cheered for fifteen minutes. I therefore wish to put his name in nomination for speaker of this House.'

"I then sat down, but I got up immediately and seconded the nomination. I said, 'I have known Thurman Arnold for most of my life, and I would trust him as far as I would myself.'

BACK ON THE TRACK

"Everybody laughed except the speaker pro tem. My nomination was not on his carefully prepared agenda, and he did not know what to do. People were waving at him from all directions. So I rose a third time, and said, 'Mr. Speaker, some irresponsible Democrat has put my name in nomination and I wish to withdraw it.' After that, the train got on the track again."

It was this kind of impudence that marked every step in Judge Arnold's career. Born in Laramie, Wyo., on June 2, 1891, he came east when he was 16 to attend Princeton. "I recall," he once wrote, "that my wife once informed Robert Hutchins that I was educated at Princeton. 'You mean he went to Princeton' was the reply, which was much more accurate appraisal of the actual situation."

His view of college in his time sounds remarkably contemporary. "I can recall no other professor (except E. S. Corwin) during my stay in Princeton who said or did anything that had any relevance to the development of the social institutions that existed outside the college walls."

After Princeton Judge Arnold went to the Harvard Law School and then to Chicago to practice law. That lasted only a few months until his National Guard company was mobilized to fight Pancho Villa on the Mexican border.

Returning to Chicago when demobilization came, he soon left again when World War I broke out and went to France as an artillery officer in the Yankee Division.

After the war, Judge Arnold returned to Laramie where he practiced law until 1927 when he became dean of the University of West Virginia law school. Even his stories of that law practice have a contemporary ring. He liked to tell of the time a salesman sweet-talked his wife.

"He was selling an encyclopedia," he wrote in Fair Fights and Foul, "which his publishers were introducing for the first time into Wyoming. They had authorized him to determine who the most prominent women in the state were and to present to them a free copy of the encyclopedia. The recipients could then recommend it to their friends. There was no obligation involved, but she would want, of course, to keep the encyclopedia up to date by purchasing the loose-leaf supplements. She felt elated and quickly signed a piece of paper which she did not read."

When the bills for the supplements came,

Arnold promptly sent them back. Finally a letter arrived, while his wife was away on a trip, explaining "in an eloquent and persuasive way that we lived in a world of credit and that the most precious asset a person could have was his credit. They hoped that it would not be necessary for them to give my wife's name to the National Credit Rating Agency and thus ruin her credit everywhere."

BACKED CREDIT HALT

The idea intrigued the young lawyer. "I wrote to the publishers and informed them that my wife had apparently unlimited credit in Denver, Chicago, New York, and perhaps many other places. As a result, I was continuously broke. I therefore urged them to turn my wife's name into the National Credit Rating Agency as soon as possible. I concluded: 'If you will keep up the good work on a national scale I will see what I can do on the local level.' To this date I have not received a reply."

After two years at West Virginia, Arnold moved to the Yale Law School where he was one of the most puzzzling and controversial professors in a faculty full of remarkable men. From those days at Yale came the key books of the 1930s, summer's working in various New Deal agencies, and finally in 1938 the appointment to head the Justice Department's antitrust division. Business almost never got over that appointment.

The first efforts of the New Deal to break the Depression had involved government cooperation with business. The NRA had attempted to establish codes for every industry on the theory that industry would recover when prices were stabilized and investments were safe.

When that Act fell as unconstitutional and President Roosevelt became concerned about the great concentrations of wealth and economic power in the country, the government's entire approach was reversed.

Judge Arnold, in his new government job, set out to enforce the Sherman and Clayton Antitrust Acts that had sat idly on the books for 30 years. He indicated almost everybody in sight—oil companies, motion picture companies, glass manufacturers, the American Medical Association, the Associated Press, and finally several labor unions.

His thesis—a widely held one these days but a revolutionary one in the 1930s among businessmen—was that it was illegal or immoral or both for businesses to fix prices, divide markets, drain funds from small towns to big corporate centers, and drive competitors out of business by ruthless practices.

UNDILUTED VITRIOL

Few officials ever had such vitriol poured on them as he got from the press, particularly after the AP case was filed. At one point, Attorney General Homer Cummings asked him what he thought he had accomplished by putting more than 1,000 leading businessmen under criminal indictments. "Well," said Judge Arnold, "business executives at least answer my letters more promptly."

Eventually, the Supreme Court sustained the basic antitrust attack that he had launched. He won almost every major case, except the ones he had felt most sure of—the labor cases—and he never forgave the Supreme Court for that. He warned 30 years ago that concentrated power in labor unions, especially when used for other than direct collective bargaining purposes, was just as dangerous as concentrated power in the hands of business.

After Dec. 7, 1941, Arnold's trust-busting activities began to conflict with the government's efforts to get maximum production out of business and in March, 1943, he was kicked upstairs to a seat on the Court of Appeals. He lasted only two years on the bench, finding the quiet, contemplative life of the judge not to his liking.

His major contribution during that time was a riotously funny opinion blocking the Post Office Department's effort to bar Esquire magazine from the mails as obscene. Years later, he put that opinion to good use when he successfully represented Playboy magazine when it was prosecuted under Vermont's obscenity laws.

He outraged the Vermont attorney general in that case by suggesting, in a footnote, that the only way the courts could avoid having to describe pictures in language more obscene than the pictures themselves was to hold that "no nudes are good nudes."

LANDMARK RAIL CASE

Judge Arnold's first case in private practice involved Robert Young's effort to buy the Pullman Company, an effort that failed. Arnold dated the decline of railroad passenger service in the country from that failure.

Almost immediately after that case, Arnold ended his partnership with Arne Wiprud and set up shop with Abe Fortas, who was just leaving the post as under secretary of Interior. They were soon joined by Paul A. Porter, former head of the Office of Price Administration. From six lawyers, the firm of Arnold and Fortas grew steadily so that Arnold and Porter now has some 70 lawyers.

In addition to the string of loyalty-security cases that kept the firm in the public eye, its corporate practice became immense and its members were often involved in nonpaying public service litigation.

One of those was Judge Arnold's successful effort to get a treason charge against Ezra Pound dismissed on the ground that Pound who had been in St. Elizabeths Hospital for years, would never be mentally competent to stand trial but would not be a menace to society if released.

Through the years, Arnold kept up his running fire at what he regarded as the myths of the legal profession. "Legal learning," he once wrote, "is the art of making simple things complicated . . . Paradoxically, the great lawyer is frequently one who can make simple and intelligible matters which lawyers and judges regard as complex."

That was the essence of what he had set out to do—to strip the jargon and fuzzy thinking from the cliches of law and economics. He did it better than most.

Judge Arnold's sons, Thurman Jr., of Los Angeles, and George, of Palm Springs, had been visiting him but left for California about 12 hours before his death. His wife, Frances, was with him at the time of his death. Also surviving are six grandchildren.

A private funeral service for members of the family will be held Monday in Laramie. Plans for a memorial service here were incomplete last night.

TOO MUCH NOISE

Mr. PERCY. Mr. President, noise pollution has become a major problem in our crowded, technological society. Last year, the respected American Speech and Hearing Association held a national conference on noise hazards and it plans further meetings on this subject.

Mr. President, the November 1969, issue of Government Executive contains an excellent review of current Federal and private efforts for noise abatement. To further acquaint Senators with this important subject, I ask unanimous consent that the article entitled "Boom!" and published in Government Executive, be printed in the RECORD.

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

BOOM! TOO %+&* MANY DECIBELS

Considering the spate of frightening publicity about the many hazards to Americans' health and sanity in recent years, it would seem that every conceivable menace—air and water pollution, smoking, misuse of drugs and radiation, among others—already had been brought to the attention of an uneasy public.

Then late last year, the Federal Council for Science and Technology came out with a report on a new—or at least little recognized—environmental problem—noise pollution. And during the past year, the noise hazard has been a growing concern of both Government and private environmental health agencies.

"Growing number of researchers," the Federal Council for Science and Technology said, "fear that the dangerous and hazardous effects of intense noise on human health are seriously underestimated."

The Council's report also said: "Modern man . . . is surrounded by a multitude of noise sources in his home, office and place of work, which in turn are under the constant bombardment of noise from aircraft, traffic and scores of other outdoor sources.

Industrial noise—that is, factory din—has long been a subject of research. And in this area, the indictment of noise as a mental and physical health hazard has been far better chronicled than it has in the community health area.

Estimates of the physical effects of industrial noise on workers has varied.

Some researchers believe that between six million and fifteen million American industrial employees every day work under conditions which destroy hearing capacity by involuntary buildup of wax as a defense.

EAR/HEAR FEARS

The Defense Department has sponsored research on noise as a military problem. Studies have been done on aircraft sonic booms. But comprehensive research on the effect of specific kinds of noise on large civilian populations remains to be done.

One of the Nation's most respected noise researchers is Dr. Alexander Cohen, chief of the U.S. Public Health Service's Bureau of Occupational Safety and Health, based in Cincinnati, Ohio.

Evidence has been found, he said, indicating that exposure to noise causes constriction of near-surface blood vessels, and that this effect "does not seem to disappear with adaption to the noise."

There is ample evidence that sharp or prolonged noise can damage the cochlea, the part of the ear that transmits sound waves into nerve impulses. And U.S. Surgeon General William J. Stewart has suggested that noise pollution in some cases may cause mental illness, circulatory problems or ulcers.

The measuring unit of sound is the decibel (db). Conversational speech in a decibel weighing system which gives more weight to annoying high-pitched tones than to low tones has been set at about 60 decibels. Other sample levels of common sound producers:

Wind rustling through trees, 20 db; noisy air conditioners or dishwashers, 55 db; rush-hour city traffic, 90 db; the noiser power lawn mowers, 95 to 100 db; a combination of kitchen dishwasher, garbage disposal, fan and other appliances (or loud TV, outside power mower and other common simultaneous householf noises), 100 db; a jet airliner at 500 feet, 115 db; and discotheques jammed with customers who have to shout to be heard over electronically amplified hard rock music, 120 db at very high sound frequencies.

In view of the above noise readings, con-

sider then that some scientists believe that hearing damage begins at about 85 decibels, that noise levels of over 100 db are considered excessive and that, for many humans, the pain threshold is about 120 decibels.

FAA-DIN NOISE

An operative word among noise researchers is "background" noise.

The implication is that, while a person with normal hearing and a reasonably good psychological outlook might be able to endure the assault of one, two or three of the modern mechanical sound producers in concert, he or she cannot endure the physical and psychological impact of prolonged noise of one kind (examples: a jackhammer crew's daily noise budget and the magnified traffic din afflicting the eardrums and psyche of guards stationed in tunnels) or the cumulative total of half a dozen disparate noise producers—aircraft, traffic, construction, household, human and electronic din combined with outside noises.

In Washington, D.C., there is considerable sentiment favoring noise suppression. Quite probably, this would not be so were it not that Congressmen's and agency officials' cocktail party chitchat frequently has been drowned out by the sound of aircraft going into and out of National Airport and that other big city Congressmen's constituents have increasingly complained about jet aircraft noise.

More than a dozen Federal agencies now are involved in various aspects of noise abatement. New regulations will—to some degree—curb industrial noise levels. The regulations as laid down, however, are inadequate.

Among other Federal anti-noise moves:

The Federal Aviation Administration is expected to issue an order soon setting a limit on noise limits for the new generation of big jet aircraft.

The National Aeronautics and Space Administration plans to subsidize development of quieter aircraft engines.

The National Institute of Mental Health is pondering a plan to record effects of daily noise on the system of an average housewife by telemetry.

Private groups continue to work against noise pollution. The American Speech and Hearing Association last year held a national conference on the noise hazard, and plans further meetings. The relatively new National Council on Noise Abatement has sponsored high-level symposia.

Both the Federal Government and industries wary about their public images are conducting noise studies.

While the Nixon Administration has not been deaf to the noise problem, its attitude has hardly caused jubilation in the anti-noise camp.

Nixon favors a more decentralized voluntary approach over tough Federal action. Possibly this is the proper posture. Commercial noise producers may voluntarily cut down the decibel levels of their products (some are doing so already). But some may not. In which case, the frazzle-nerved, maddened public undoubtedly will sound off at about 150 decibels to the White House.

PENTAGON HELPS CREATE SO-CALLED "SILENT MAJORITY"

Mr. YOUNG of Ohio. Mr. President, on November 3, President Nixon referred to the "silent majority" of Americans supporting his policies in Vietnam. Evidently, officials of the Defense Department are not as convinced as the President of the existence of that majority, and have taken action to make it appear that it actually exists.

I recently received a letter from a young man in the Ohio Air National Guard who was outraged over the fact that he and others in his unit were requested by their commander to send letters of support to President Nixon and actually given a form letter to sign. For obvious reasons, I withhold my constituent's name, but I ask unanimous consent that his letter be printed in the RECORD at this point as part of my remarks.

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

MY DEAR SENATOR YOUNG: I am a member of the Ohio Air National Guard, and am currently attending law school at Ohio State University. At our monthly Guard meeting this past week-end, we were each given a copy of a letter in support of President Nixon's policy on the Vietnam War. We were requested to sign the letters and give them to our commander or mail them personally to the President.

Instructions concerning the letter came from the Commander of the Ohio National Guard, and although the signing was supposedly voluntary, a report was to be made as to the number of men who participated. The instructions also stated that the letters would have more "effect" if we didn't include our military rank, but sent them instead as private citizens (there was nothing in the letter which linked it with its military origin).

The second paragraph of the letter, in particular, states: 'The segment of Americans who demonstrate against the nation's policies and programs for ending the Vietnam War cause disunity within our country, falsely delude the enemy concerning our resolve and intentions, and create conditions which make it extremely difficult to negotiate an honorable peace."

Many of my fellow guardsmen and I feel that this is clearly a statement of political opinion, lacking in factual support if not clearly erroneous. We further feel that the use of a military organization to promote such a letter, especially in regard to the sanctions it may impose to insure compliance, is totally out of keeping with any conception of a free society.

———.

Mr. YOUNG of Ohio. Mr. President, there are many Americans in the Active and Reserve Forces of our country who disagree with President Nixon's policy in Vietnam. Daily, I receive letters, as I am sure my colleagues do, from servicemen expressing their unwillingness to fight in a war which they consider unjust. This morning I received a letter from a young draftee about to be sent to Vietnam. His letter was typical of hundreds sent me by young members of our Armed Forces. A paragraph of it reads as follows:

I'm so mixed up I don't know what to do. I've never gotten myself into trouble, worked my way through college, just got situated in a decent job at a small pump-building firm and then wham, I'm told I've got to go and sacrifice my life for two years for a war I don't believe is just.

Mr. President, it is unconscionable that Pentagon officials would sanction or encourage a policy that allows political coercion of members of reserve units and of our National Guard units. If further similar reports come to my attention, I intend to ask the chairman of the Committee on Armed Forces to initiate an investigation by the committee of those responsible for this serious breach of constitutional principles.

THE FOREIGN RELATIONS COMMITTEE AND THE HUMAN RIGHTS CONVENTIONS

Mr. PROXMIRE. Mr. President, it has been more than 20 years, now, since the human rights conventions covering forced labor, genocide, and the political rights of women were submitted for action by the providence of the United States to the Senate Foreign Relations Committee. Unfortunately, the Foreign Relations Committee has refused to release the treaties despite frequent public demands that the Senate act on these conventions. The principle arguments advanced by the majority of the committee against the treaties revolve around the assertion that the subject of the treaties is within the domestic jurisdiction, and thus not the fit subject of the treaty power. Several other constitutional arguments have also been used to justify the delay.

Despite these arguments, the facts lead one to very different conclusions. As I have stated before, these three treaties do not interfere with any domestic law. This fact has been admitted by both opponents and advocates of ratification. The convention covering the political rights of women, which has most frequently been challenged, contains nothing that is not already granted to women under the U.S. Constitution. It is not revolutionary. It does not grant sweeping new rights to American women. It does, however, seek to guarantee to women to all nations the fundamental rights now taken for granted by American women. It is only fair that we should not deny to others what we take for granted ourselves. This is hypocrisy of the worst sort. And yet, the Foreign Relations Committee continues to insist that we should not ratify the treaty because its subject falls within the domestic jurisdiction. This, despite the fact that the same committee members are willing to grant that the convention does not interfere with existing domestic law, and does not grant any new rights not already guaranteed to American women. Where is the real or potential danger? What is the basis for concern of these members?

Mr. President, the arguments against the conventions are becoming more and more ragged with the passage of time. More and more, what some would justify as logic is only a form of thinly veiled excuse for lack of action. It is time we discarded the old myths, to use the phrase of the committee's chairman, and take a hard look at the new realities. The imperative for action grows stronger with each day. Let us act on these treaties now.

TELEVISION PROGRAM ON OFF-SHORE OIL DRILLING

Mr. McINTYRE. Mr. President, in view of the widespread interest in U.S. oil policy, I should like to call the attention of my colleagues to next Sunday's television program, "The Ad-

vocates," on the National Educational Television network. The subject will be offshore oil drilling, and among the topics to be discussed will be the relation of such drilling to oil import controls.

Secretary of the Interior Walter Hickel has been invited to appear on the program and to "decide" between opposing positions.

RESPONSIVE STUDENT ACTION

Mr. MURPHY. Mr. President, it has long been my conviction, based on solid evidence, that the overwhelming majority of our high school and college students are law-abiding individuals interested in obtaining an education. However, too often the rioters, vandals, and demonstrators are the ones who usually make the news. It is refreshing, therefore, to come across a news item which focuses on student action which is responsive to responsible leadership. Since such items in the press are relatively rare, I feel that they should be given the widest possible distribution. Therefore, I ask unanimous consent that a news broadcast concerning an incident which took place at a local high school football game be printed in the RECORD.

The incident involves the Cardozo High School team and their head coach, and it was reported by Mr. Warner Wolf during one of his broadcasts over radio station WTOP on Tuesday.

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

WOLF'S DEN

(By Warner Wolf)

Unfortunately in our society, the only way to make headlines is to riot, strike or cause violence. You never hear about the good deeds; it doesn't sell newspapers, and it doesn't get listeners. However, one of those instances did occur, and you are going to hear about it right now.

Last Friday afternoon, Coolidge and Cardozo High Schools played at Cardozo, down at 13th and Clifton, N.W. to decide the Western Division Title of the Interhigh League. Going into the game, both teams were undefeated in league play. Coolidge won the game 18–0 and will now play either Eastern or Tech for the Interhigh Championship.

Late in the fourth quarter, with the game already decided, a group of troublemakers began bombing the Coolidge team bus with bottles and bricks and whatever else was around. And here is the beauty of the story. Cardozo Head Coach Bob Headen, formerly of the Virginia Sailors and briefly with the Redskins, called time out, stopped the game, tok his team over to the Coolidge bus, and broke up the barrage. Nobody wanted to mess with his football team. When the game ended shortly thereafter, Headen and his team escorted the Coolidge players to their bus. As the bus pulled out into the street, the barrage began again. This time Headen took his entire squad out into the street and broke up the bombardment, enabling the Coolidge team to leave safely.

Now here is a case of a man who really ought to get some kind of a citizen award. Even though his team was losing the title game, he knew there was something more important than the outcome of a football game. A lot of credit to Mr. Headens and his Cardozo players. Even though the scoreboard was 18–0 against them, Cardozo came out real winners.

The only disheartening lesson from this story is this; you know that if that bus was turned over and someone injured, which would have happened if it wasn't for Headen and his team, you wouldn't have missed the story, folks. It would have been right on the front page of all the papers.

Mr. MURPHY. Mr. President, I congratulate Warner Wolf for bringing us this story.

OIL TAXES—INCENTIVE OR SUBSIDY?

Mr. PROXMIRE. Mr. President, there is a debate as to whether the special tax treatment enjoyed by the oil industry is a subsidy or an incentive for additional exploration.

The CONSAD Research Corp. has prepared a thorough economic analysis of the oil industry's tax structure and how well these special tax provisions worked as an incentive.

Their findings are remarkable. They found that under the most favorable assumptions the American taxpayer was spending over $10 for each $1 worth of oil that would not have been found but for the "tax incentives." In other words, the American taxpayer was spending $10 to discover $1 worth of oil.

Naturally, the oil industry moved to attack these findings. The Mid-Continent Oil & Gas Association spearheaded the attack by delivering an alleged critique of the report to the Ways and Means Commitee.

Because this Mid-Continent response has gotten wide publicity I think that CONSAD's rebuttal also ought to be given a hearing and thus ask unanimous consent that it be printed in the RECORD at the conclusion of my remarks.

If the Mid-Continent response is the best the oil industry can do, Congress is under an affirmative obligation to change the tax laws to eliminate all these special favors at the expense of the ordinary taxpayer.

I ask unanimous consent that the attached CONSAD report be printed in the RECORD.

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

COMMENTS ON MID-CONTINENT (MC) OIL AND GAS ASSOCIATION CRITIQUE

I. INTRODUCTION

The critique and evaluation of the CONSAD report entitled, "The Economic Factors Affecting the Level of Domestic Petroleum Reserves," by the Mid-Continent Oil and Gas Association is so replete with inconsistencies and out-of-context references that it appears to be an outright attempt to obfuscate, confuse, and mislead.

The MC report is notably lacking in *constructive* criticism. At no point does the report indicate how the CONSAD model might be improved, how the data might be improved, or what alternative methods and models, might be used for analysis to develop more accurate estimates of the effects of the special tax provisions. This suggests that perhaps the authors prefer to have no analysis made.

The inability of the MC report to find any serious fault with the CONSAD report conclusions after apparently concerted study only serves to increase the credibility of these conclusions.

The covering letter contains a glaring inconsistency, which is repeated in the body of the report. In paragraph three, the MC cover letter implies that the CONSAD model is erroneous because when extrapolated to below-cost prices it indicates that firms would continue to find and develop reserves. In paragraph five, the CONSAD report is deprecated for extrapolating a considerably smaller amount. Thus, the MC report indicates that extrapolation beyond the range of the data is justification for placing no credence on the results, then proceeds to extrapolate even further to illustrate the "inappropriateness" of the CONSAD model. The MC report also seriously overstates the amount of CONSAD's extrapolation. The price change equivalent to the elimination of percentage depletion is about 35 cents (not *75 cents* as stated in the MC report) which is a comparatively small extrapolation—the largest year-to-year price change in the data was 30 cents.

II. OBJECTIVES OF CONSAD STUDY

The CONSAD study was designed to evaluate the efficiency of the special tax provisions in encouraging petroleum producers to maintain reserves *above* those necessary to support current production. The primary justification voiced in recent years in defense of the special tax provisions regarding the petroleum industry was the necessity of encouraging a large reserve level to insure adequate supplies of oil in time of a sudden increase in demand due to a national emergency.

Although the MC statement of a fixed technology relationship between reserves and production is not supported by available data, the existence of such a relationship would not prevent producers from maintaining excess reserve stocks if economic incentives were offered to encourage this. The CONSAD study was aimed at determining the effectiveness of the special tax provisions in increasing oil reserves *above* those levels needed solely to support production.

The conclusions of the study that the special tax provisions were inefficient means for achieving such an objective remains a valid conclusion. Throughout the study, CONSAD took pains to *inflate* the effectiveness of the special tax provisions as an incentive for holding reserves. Consequently, if better data became available, its analysis would probably show that these tax provisions were even less efficient than is concluded by the CONSAD report.

If the intent of the special tax provisions is to encourage consumption of petroleum products by keeping prices below their free market levels, the CONSAD study offers no evdence as to the effectiveness of the tax provisions.

It is very possible that petroleum production will decrease if the special tax benefits are reduced or eliminated. Such a decrease would take place if the producers passed the added tax burden on to consumers and consumers then reduced their consumpton. A decrease might also occur if producers were currently producing at the limit of available capacity, since the tax increase would make marginal wells unprofitable to operate. Such a producer-initiated decrease might not occur if production restrictions, such as allowable production days, were relaxed, allowing more efficient production from existing wells.

III. SPECIFIC COMMENTS ON THE MC REPORT

Examination of many of the allegations made in the MC report leads only to the conclusion that the authors of this report either (a) did not read the CONSAD report, (b) did not understand the CONSAD report or the economic theory on which it is based, or (c) both. The concluding statement in the summary says that "The model used is especially subject to criticism because it is based on the improper assump-

tion that industry exploration and development expenditures are not dependent on an adequate rate of return." No such assumption is either explicit or implicit in the CONSAD models, and such a statement implies a rather extreme lack of knowledge of the contents of the CONSAD report.

The technique of quote-out-of-context is used on page two of the MC report to attempt to invalidate the supportive evidence of CONSAD's third model. What the CONSAD report actually stated was that the quantitative estimates obtained from the model of the individual firm could not be used as estimates of industry reaction, since all the various types of firms in the industry were not represented in the model.

The CONSAD report stated that the third model would substantiate the first model if the indicated reserve changes were of the same order of magnitude, and were changes in the same direction. The results obtained from the third model *did* substantiate the results of the first (or neoclassical) model.

Surprisingly enough, after indicating that only the first CONSAD model was worthy of comment, much of the MC report is devoted to specific criticisms of minor points concerning the other models discussed in the CONSAD report.

On the question of uncertainty, the MC report is somewhat erroneous in stating that the CONSAD report assumes perfect knowledge. The report does not assume this, nor is such an assumption implicit in the methodology.

Another out-of-context quote is provided on page 15, where Eisner's objections to Jorgensen's model are noted. The remainder of Eisner's article goes on to propose modifications in Jorgensen's model similiar to those used by CONSAD (the CONSAD model is credited to the Eisner article quoted in the MC report).

The MC report appears completely confused on page 21, where the CONSAD report is taken to task for using a 12 : 1 reserve ratio in the model. The 12 : 1 reserve ratio figure is not, of course, used anywhere in the model. It is mentioned as historical background, but the data used in the model were actual reported reserves and production.

The MC report seems confused again on page 31 when it indicates that "this approach leads CONSAD to compare the price of a *full* barrel of reserves with the cost of only a *fraction* of a barrel." This is not true, but as the MC report offers no explanation of its statement, no comment can be made.

There are two important points to be made concerning the "apparently incorrect information," cited in the MC report (Section IV). The first of these is that careful reading of the report would make it quite clear that all of the items cited were presented as background information in the study and do not form the basis for any results derived therein. The second of these is that, with one exception, the statements in the CONSAD report were true when the data was being collected and the report was being written. The use of 1968 data, which were obviously not available when the report was written (the study involved over a year of continuous effort) to illustrate the "incorrectness" of statements in the CONSAD report cannot be interpreted in any other way than as an obvious attempt to discredit the CONSAD report, since anyone with any knowledge of the petroleum industry would be aware of the basic sources of the CONSAD statements.

Most of the discussions in Section V, *Doubtful Petroleum Economics*, is replete with the same sort of out-of-context quoting of the rest of the MC report. The only relevant information presented here is that in reference to Professor McDonald's work on the non-neutrality of a flat-rate corporate income tax. It is interesting to note the omission from the MC report of Professor McDonald's conclusion that a percentage depletion rate of 14% would provide the desired neutrality.

Professor McDonald's work, however, does not examine the *efficiency* of percentage depletion as a method for compensating the non-neutrality of the flat-rate corporate income tax. It is certainly possible, and a subject worthy of further study, that some more direct method of compensating investors for the risk elements in petroleum investments would provide the desired neutrality at a much lower cost to the economy.

IV. CONCLUSION

CONSAD would welcome some meaningful critiques of its work, with the ultimate objective of imposing the reliability of the conclusions. Unfortunately, the Mid-Continent report is totally useless for this purpose.

HARMON KILLEBREW, MOST VALUABLE PLAYER

Mr. JORDAN of Idaho. Mr. President, yesterday a native Idahoan, Harmon Killebrew, was named the recipient of baseball's most prestigious award—that of most valuable player. Selected by the baseball writers of America, the American League's MVP winners include the game's greatest stars—Ted Williams, Joe DiMaggio, Jimmie Foxx, Joe Gordon, Lefty Grove—just to mention a few. The addition of Harmon Killebrew to this distinguished roster is a fitting capstone to the truly outstanding season which Harmon enjoyed this year.

The records which Harmon has set, and will continue to set in the years to come are sufficient testimony to his skills as a major leaguer. What the record books do not indicate, however, is that Harmon is every bit the major leaguer off the field as well as on. The respect that Harmon enjoys by those who know him personally cannot be generated by athletic prowess alone and will continue long after his playing days are over. My congratulations to a man who is a credit to his home State in every sense of the word.

VIETNAM DEMONSTRATIONS IN WASHINGTON

Mr. BAKER. Mr. President, on the eve of the Vietnam demonstrations in Washington I am concerned. I am concerned for two reasons:

First, there is the real danger of violence. Most who come to Washington, I am sure, come in a conscientious effort to express their desire for peace and their hope that the war will be ended soon. Some, however, probably are not so motivated. I am especially disturbed by the fact that a number of those in leadership positions in the so-called mobilization were directly involved in the violence attendant to the Chicago Democratic National Convention in 1968, and disturbances and disorders around the country since.

I think the Federal authorities have acted wisely and have shown restraint in their preparations for the marches, but the possibility of police harassment, property damage, and personal injury is real.

Second, I do not believe the demonstrations will contribute to the cause of an early peace in Vietnam; on the contrary, I am afraid they will heighten the appearance of division in our country and prolong our efforts to negotiate and to withdraw American troops from Vietnam.

I think the moratorium-mobilization festivities scheduled for November 13–15 are a mistake.

THE NEED TO ELIMINATE THE HAZARDS OF LEAD POISONING IN CHILDREN

Mr. KENNEDY. Mr. President, yesterday, I met with Congressman WILLIAM RYAN of New York, other Members of the House, and members of the Scientists' Institute for Public Information to discuss the urgency for the elimination of the hazards of lead poisoning in children.

Because this is a relatively little known malady mainly affecting the poorest citizens of the total population, it requires our attention to help bring an end to its devastation. Its victims number in the hundreds of thousands—mostly in the slums and ghettos of our large cities. Children get lead poisoning by swallowing bits of peeling paint and plaster from old deteriorating buildings whose walls have been covered by lead-based paints. For the most part buildings constructed within the past 20 years are not the source of this hazard. Usually it is in older buildings, those put up before World War II, that create the high risk areas for this tragic disease. Lead intoxication in children is insidious because high levels of lead in a child's body may not be detected or diagnosed until it is too late. Early symptoms of the disease are similar to those of the flu.

In more severe cases, patients suffer convulsions, lapse into comas and die. New York City's department of health reported between 20,000 and 30,000 cases of lead poisoning; while at the same time, less than 2,500 cases of poliomyelitis were reported for the year 1955, the year of the worst polio epidemic since 1940. These figures show that cases of lead poisoning are 10 times greater than those of that awesome affliction called polio. All of us will recall the publicity and the attention generated to fight the dread affects of polio; and we all remember the money and research invested to find a cure for that disease. But the public and medical awareness of lead poisoning in children are not yet nearly as visible as they were in the case of polio.

The list of hazards that confront our Nation's children is endless. For the child who lives in poverty, the hazards to health and a wholesome life are enormously more lethal than those fortunate enough to live in affluence. Children who live in our urban slums live with the danger of lead poisoning that needlessly weakens, maims, and destroys their lives. Lead poisoning strikes easily at the young child because he has a natural tendency to put in his mouth any available object. When that object is bits and pieces of

peeling paint or fallen plaster in old buildings with lead-based painted walls, these youngsters are afflicted with the ravaging effects of lead intoxication. Children between 1 and 3 years of age are the sufferers in 85 percent of all reported cases. Two-year-olds account for more than 50 percent of the deaths attributable to lead poisoning. About 200 children die from lead every year. Between 12,000 and 16,000 are treated and survive. This means that every year, due to inadequate detection and diagnosis, as many as 400,000 children may be poisoned.

Half of those who receive treatment are left mentally retarded. Only about one case in 25 of these is treated. Children with lead poisoning have been found to experience a marked drop in IQ and they show unsatisfactory school progress because of intellectual defects.

This is the tragedy that is most disheartening and debilitating—not only for the children and their families, but also for the future of our society.

Certainly, we can all feel and understand the agony that the loss of a child's life may bring. But a different pain of anguish and heartache is produced for the parents of children who suffer in mental ability due to lead poisoning. The care taking costs for one child who must live out his life as a mental defective due to lead poisoning is more than $200,000.

Yet, less than $1,000 can eliminate the hazards of this disease for that child.

That is the core of hope in the fight against lead poisoning. Lead intoxication is a man-made disease. It is subject to complete control. Mental retardation due to lead poisoning can be prevented. Research is not needed to find ways to do that.

What we do need, and what we need now, is forceful action to rid our neighborhoods of this menace. Dr. Victor Sidel, who is chief of the division of social medicine at Montefiore Hospital in New York City, proposes a vigorous approach to programs for eliminating lead poisoning hazards. He insists on the full use of community residents, neighborhood workers and others who have interests in these affected areas to help search out lead poisoning victims and areas of high risk.

Representative WILLIAM F. RYAN saw the urgency for legislation as far back as last March when he introduced in the House a package of reforms "aimed at combating this silent epidemic." That package realistically meets the three fundamental needs that must be attacked in the fight to end this problem. They are:

First. The need to identify and treat lead-poisoning victims.

Second. The need to seek out the presence of lead-based paints and to require property owners and landlords to remove such paints from all wall surfaces.

Third. Finally, the need to prevent lead poisoning from spreading, through the enforcement of housing codes.

To help reach these goals, I intend to introduce a bill, early next week, that is similarly designed. My bill provides Federal moneys to help cities carry out programs to identify those youngsters who are affected by lead-based paint poisoning. It will insure for cities and communities the procedures and techniques that will seek out those youngsters who are currently afflicted with high lead levels. The value of that kind of program has been dramatically demonstrated by Chicago's health department's program to seek out youngsters who live in dilapidated housing and test them for lead levels. Because of that program, the number of reported cases of lead intoxication has climbed sharply.

In his package, Representative RYAN also provided for financial assistance to help cities and communities develop and carry out intensive local programs to eliminate the causes of lead-based paint poisoning. Recognizing that this is a critical need, my bill also provides for financial assistance to run programs that will rid our cities of the menace of lead poisoning. Every community that has old homes that used lead-based paints is a potential high-risk area for this dread disease. That is a simple, plain fact. It is a fact that makes us realize that the way to prevent lead poisoning is to eliminate the source of the danger.

My bill will provide for the elimination of all lead-based painted surfaces, through programs that will identify those homes that are so painted. After identifying those structures, the provisions of my bill require prompt removal of lead-based paints from all surfaces.

Finally, in recognition of the need to insure that the rehabilitation or renovation of housing shall include plans for eliminating the causes of lead-based paint poisoning—my bill provides for Federal assistance to communities to carry out such rehabilitation only on the condition that the community also carry out an effective plan for getting rid of the causes of lead-based paint poisoning.

The reported incidence of lead poisoning parallels public and medical interest and education on the subject. Official figures on lead poisoning almost certainly underestimate the true incidence of the disease.

I shall personally join the battle against childhood lead intoxication by stressing the need for education and awareness of the problem—both in the general public and in the medical community. The tragedies of lead poisoning and the hesitancy to diagnose it are too often due to the failure to be alert to its presence.

People simply do not look for it because lead based paints are not generally used on interior walls today. But we overlook the very real fact that hundreds of thousands of people, particularly along the eastern seaboard, live in substandard, deteriorating housing built before World War II that have wall surfaces coated with lead based paints.

I feel that one way to stimulate the necessary amount of concern and awareness to combat this problem is through the periodic publication of information about lead poisoning cases.

Through the Public Health Service in the Department of Health, Education, and Welfare, accurate and current information is available on communicable diseases. I want to explore through the Office of the Surgeon General, ways to provide similar kinds of information for the environmental diseases that are also devastating in their assault on the health of American citizens. Not only would it be helpful to have systematic reports on lead poisoning in children, we could also use reports on the incidence of rat bites, insect borne, asthma, and ground water contamination due to the use of fertilizers. Some work has been done in these areas, but much more remains to be done. I am hopeful that through such publication of information on lead poisoning and other environmental diseases we can focus attention on these kinds of needs. In that way, we may be able to end the menace that causes each one of these dangers.

Lead poisoning in children is not an uncommon occurrence in the United States. Although slum areas in large cities appear to have by far the greatest incidence, this problem is not necessarily restricted to the poor; it has also been reported in children from economically and socially advantaged homes.

But we do know that it affects black and Puerto Rican children more frequently than it strikes white children. It is most likely to strike children in the same family. And, once a child has been poisoned by lead he has a substantial chance of being poisoned again.

In New York City reports show that several children were admitted to hospitals two and three times, each time with recurrent lead intoxication. In one case, repeated episodes left the child completely incapacitated. Others working in the field of lead poisoning have also stated that "we saw the same children over and over again being brought in for deleading and each time with evidence of more residual brain damage. We were seeing mental retardates and institutional vegetables created right under our eyes." The cost of lead poisoning is borne by the whole community in terms of wasted human resources, institutionalization of victims, and the resulting burdens on municipal health facilities and finances. The benefits accrue only to those owners of slum property who find it unprofitable to keep their properties in good repair.

The need to eliminate this hazard from the list of the many hazards that affect our Nation's children is very clear. My efforts will be designed to meet that need.

DEPOSIT RATES AND MORTGAGE CREDIT

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the unfinished business, which the clerk will state.

The ASSISTANT LEGISLATIVE CLERK. Calendar No. 510, S. 2577, a bill to provide additional mortgage credit, and for other purposes.

The Senate resumed the consideration of the bill.

The PRESIDING OFFICER. The consideration of this bill is subject to a time limitation. Who yields time?

Mr. BYRD of West Virginia. Mr. Presi-

dent, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged against either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BENNETT. Mr. President, as the manager of the opposition to the bill, I suppose I yield myself 12 minutes on the bill.

Mr. President, the bill which we have before us today has several provisions which I believe the Senate should reject. The first of these could result in far-reaching changes in Federal regulation over State institutions. The second would provide for unappropriated, subsidized assistance of up to $4 billion to members of the Federal Home Loan Banking System through Treasury borrowing. The third would restore authority used during the Korean war to establish voluntary controls.

Mr. President, it has been suggested that our housing goals should rank equally with the goals established in the Full Employment Act of 1946. I want to make it crystal clear that I feel that we should provide adequate housing for our citizens and that we should not let the full burden of monetary policy fall on the housing sector of our economy. I must add, however, that the goals set forth in the Full Employment Act of 1946 are general goals similar to the housing goal set in the 1949 Housing Act. There is no specific number attached to any of them. The employment goal was not meant to be interpreted as no unemployment. The goal of stable prices was not written in such a manner as to indicate that prices should never rise or decline. The goal of sustained economic growth was not written in terms of a percentage increase in the gross national product annually. Likewise, the 1949 housing goal did not establish a specific number of homes to be built in any specific period. In 1968, our Housing Act did set forth a specific goal of 26 million units over the next 10 years. Such a specific goal cannot be ranked with other general goals without giving it priority over all of the others. It has been suggested that the 26 million unit goal should not be abandoned or ignored during periods of restrictive fiscal and monetary policy. As much as the housing industry has suffered as a result of tight money, I suggest that it has not suffered as much as the price level in the past 2 years. Nor has our growth been held to maximum sustainable rates any better than we have met what might be considered an appropriate portion of our specified housing goal. In other words, we have come just as close to meeting our housing goal during the past 2 years as we have in meeting any of the other goals with which it is to be considered equal. I do not say that we have no need for improvement. Indeed we do, if we are to approach fulfillment of any of these goals. The major need for improvement, however, is in the area of Federal spending and taxing. I believe that we have made more progress in these two areas during the last 9 months than has been made in the past decade. Only when we have brought stability to the economy in general will there be the type of environment in which we can expect to meet our housing goals.

The committee report, and the manager of the bill, have made a point that increases have taken place in the gross national product, consumer spending, State and local construction, Federal spending, and business spending, but that residential construction is down 2.5 percent. These figures are supposed to indicate that housing is being restricted by Federal Reserve monetary policy and not economic forces. The fact is that monetary policy is nondiscriminatory. Money is attracted by those who are willing to pay for it, regardless of monetary policy. Conscious choices are being made every day. Consumers are paying two to three times as much for credit on consumer purchases as they are for mortgages. The rise in the interest rate paid on municipal bonds used for State and local construction is much greater over the first three-quarters of this year than the increase in mortgage rates cited by the Senator as "sky high." The actual difference is 144 basis points compared to 85 basis points, and the percentage rise is over 29 percent for municipal bonds compared to less than 12-percent increase in the cost of mortgages.

The cost of Treasury financing has also increased at a more rapid rate than housing financing, as has the cost of business credit which increased by 214 basis points, or 32 percent.

When these costs are taken into consideration, one cannot say the Federal Reserve has restricted housing. It can be said, however, that the demand for mortgage money has not maintained its competitive position, with other demands, both consumer, business, and government as a result of economic forces.

If there is a preference to purchase consumer goods rather than housing at the rates available or schools and other public facilities even though the cost to finance them has increased more than mortgage financing, can we fault that decision? Mortgage costs are high, but whether measured against rates at the first of the year in 1956, 1950, or 1930, they have risen by smaller percentages than any of the other costs for money used as a comparison.

For example, while mortgage interest rates have increased 100 percent between 1955 and 1968, increases in other forms of credit have been much greater.

The increase in the rate for short-term business loans has been 140 percent.

The Federal Reserve bank discount rates have increased 216 percent.

The 3-month Treasury bills have increased 296 percent.

The rate of prime commercial paper has increased 324 percent.

These are all against the 100-percent increase in mortgage rate.

The manager of the bill indicated that certain high officials in the administration seem to have a callous indifference to the fact that the avarage home buyer is called upon to pay most of the cost of the Administration's efforts to control inflation. I have already shown statistically that other borrowers are paying rates which have increased more in actual basis points and as a percentage than the rates on mortgages. Thus, the home buyer is not called upon to pay most of the cost of tight monetary policy.

Mr. President, we have heard much about the decline in housing starts. Indeed, they have declined during some months of this year. I would like the record to show, however, that during the first nine months of this year, new housing units were started at a seasonally adjusted annual rate of 1,551,000 units, compared to the 1,548,000 units started last year and the 1,322,000 units started in 1967 and the 1,196,000 units started in 1966.

In other words, housing unit starts during the first 9 months of this year for which figures are available, seasonally adjusted on an annual basis, have exceeded housing unit starts in every other year since 1964. That throws a little different light on the housing picture than has been shown thus far in the debate.

I am surprised at the statement of the Senator from Wisconsin when he said, "I fail to see how anything can be called a subsidy if there is no cost to the taxpayer." Let me point out that there is no provision for reimbursing the Treasury for the administrative cost that would be involved in the borrowing provision of this bill. The Senator says that the Home Loan Bank System will repay the Treasury "at the same rate it costs the Treasury to borrow." Even if all costs were met by the Federal Home Loan Bank Board, this would still be a subsidy. Webster's New International Dictionary defines a subsidy as: "To aid or promote, as a private enterprise, with public money." The concept of whether it results in a net cost to the lender is not involved at all.

There is no doubt that the Senator would like this provision to aid a segment of the economy, and it is certainly the use of public money. Furthermore, other segments of the economy, including the Treasury, will pay higher rates on borrowing if this provision is ever used, and that does result in a net cost to taxpayers.

Mr. President, I intend to discuss in detail the various provisions which I believe the Senate should reject, but rather than getting into the specifics at this point, to avoid repetition and save time, I would like to begin to offer my amendments and discuss each one of them separately.

Mr. President, I send to the desk an amendment to strike sections 6 and 7 of the bill and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. The Senator from Utah (Mr. BENNETT) offers an amendment: On page 15, it is proposed to strike out lines 4 through 9, as follows:

SEC. 6. Section 708(b) of the Defense Production Act (50 U.S.C. 2158(b)) is amended by striking out everything after "United States", the first time it appears, and inserting a period in lieu thereof.

SEC. 7. Section 708(f) of the Defense Production Act (50 U.S.C. 2158(f)) is repealed.

Mr. BENNETT. Mr. President, on this amendment I yield myself such time as I may need.

It is my understanding that as the author of the amendment, I have 15 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. BENNETT. Mr. President, sections 6 and 7 of the bill would restore authority used during the Korean war to establish voluntary controls. All administration witnesses testified against the establishment of such authority at this time. While no one can rule out the possibility of circumstances which might make such authority desirable, a careful look at the economy leads us to believe that the present monetary and fiscal policies of the administration are bearing fruit and that congressional action setting up authority for controls on the economy, whether voluntary or not, could be misconstrued. More important than the actual content of these provisions is their effect on people's attitudes. Since administration witnesses told us that the administration has no intention of instituting a voluntary restraint program, we feel that the possible value of having this authority is far outweighed by the possible reaction to the enactment of this section. Admittedly, we are dealing with intangibles. If the authority to set up a voluntary restraint program were authorized by Congress, it would be normal to interpret this as Congress having determined that such controls may be necessary in order to halt inflation. Such an interpretation would add to the skepticism which has been diminishing during the recent past about the Government's capacity and determination to restore price stability without selective controls. One of the major reasons why fiscal and monetary policy have not been more successful is that too many individuals have not been convinced that the Federal Government would stick with such policy. The enactment of legislation providing for selective controls could only be a detriment, therefore, at this time to the administration's program, and could only slow down rather than supplement efforts which I believe are already bringing the forces of inflation under control.

I hope, therefore, that the Senate will agree that sections 6 and 7 should be taken out of the bill.

Mr. PROXMIRE. Mr. President, I oppose the amendment offered by the Senator from Utah. The bill can be compared with an effort made by the Federal Government to provide credit restraints during the Korean war. At that time legislation similar to the present bill was on the books. It was acted on by the President, and it worked well. The President and the Federal Reserve Board set up industrywide committees consisting of representatives of banks, industrial companies, and mutual savings banks. They developed voluntary loan criteria that reduced the tendency of banks and other lending institutions to lend to business in an inflationary way. The committee was completely voluntary and was established on the basis of the initiative of the President. It was exactly what is provided in the present bill.

Let me read a brief paragraph from the evaluation of the results of that provision, which was in existence during the Korean war. It is a statement released by the National Voluntary Relief Committee, consisting of outstanding businessmen, bankers, and others.

This was their conclusion:

> At the outset of the program, which was without precedent in the country's financial history, there was widespread skepticism as to what might be accomplished by a self-regulation effort in the highly competitive field of lending. This has been supplanted by a recognition that the program has proved practicable, workable, and effective as a supplement to fiscal, credit, and other anti-inflationary weapons * * * The program has been an important factor in holding prices level during the first year of its operation. (Statement released by National Voluntary Credit Restraint Committee, Mar. 10, 1952.)

Mr. President, there was great inflationary pressure on interest rates, which were being pushed up. With voluntary controls, mortgage rates rose less than one-tenth as much as they have risen during the last year, when we did not have these controls. But at that time, interest rates, generally, were held down because of action which, as I say, was cooperative, voluntary action, action that could be taken only if the President wished to use it.

The principal objection raised by the distinguished Senator from Utah is that there would be anticipation on the part of the business community to act now to borrow money, in view of the fact that we are attempting to put this provision on the books, and that the President might use it. I say to the Senator from Utah that this is the time for us to put such a provision on the books. If we do not provide for these controls, and if the President should feel that he would like to have a voluntary credit program in the future, and then should come to Congress, we would have to hold hearings on it, it would be necessary to have hearings in the House, debate on the floor of the Senate, and then to have the House act, and in that event there could be anticipatory power on the part of business.

However, the hearings now are out of the way. The debate will be taken care of today—in the next few minutes. The Senate can act now and get the law on the books. Under these circumstances, the President will then be in a position to put it into effect promptly, whenever he feels it should be put into effect; without adverse public action.

I might say one more thing in this connection. All Senators are aware of the great concern throughout the country about inflation. That concern is so deep that a majority of the country, according to a Gallup poll, has indicated that mandatory price, wage, and rent controls are favored right now.

In fact, a questionnaire I sent to my State, responded to by over 12,000 people, indicated that over 70 percent of them favor mandatory price-wage-credit controls right now.

We are not offering anything like that. I do not think there is a disposition in Congress or in the administration for that. I think they are right at the present time. But I do think that this moderate, mild effort to provide for a voluntary program of credit restraint is logical. We had the experience in the Korean war, and it worked.

So I hope that the amendment offered by the Senator from Utah will not be agreed to by the Senate.

The PRESIDING OFFICER (Mr. HUGHES in the chair). Who yields time?

Mr. BENNETT. Mr. President, I yield to the Senator from Illinois (Mr. PERCY) such time as he may require.

Mr. PERCY. Mr. President, I strongly oppose sections 6 and 7 of S. 2577 which would restore the authority used during the Korean war to establish voluntary credit controls. To those who advocate a return to credit controls, the grant of such authority seems necessary to stem inflation. In contrast, I feel that the administration's fiscal and monetary policies are going to curb inflation and that authority to impose selective controls could well contribute to damaging such policies by casting skepticism on the administration's current anti-inflation fight.

The history of such selective controls is not encouraging. They were last used during the Korean war from 1950 to 1952. The regulation was limited to nonbusiness installment credit for purchasing listed consumer durable goods and to unclassified installment loans. The increased usage of many additional types of credit since 1952, including revolving credit, credit cards, elimination of down payments and sales at discount, would impose even more serious administrative problems.

Of basic importance are the differing objectives of such an authority. Pressure from many and often conflicting sources could be expected to influence the administration of this authority and the manner and the extent to which the authority should be used.

The selective control of consumer credit is discriminatory against low-income groups, younger people, small retailers and manufacturers and also against innovations in marketing. The Senate Banking and Currency Committee in 1951 criticized the controls as harming defense workers and low-income persons. The House Banking Committee in 1952 in commenting on the regulations concluded that the inevitable discrimination of credit controls against lower income groups overshadowed other existing considerations.

For both the serious administrative problems that the use of such authority would create and for such authority's discrimination against the people who need credit the most, I oppose sections 6 and 7 of the bill and support the Bennett amendment to strike these sections.

Mr. PROXMIRE. Mr. President, will the Senator yield, on my time?

Mr. PERCY. I yield.

Mr. PROXMIRE. I ask for 3 minutes on my time, on the amendment.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. I say to my good friend, the Senator from Illinois, who is a very able member of the Committee on Banking and Currency, that this amendment and the provisions of sections 6 and 7 do not provide for any regulation W, which is what the Senator was talking about in the Korean war.

This is no mandatory control at all. It would not affect consumer purchases directly. It does provide for the voluntary establishment, when the President thinks it is necessary, of businessmen, bankers, and other financial leaders to agree to limit their lending in such a way that they would not provide funds that would be spent by business to bid up prices—in other words, to try to hold down inflationary lending.

This is the part of the program that was started in 1950, in the Korean war, and the conclusion on the part of the businessmen, bankers, and others who took part was that it worked and worked well.

Mr. PERCY. In reply, I have to draw on my own experience for many, many years—some 25 or 30 years—during which I sat in corporate board rooms and in bank board rooms, trying to see what human nature does in cases such as this. I think we are dealing with human nature now. This is not a science. It is an art, almost, of anticipation; and it is the responsibility of consumers and producers to try to anticipate what the Government is going to do that is going to injure their personal interest and then find ways to get around it.

The Government has done everything it can to assure the American people that inflation is going to be curbed with present policies—that is, policies of balancing the budget, having a surplus, holding down excess spending, cutting back Federal construction projects 75 percent, and the many other steps that have been taken that I think have been prudent and sound.

If there is an implication that we do not really think this is going to work and that we will have to have controls, then people start anticipating controls. Once you start to control, it is like a featherbed. You get one corner down here and the other end pops up over there. You start controlling credit, and you have to start controlling wages. If you start controlling wages, you had better start controlling prices; and soon we will try to have a network to cover the millions and millions of economic transactions that occur in this country.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PERCY. May we have 2 additional minutes on our side?

If we are going to start this process of controlling or implying that present policies will not work, then I think we can expect steps to be taken by labor, by industry, by consumers, and by everyone else to try to figure out how to get around them.

I know that prices are going to go up, because if people think there is going to be price control, all people feel it is in their best interest and businessmen feel it is their responsibility to stockholders and to employees—to whom they have to pay higher wages—to get in ahead of the rush. So they are going to raise prices, just anticipating possible controls coming along.

Once this process is started, by this demonstrated lack of confidence in the present policies solidly backed by this administration, then I feel we would be starting a process we might not be able to control.

I have no real faith in controls, outside of an all-out war effort, when you can appeal then to every conceivable concept of patriotism. Even then, in World War II or the Korean war it was very, very difficult to control, unless everything was controlled. We know the disastrous results we had when we tried to do that.

So I oppose sections 6 and 7 for these reasons, which cannot be found in books on the science of fiscal and monetary policy. I just do it from an innate feeling as to how this system really works and how 200 million human beings will respond to this evidence of lack of confidence on our part that present fiscal and monetary policies will work.

Mr. PROXMIRE. I yield myself 1 minute.

Mr. President, the Senator from Illinois has made a very strong case. He is an extremely able debater. But there is no intention here to have this as the first step toward price controls or mandatory credit controls. In fact, the purpose of this section is to forestall that kind of action.

I am convinced that unless we do take further action, we are going to be driven to some kind of mandatory controls because of public sentiment. This depends upon one's judgment as to whether present policy is not working, and there is every indication that it is not working. Interest rates have been rising rapidly; prices have been going up steadily. The only reason they did not go up quite as much in the last quarter as in the second quarter is that food prices skyrocketed in the second quarter. There is every indication that unless we take some kind of more forceful action, we are going to be in the position of being forced into either very serious inflation or the kind of mandatory controls all of us oppose.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. PROXMIRE. Mr. President, I yield myself 1 additional minute, and I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I read in the newspaper yesterday that the South Central Telephone Co., I think it is, which is triple "A," pays 8½ percent.

There just is not any mortgage money available for new borrowers.

I had a long talk with the former Chairman of the Federal Reserve Board the night before last, and he said that all over the country it just is not available. The people who already have arrangements, of course, are being serviced by the big banks. But for a new man, who wants to start something new, the money is practically unavailable.

I appreciate the Senator's efforts; but does he really think he can do anything useful here as long as this war is going on, as long as we spend $80 billion on a nonproductive activity, such as ammunition and warfare?

Mr. PROXMIRE. The Senator is absolutely correct. Wartime spending is the heart of our inflationary problem.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that I may proceed for 2 additional minutes.

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

Mr. PROXMIRE. Recognizing that, I think that to handle this in a most practical way it is sensible first, to set up a system available to the President, if he wants to use it, of voluntary credit restraints so he can use his influence with banks not to make loans to fancy hotels and resorts, for instance, or to sustain this business plant and equipment boom, which most economists say is proceeding at an unsustainable rate and that might lead to recession in the future.

I do agree with the Senator that the heart of this matter is excessive military spending.

Mr. BENNETT. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 minutes.

Mr. BENNETT. Mr. President, I think we should realize there is a great difference in timing when we compare the present situation with the Korean war. Voluntary controls were basic instruments used at the time of the Korean war and they were instituted when that war began in 1950. In this war situation we have gone for many years. This is the longest war in our history. Now, at this point in time, I believe, although my friend from Wisconsin does not, that the new administration anti-inflation policies are beginning to take hold. His proposal would add an additional program on top of it on the theory that present policies are not taking hold and that this is necessary .

I am afraid of the psychological reaction in the country if this particular proposal were adopted, and adopted because it is claimed the policies are not taking hold, and this would give additional upward pressure to inflation.

The Senator from Arkansas just entered the Chamber and he said there is no money available for mortgages. In the statement I made as the debate began today I pointed out that in the first 9 months of this year, seasonally adjusted and on an annual basis, we have had more housing starts than in any other year since 1964.

Mr. President, I yield such time to the Senator from Illinois as he may need.

Mr. President, may I ask how much time I have remaining?

The PRESIDING OFFICER. The Senator has 6 minutes remaining.

The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, I thank the distinguished Senator for yielding.

I wish to say to the distinguished Senator from Wisconsin that in a few moments we will probably find ourselves on the same side in asking for additional

mortgage credit and opposing my friend from Utah, but in this case I respectfully disagree with the position my friend, the Senator from Wisconsin, has taken.

I think that if we look at what happened to the municipal bond market when the House of Representatives imposed what looked like a tax, of removing municipal bonds from a position of tax exemption, we will find that interest rates shot up rapidly. In that instance no law was passed. It was just a threat to the market and everyone moved to anticipate it. This is what millions of people are doing today in the stock market, on one hand looking at what is happening on tax reform and on the other hand thinking of what we are going to do on the floor of the Senate next week, and what is going to become the law. They are trying to foresee ways to protect themselves by anticipating the action we are going to take and the net effect on them.

So what we do here is exceedingly important and this is why the Fed and the Treasury Department so oppose these sections of the bill and support the amendment of the Senator from Utah.

Mr. PROXMIRE. Mr. President, will the Senator yield on that point?

Mr. PERCY. I am happy to yield to the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. PROXMIRE. Mr. President, this is a voluntary program, as the Senator knows. It is not mandatory; it is not for people who feel there is an absolute necessity to borrow money. This should be administered as the program was administered in the Korean war, on a voluntary basis.

Furthermore, if this proposal would have an adverse, inflationary effect on mortgage rates, it should have had an effect on mortgage rates in the last couple of weeks. After all, the Senate committee acted and reported the bill to the floor of the Senate. It seems that some of that action would be reflected now and there would be comments in the press and so forth. However, there has not been any of that, in spite of the fact this has been before the country now for more than a week. If there is any anticipatory adverse reaction, we have not seen it. It seems to me that that argument would not stand up on the basis of the experience we have already had.

Mr. PERCY. Mr. President, so that I may understand the Senator's argument, is it his feeling that this is a standby authority; that it can be used only by the President if he sees fit?

Mr. PROXMIRE. Exactly.

Mr. PERCY. And, therefore, there is no real threat of using this authority.

Mr. PROXMIRE. Only that in the future the President may order its use as another tool, but his disposition now is not to use it.

Mr. PERCY. I think this is a forthright position for the Senator to take, but if it is a principle, I think the Senator should stick with it as it applies to other situations. In other words, any time we give the President standby authority in one area, we should not conceive of standby authority in another area as being a threat.

I would like to ask the Senator if he would support standby authority for the President to escalate our troops in Vietnam only if he needs to.

Mr. PROXMIRE. Of course not.

Mr. PERCY. Of course not. But what is the difference between standby authority to escalate our forces in Vietnam and standby authority for the President to impose credit restrictions?

Mr. PROXMIRE. I think the President should use this standby authority now. I favor credit restraints and they should have been in effect for the last 6 months. But as far as Vietnam is concerned, I do not think he is withdrawing troops fast enough.

Mr. PERCY. Then, the Senator would use the power of his office as Senator from Wisconsin and the powerful position he has as chairman of the Joint Economic Committee to put pressure on the Treasury Department and the White House to use this authority to move in and control credit; that this standby authority should be used.

Mr. PROXMIRE. I think they should use this proposal. The administration's attitude now is that they are not going to use it. Maybe they will change as the situation develops. There is not this adverse anticipation which the Senator from Illinois feels. This is an excellent time to put it on the books.

Mr. PERCY. I think it is well we have the complete record. Again, I say that if we started to control this end of the economy we better start controlling the other ends of the economy. We should be forthright enough to say we are going to have a controlled economy. That is why I do not favor giving the President standby authority and that is why he does not want standby authority—because of the implication that he would feel he would have to use it. I think it is the nose under the tent, the foot in the door. That is why I want to keep the door closed and the tents battened down, and to make sure we make the present policies work. We would not want any lack of confidence in those policies.

I feel we should oppose such authority. I do oppose it and I hope the Senator recognizes it would not be wise and it would not be in the interest of the economy to say we are not willing to give the present policies a full chance to work.

I have heard distinguished Members of this body on both sides of the aisle say that they are concerned about a recession and that they are concerned about unemployment. In fact, if I recall correctly, the distinguished Senator from Wisconsin himself was concerned and admonished the Secretary of the Treasury for not being more concerned about unemployment going up in one month from 3½ to 4 percent.

If we are concerned about unemployment, if we are concerned about a softening economy, and if we are concerned about a potential recession; in fact, if we do not realistically feel that the interest rates will go up—and there is a tendency now for a softening of those rates—why now, at the very instant the policies show promises of working, why would we then show a lack of confidence in them and start to move in another direction which might, by the very action we take, start to inflate the economy once again?

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

Mr. BENNETT. Mr. President, I yield back the remainder of my time.

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Utah (Mr. BENNETT).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. MANSFIELD (after having voted in the negative). Mr. President, on this vote I have a pair with the distinguished Republican leader, the Senator from Pennsylvania (Mr. SCOTT). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia (after having voted in the negative). Mr. President, on this vote I have a live pair with the able Senator from Pennsylvania (Mr. SCHWEIKER). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. CHURCH), the Senator from Tennessee (Mr. GORE), the Senator from Michigan (Mr. HART), the Senator from Washington (Mr. MAGNUSON), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

On this vote, the Senator from Washinton (Mr. MAGNUSON) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from Washington would vote "nay" and the Senator from Texas would vote "yea."

On this vote, the Senator from Michigan (Mr. HART) is paired with the Senator from New York (Mr. GOODELL). If present and voting, the Senator from Michigan would vote "nay" and the Senator from New York would vote "yea."

I further announce that, if present and voting, the Senator from New Mexico (Mr. ANDERSON), the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. CHURCH), the Senator from Tennessee (Mr. GORE), the

Senator from South Dakota (Mr. McGOVERN), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Connecticut (Mr. RIBICOFF), and the Senator from New Jersey (Mr. WILLIAMS), would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. GOODELL) the Senator from Maryland (Mr. MATHIAS), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Iowa (Mr. MILLER) is absent on official business. If present and voting, the Senator from Iowa (Mr. MILLER) would vote "nay."

The Senator from Kentucky (Mr. COOK), and the Senators from Pennsylvania (Mr. SCOTT) and (Mr. SCHWEIKER) are detained on official business.

On this vote, the Senator from New York (Mr. GOODELL) is paired with the Senator from Michigan (Mr. HART). If present and voting, the Senator from New York would vote "yea" and the Senator from Michigan would vote "nay."

On this vote, the Senator from Texas (Mr. TOWER) is paired with the Senator from Washington (Mr. MAGNUSON). If present and voting, the Senator from Texas would vote "yea" and the Senator from Washington would vote "nay."

The pairs of the Senators from Pennsylvania (Mr. SCOTT and Mr. SCHWEIKER) have been presently announced.

The result was announced—yeas 30, nays 49, as follows:

[No. 152 Leg.]

YEAS—30

Aiken	Dole	Murphy
Allott	Dominick	Pearson
Baker	Fannin	Percy
Bellmon	Fong	Prouty
Bennett	Griffin	Smith, Maine
Boggs	Gurney	Smith, Ill.
Brooke	Hansen	Stevens
Cooper	Hruska	Thurmond
Cotton	Jordan, Idaho	Williams, Del.
Curtis	Mundt	Young, N. Dak.

NAYS—49

Allen	Holland	Packwood
Bayh	Hollings	Pastore
Bible	Hughes	Pell
Byrd, Va.	Inouye	Proxmire
Cannon	Jackson	Randolph
Case	Javits	Russell
Cranston	Jordan, N.C.	Saxbe
Dodd	Kennedy	Sparkman
Eagleton	Long	Spong
Eastland	McCarthy	Stennis
Ellender	McClellan	Symington
Ervin	McGee	Talmadge
Fulbright	McIntyre	Tydings
Gravel	Metcalf	Yarborough
Harris	Moss	Young, Ohio
Hartke	Muskie	
Hatfield	Nelson	

PRESENT AND ANNOUNCING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Byrd of West Virginia, against.
Mansfield, against.

NOT VOTING—19

Anderson	Hart	Ribicoff
Burdick	Magnuson	Schweiker
Church	Mathias	Scott
Cook	McGovern	Tower
Goldwater	Miller	Williams, N.J.
Goodell	Mondale	
Gore	Montoya	

So Mr. BENNETT's amendment was rejected.

Mr. BENNETT. Mr. President, I have two further amendments. It appears obvious from the result of this vote, that I may not prevail on either one of them. However, I think the record involving the issues should be made clear. Therefore, I will offer each of the amendments and discuss them.

Mr. President, I send to the desk amendments and ask that they be stated.

The PRESIDING OFFICER. The amendments will be stated.

The LEGISLATIVE CLERK. The Senator from Utah (Mr. BENNETT) offers amendments:

On page 12, line 18, insert "and" immediately after the semicolon.

On page 13, line 3, strike out the semicolon and the word "and" and insert in lieu thereof a period.

On page 13, beginning with line 4, strike out all down through line 15.

The PRESIDING OFFICER. The amendments will be considered en bloc.

Mr. BENNETT. Mr. President, my amendment would strike subsection 3 of section 3. The issue here is whether we tell the President it is the sense of the Senate that the Treasury must pump $4 billion into the mortgage lending stream while at the same time the bill on its face gives the Secretary of the Treasury the right to make that decision.

Mr. President, I am especially concerned about the interpretation of section 3 contained in the committee report. In some respects, the language and authority provided in the bill is entirely different from what the report indicates.

I have several questions to ask the manager of the bill following my remarks, which may be helpful in clearing up the discrepancy.

Section 3 of the bill could create serious problems for the Treasury and budgetary authorities. Increasing the amount that the Federal Home Loan Bank Board is authorized to borrow from the Treasury from $1 to $4 billion would not be an unwarranted change if the borrowing were to be for the purposes presently authorized. The savings and loan industry has increased in size and deposits since enactment of the provision authorizing a $1 billion borrowing authority and therefore an increase commensurate with the increase in the industry is in order. This bill, however, attempts to change the purpose for which the borrowing could be used. Admittedly, it is unclear from a reading of the language in the bill and a reading of the majority report just what the change is to be. On the one hand, the language in the report imposes on the Treasury a "positive mandate" to permit such borrowing by the Federal Home Loan Bank Board to prevent a drastic reduction in housing starts. On the other hand, it states that the Treasury borrowing authority would be used to permit the System to continue making expansion advances. It says on the one hand that the committee expects the Federal Home Loan Bank System itself to exhaust all possible sources of funds before requesting advances from the Treasury, yet on the other hand, it says that the use of the borrowing authority may also be justified if the rate of Federal home loan bank advances resulting from the issuing of its own obligations begins to exceed the rate which member associations can feasibly be expected to pay.

The report goes even further and infers that the borrowing authority is to be used if alternative means cannot be employed "to carry out national housing policy." The pertinent quote is:

> While the Secretary of the Treasury is expected to consult with the Home Loan Bank Board and the Secretary of Housing and Urban Development on matters of housing policy, the Secretary of the Treasury is the final judge as to whether alternative means can effectively be employed to carry out national housing policy without the use of Treasury borrowing authority.

According to the majority, we are about 500,000 units, or 28 percent, short this year in being on "schedule" on the housing goals set out in the 1968 Housing Act.

Turning to the actual language in the bill, one finds that no "positive mandate" is contained, nor is there anything about preventing a "drastic reduction in housing starts." One searches in vain for any reference to the use of the borrowing authority for "expansion advances" or any reference to rates members of the FHLBB can afford to pay or national housing goals. What is found in the bill is that Congress thinks the Treasury should allow borrowing "when alternative means cannot effectively be employed, to permit members of the Home Loan Bank System to continue to supply reasonable amounts of funds to the mortgage market whenever the ability to supply such funds is substantially impaired during periods of monetary stringency and rapidly rising interest rates."

I am appalled at the differences between the language of the bill, and the interpretation in the committee report. Even using the report figures on one- to four-family nonfarm residences—the ones most restricted by tight monetary policy—we discover that savings and loan associations increased their net supply of mortgage credit from $3.8 billion in the last half of 1968 to $4.2 billion in 1969. Other institutions which would not have access to the "subsidized" Treasury borrowing decreased their net supply. These other institutions would not have decreased their net supply of mortgage credit if rates of return on mortgage credit had been competitive with other investment alternatives. The housing "tailspin" from an annual rate of 1,878,000 units in January to a rate of 1,518,000 in September is the result of many factors—of which interest rates are only one—which influenced the business judgment of builders, buyers, and sellers alike. There is no doubt that a "drastic reduction in housing starts" has in fact occurred. If the borrowing authority section of this bill had been law, and if the amendment "provides the Treasury with a positive mandate from the Congress to permit such borrowing authority to be used in order to prevent a drastic reduction in housing starts," as the majority contends, the Treasury would have been providing subsidized financing all during this year to savings and loan associations even though these institutions have increased their mortgage lending by a greater amount than they did during the last half of 1968, while housing starts were climbing to the January 1969 peak.

I do not know what a reasonable amount of funds from Home Loan Bank Systems members is, but it does not seem appropriate that the Treasury be called upon to provide savings and loan associations with subsidized funds to offset decreases in the rate of mortgage lending by other institutions. In explaining the need for additional borrowing authority, the committee suggests that an additional source of credit is needed when the Federal Home Loan Bank System is unable to borrow in the open market. I am not aware that there has ever been a time when the Federal Home Loan Bank Board was unable to borrow in the market at a price. It is true that the Treasury holds a veto power over issues of the Federal Home Loan Bank System. I have been unable to find any indication that the Treasury has ever precluded the Federal home loan banks from issuing obligations. There have been times when the Treasury suggested that issues not be marketed during a specific short time period, so that such issues could be timed either before or after other Federal offerings. The committee wisely decided to retain this Treasury veto authority. If, however, new authority provided in this section were enacted and if the Treasury complied with the "sense of Congress" provision as described in the report, any time Federal home loan banks were prohibited from going into the market, the Treasury would be required to make funds available to the Federal home loan banks through this borrowing authority provision. The Treasury would then need to go into the market itself to get the funds to supply the Federal home loan banks. The purpose the Treasury had in vetoing a Federal home loan bank issue would be completely defeated and, in addition, the Federal home loan banks under today's conditions would receive the funds which they sought at a lower rate of interest than they would have been required to pay in the open market. Use of the veto under such circumstances would be ridiculous.

The committee report suggests that the amendment "requires that the rate charged on such borrowing from the Treasury be set at the current market yield on Treasury obligations." If that is what the committee wanted to do, the language in the bill should have been changed, because the language now reads specifically:

> Each purchase of obligations by the Secretary of the Treasury under this subsection shall be upon terms and conditions as shall be determined by the Secretary of the Treasury and it bear such rate of interest as may be determined by the Secretary of the Treasury, taking into consideration the current average market yield for the month preceding the month of such purchase on outstanding marketable obligations of the United States.

I read this language to say that the Secretary of the Treasury shall determine both the rate and the conditions upon which a loan will be made. There is no requirement that it be at the current market yield or above that yield or below that yield. It has also been argued that if the borrowing were at the current market yield, this would remove any subsidy from such borrowing. This is a rather strange assertion when taken in connection with a statement made later in the report that the rate on Federal home loan bank issues during periods of tight money can exceed the comparable Treasury rate by 1 percentage point or more. The difference of view here is based on a definition of subsidy. The actual yield on 1-year Treasury obligations during October was 7⅝ percent. The actual yield on all outstanding marketable obligations was 7⅜ percent. On October 27 the Federal Home Loan Bank Board marketed two issues, one with a 1-year maturity was at 8¼ percent, and an issue with a 2-year maturity was just slightly less. This is a differential of five-eighths of one percent on the 1-year obligations and seven-eighths of a percent on all outstanding marketable obligations. The nationwide average interest rate on conventional mortgages at the end of September was just over 8 percent.

The same line of reasoning used to disclaim any subsidy on Treasury borrowing by the Federal Home Loan Bank System could be used by a prospective homeowner in order to receive a loan from the Treasury at the rate which the Treasury pays on its issues. The Treasury rate would be significantly lower than the market interest rate for mortgages and would provide a subsidy to the individual homeowner. This subsidy would not require appropriations on the part of the Congress nor would it represent any payment on the part of the Federal Government to the individual. In just the same way, while no appropriation would be necessary for the Federal home loan bank borrowing from the Treasury a subsidy would be involved and it would amount to the difference between the rate at which the Federal Home Loan Bank System would pay on obligations it issues as compared with the rate paid by the Treasury on its obligations.

After specifically providing in subsection 2 of section 3 of the bill that the Secretary of the Treasury has the authority to determine the "terms and conditions" of any loans to the Federal Home Loan Bank System, I question why subsection 3 states, "any funds so borrowed will be repaid by the Home Loan Bank Board at the earliest practicable date." If the Secretary controls the "terms and conditions" when the obligations are purchased, he would also control the repayment period.

The report suggests that there would be no permanent budget impact. Under the unified budget concept, Treasury advances to the Federal home loan banks would appear as expenditures. The budget for a fiscal year could thus be altered by $4 billion. This could create a serious budgetary problem.

If the Congress wants to provide a substitute for market borrowing by the Federal home loan banks, it would be preferable to appropriate the funds rather than provide them through the "back door" of the Treasury. In that way, the need for more resources for housing would be weighed against other claims for budget dollars. Congress set the goals. If Congress really wants the housing, it should be willing to provide the financing or establish climate in which market financing is available.

One of the most unfortunate aspects of this proposal to provide Treasury financing is that it would result in an increase in market interest rates throughout the economy. As pointed out earlier the differential between market rates and the rates which savings and loan associations can pay on savings results in disintermediation. Private funds which would have been available for mortgages tend to dry up, and some lenders would have fewer funds to invest because of savings outflows. Other lenders have freedom to shift their available funds out of mortgages into corporate bonds or higher yielding investments would do so. As the flow of private funds into mortgages diminished, the Treasury would be called upon for additional financing, thus driving market rates higher and producing more disintermediation. I do not contend that the disintermediation in savings and loan associations alone would be equal to the additional financing which they could receive through Treasury borrowing. But there is no doubt that Treasury action to supply mortgage funds would be at least partially self-defeating.

I am also concerned that if the Congress begins to use Treasury financing in this manner to support the housing market, other special interest groups may claim an equal right to the use of Treasury funds.

In summary, section 3 of this bill, if used in the way the majority report suggests, would compel massive injections of public credit into mortgages. At the same time, it would probably trigger offsetting outflows by private funds from the mortgage market. The benefit gained by savings and loan associations through this type of financing rather than Federal home loan bank borrowing would be minimal and the budgetary problems created by an additional $4 billion expenditure could be serious.

Now, Mr. President, I have eight questions that I would like to pose to the manager of the bill, the Senator from Wisconsin. He has had a copy of them. If he will favor me, I would like to read these questions into the RECORD.

First. Is there any requirement in the bill that the rate charged by the Treasury be at the current market yield on Treasury obligations?

Mr. PROXMIRE. The Senator is correct. This is what the bill provides.

Mr. BENNETT. That is not my understanding of the bill. Would the Senator tell me the particular section that requires that?

Mr. PROXMIRE. On page 12, lines 20 and following, the bill provides:

> Each purchase of obligations by the Secretary of the Treasury under this subsection shall be upon terms and conditions as shall be determined by the Secretary of the Treasury and shall bear such rate of interest as may be determined by the Secretary of the Treasury taking into consideration the current average market yield for the month preceding the month of such purchase on outstanding marketable obligations of the United States.

It seems to me that would mean that it would be roughly or precisely what the Senator provides in his question, the current market yield on Treasury obligations.

Mr. BENNETT. But the words are, and I will reread them and emphasize one particular word: "and shall bear such rate of interest as may be determined by the Secretary of the Treasury taking into consideration the current average market yield."

That is the issue between us.

Mr. PROXMIRE. The Senator is correct. I think that is an excellent point. This does provide discretion obviously to the Secretary of the Treasury. However, the Secretary of the Treasury has interpreted similar language in other legislation to mean the current market rate as I have indicated in my original answer. It is our expectation that he would do it again under the pending bill.

The language has been used before, and this has been the precedent established.

Mr. BENNETT. That precedent, however, is not binding. And it is true that under the language of the bill, the Secretary of the Treasury could use a different market rate.

Mr. PROXMIRE. The Senator is correct.

Mr. BENNETT. Second, does the Secretary make the determination of whether "alternative means are available," in subsection (3) of section 3?

Mr. PROXMIRE. The Secretary would make that determination.

Mr. BENNETT. Does the bill refer to "expansion advances" as a purpose of this proposed borrowing authority?

Mr. PROXMIRE. Not specifically. However, this is the intent expressed on page 13, lines 10 and 11, where it states: "to supply reasonable amounts of funds to the mortgage market."

This is the intent of the language.

Mr. BENNETT. The language is: "whenever the ability to supply such funds" referring to the Home Loan Bank Board, "is substantially impaired during periods of monetary stringency and rapidly rising interest rates."

This refers to impairment and not to expansion.

Mr. PROXMIRE. The Senator is correct. The "such" refers back to the lines which I referred to on page 13, lines 10 and 11, reading: "to supply reasonable amounts of funds to mortgage market."

It refers back to "reasonable" as interpreted by the Secretary of the Treasury.

Mr. BENNETT. In view of the language on the later lines, it seems to me that this calls upon the Secretary of the Treasury to supply funds at his discretion and only when the supply of funds is substantially impaired in times of monetary stringency and rapidly rising interest rates, not to provide funds for expansion.

Mr. PROXMIRE. That is correct. Of course, in such a situation advances could be for expansion purposes.

Mr. BENNETT. It is again up to the Secretary to decide.

Mr. PROXMIRE. Exactly. It is up to the Secretary in his discretion.

Mr. BENNETT. Mr. President, is there any language in section 3 referring to the use of such borrowing to meet our housing goals?

Mr. PROXMIRE. There is not.

Mr. BENNETT. Is there any reference in the section "mandating" that the authority should be used if housing starts decline drastically?

Mr. PROXMIRE. No. However, again, on page 13, line 10, "reasonable amounts of funds" would suggest that if there is a drastic decline, it would certainly be reasonable to provide funds.

Mr. BENNETT. Mr. President, as the Senator from Wisconsin knows by virtue of its expanded authority and a change in its policy, the Home Loan Bank Board has supplied something like $2.6 billion more to the mortgage market this year than it did before.

Mr. PROXMIRE. That is my understanding.

Mr. BENNETT. They supplied more to the mortgage market than they did last year.

Mr. PROXMIRE. They did, indeed. Approximately $2.6 billion more—a substantial amount.

Mr. BENNETT. Does the Senator interpret section 3 as requiring the Treasury to permit the borrowing authority if it restricts the Federal home loan banks from issuing securities?

Mr. PROXMIRE. Not necessarily. The Treasury may restrict the Home Loan Bank Board because of a glut on the market and as a matter of timing their own issues. So it would not necessarily require it.

Mr. BENNETT. In any event, discretion is with the Secretary?

Mr. PROXMIRE. That is correct.

Mr. BENNETT. Is there any language in the bill that requires the Secretary of the Treasury ever to use this authority?

Mr. PROXMIRE. Well, "requires," of course, is the key word in that question. It does not mandate him or require him, but it serves notice, as the Senator has indicated, that this is the policy of the Senate, and it leaves up to his discretion how he meets that policy.

Mr. BENNETT. The Senate proposes and the Secretary disposes, to use the old phrase.

Mr. PROXMIRE. That is correct.

Mr. BENNETT. Does the Secretary of the Treasury, in fact, have control of the borrowing, the rate, the repayment period, and all other "terms and conditions" mentioned in section 3?

Mr. PROXMIRE. Yes; he does.

I want to say to the Senator from Utah that these are excellent questions, because they do clarify the language of the bill very well. I think they indicate to anyone who has listened to this discussion that the bill is a limited bill. We do not expect that this is going to provide an immediate infusion of $4 billion into the housing market. At the same time I hope that this bill carries the clear policy position of the Senate, that the Treasury should do all it can to prevent a catastrophic drop in housing because of scarce credit and high interest rates.

Mr. BENNETT. The Senator from Utah raised these questions because of language in the report that accompanied the bill. I think it is necessary for the guidance of the Secretary of the Treasury that these eight problems be cleared up, and I appreciate the cooperation of the Senator from Wisconsin in clearing them up.

Mr. PERCY. In the Housing and Urban Development Act of 1968, the Congress reaffirmed its national commitment of providing 26 million housing units within the next 10 years. It was deeply gratifying to me that this legislation received broad support from both sides of the aisle and from conservatives and liberals alike. I look upon the large affirmative vote of last year as a congressional vote of confidence for this new program.

However, as a member of the Senate Subcommittee on Housing and Urban Affairs of the Banking and Currency Committee, I know not only of the pressing need for these 26 million housing units and our Nation's desire to provide them, but also of the serious problems we face in achieving our goal. One problem—the shortage of mortgage credit—has most unfortunately resulted in spiraling increases in home prices, interest rates, and rents—all of which place a burden on those who can least afford it.

The bill we have before us would take an important step forward in alleviating the difficult situation we have encountered. It would provide authority for $3 billion additional Treasury funds to the savings and loan industry. The sense of the Congress, as expressed in the Senate report, is that such legislation would assist in stabilizing the mortgage market during times of tight money.

Enactment of S. 2577 is useful as a partial step to assure that we do not abandon our housing goal during periods of restrictive monetary policy. We must be certain that our housing sector does not bear the brunt of inflation.

Therefore, let us keep moving forward to solve one of our most critical domestic problems—providing housing to those in need with S. 2577 as a useful tool.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the time for the vote on final passage of the pending measure arrives, the vote occur at approximately 2:30 p.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. PROXMIRE. Mr. President, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. BENNETT. Mr. President knowing that the amendment will not be approved and having cleared up the differences between the bill language and language in the report on the bill, I withdraw the amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. BENNETT. Mr. President, I send another amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 7, line 14, after the semicolon insert "and".

On page 7, strike out lines 15 through 17.

On page 7, line 18, strike out "(4)" and insert "(3)".

On page 7, beginning with line 20, strike out all through line 14 on page 12.

Renumber succeeding sections accordingly.

Mr. MANSFIELD. Mr. President, at the conclusion of the discussion on the pending business, if no Members wish to make remarks on other subjects, it is the intention of the leadership to ask unanimous consent that the Senate stand in recess from that time until 2:15 this afternoon. This is just to serve notice that it is our intention to do that.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House has passed a joint resolution (H.J. Res. 589) expressing the support of the Congress, and urging the support of Federal departments and agencies as well as other persons and organizations, both public and private, for the international biological program, in which it requested the concurrence of the Senate.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 589) expressing the support of the Congress, and urging the support of Federal departments and agencies as well as other persons and organizations, both public and private, for the international biological program, was read twice by its title and referred to the Committee on Foreign Relations.

DEPOSIT RATES AND MORTGAGE CREDIT

The Senate resumed the consideration of the bill (S. 2577) to provide additional mortgage credit, and for other purposes.

Mr. BENNETT. Mr. President, I yield myself 8 minutes.

I have sent to the desk an amendment striking section 2 from the bill.

Section 2 introduces a totally new concept of Federal control of State-chartered institutions which are not federally insured. I believe that it is an unnecessary intrusion of Federal authority into State matters that do not affect national policy objectives. As has been discussed earlier, the provisions of section 2 set up immediate authority for the Federal regulatory agencies to limit the rate paid on time and savings deposits in nonfederally insured institutions until July 31, 1970. The maximum rate which could be paid in a State where this authority is used would be 5½ percent until July 31, 1970, or until the legislature of the State acted to provide rate control authority to a State agency similar to authority now held by Federal regulatory agencies. The provisions of this section would apply only in the State of Massachusetts, because it is the only State in which the assets of nonfederally insured institutions exceed 20 percent of the total. In most States, assets in nonfederally insured institutions are a very small percentage of the total. Some institutions in Massachusetts are now paying in excess of 5½ percent, while federally chartered or insured institutions cannot exceed that rate.

I am aware of the problem which brought about the proposal for Federal rate control of institutions other than those chartered or insured by a Federal agency. In 1966, we established authority for Federal agencies to limit the rates that could be paid by savings and loan associations and banks. This was done to prevent excessive competition for funds between commercial banks and savings and loan associations.

In imposing this limitation the Congress deliberately gave an advantage to thrift institutions and during the last 12 months time deposits in commercial banks have declined by nearly $9 billion while deposits in mutual savings banks and savings and loan associations have increased by nearly $8 billion. I supported that legislation on the grounds that it was necessary because of a particular crisis. I cannot, however, support the extension of that authority to institutions which are not under Federal jurisdiction.

Membership in the Federal Deposit Insurance Corporation or the Federal Home Loan Bank System has always been voluntary for State-chartered institutions. There is valid basis for imposing Federal regulation on State-chartered savings and loan institutions which have elected to take advantage of the benefits of the Federal Home Loan Bank System, and State banks which have elected to become part of the Federal Reserve System or members of the Federal Deposit Insurance Corporation. A case might even be made for Federal control if it could be shown that lack of Federal control over noninsured, nonmember State institutions had interfered with national policy objectives. That has not been shown nor has any evidence supporting such a conclusion been presented. In fact, Chairman Martin of the Federal Reserve Board testified in our hearings that, "Our ability to use monetary policy as an economic stabilizing device has not been seriously weakened in recent years by the ability of the noninsured thrift institutions to pay higher rates than the insured banks and savings and loan associations."

The problem which brought about this provision is primarily limited to the State of Massachusetts, and the requirements of the section are also limited to that State. It has been argued that State-chartered institutions which are allowed to pay higher rates on certain types of deposits than allowed under Federal regulation for Federal institutions are siphoning funds from the Federal institutions not only in Massachusetts but also from neighboring States. It is true that institutions allowed to pay higher rates are growing at a more rapid rate than the national average of similar institutions and more rapidly than federally controlled institutions in Massachusetts. There is no conclusive evidence, however, that these institutions are drawing funds from other institutions solely because they are not subject to the same rate controls. There are many factors which could account for the difference. No clear case can be made either way. Even if the rate differential were the sole cause for the difference in deposit growth, putting a similar ceiling on Massachusetts institutions would not necessarily improve the position of other institutions presently under Federal rate control. It is a fact that the Federal control on rates that can be paid by financial intermediaries has resulted in a diversion of funds away from savings deposits into other investment opportunities offering a significantly better return. If Massachusetts institutions have been able to stem the disintermediation through a slightly higher rate and if they can afford to pay the higher rate without jeopardizing their institutions, this represents a net gain not only to savers and to the institutions involved, but also to the housing industry in Massachusetts and surrounding areas because of the added capacity to make mortgage loans.

The committee report stresses the importance of mortgage financing and the disintermediation that takes place during periods of tight monetary policy. Indeed, this bill could add to the disintermediation and thus result in a decrease in mortgage money. To a question during our hearings, Chairman Martin of the Federal Reserve Board supplied the answer that—

> Our research studies have shown that marketable fixed-income securities are relatively good substitutes for savings accounts at thrift institutions, and the attractive yields on these securities in 1969 have served to attract funds that would have otherwise gone to both federally regulated and other thrift institutions.

What is needed to reduce disintermediation is an increase in the rate that all financial intermediaries can pay for deposits, not a decrease.

Restriction by Federal authorities on the rate that can be paid by banks, savings and loan associations, and mutual savings banks has resulted in disintermediation in all financial intermediaries greater than would have been the case in the absence of rate controls. Those who are rate conscious, and savers are becoming more rate conscious, can presently obtain 7 or 8 percent on market securities as compared with a rate of 4¾ to 5½ percent that can be paid by financial intermediaries.

It is argued that we need more money in the housing market. This proposal will certainly not add more mortgage money. It can only reduce it. It has been argued that if we do not provide for controls on savings similar to those now limiting the amount that can be paid by federally insured institutions, many Federal institutions may change their charters to State charters. Massachusetts law requires that institutions must be able to earn the amount being paid in dividends. There is no indication that Massachusetts firms paying higher than the Federal limits are not as financially sound as those which are paying the lower rates. The argument that Federal institutions will change their charters to

State charters either means that these institutions could pay more than they are now being allowed to pay or that these institutions are not as efficient as their State counterparts. In either event, I do not feel that the solution is to reduce the rates being paid to savers.

I realize that the Senator from Massachusetts (Mr. BROOKE) has attempted to work out a compromise which would avoid direct Federal rate control over Massachusetts institutions. The compromise proposal contained as section 2 in this bill is better than Federal rate control without any possibility for the State to alleviate itself of that burden, but the fact remains that this compromise, too, provides direct Federal rate control and prohibits State institutions from paying rates which they are financially able to pay to savers.

We have now had Federal rate controls for 3 years. The rates being charged for loans by banks, mutual savings banks, and savings and loan associations have increased significantly during that period. Yet the amount that can be paid by these institutions for savings has been held down by Federal authorities. No information was provided during our hearings showing that financial intermediaries cannot pay a higher rate than they are now paying and still remain solvent. If a higher rate were allowed, as I think it should be, savers would benefit, there would be an inducement to save rather than to spend for consumer goods, and the problem of establishing Federal controls over State institutions would be alleviated.

When it was alleged that federally chartered or insured institutions were losing deposits to State-chartered institutions in Massachusetts, the Chairman of the FDIC allowed federally insured mutual savings banks to increase the rates which they pay on deposits. I do not think that he would have taken this action if he felt it would jeopardize their solvency, since the FDIC insures depositors in these mutual savings banks, that their deposits up to $15,000 will be repaid even if the institution in which they have placed the deposits is forced into bankruptcy.

Before we move to restrict, by Federal law, the amount that can be paid by State associations, I wish that our committee might have been given statistical information on the financial condition of the federally chartered institutions to show us whether or not they could meet the competition of State institutions on the payment for savings.

At this time I would like to make the point that as between the original proposal and the substitute developed by the Senator from Massachusetts, I would prefer the Senator's substitute.

Mr. BROOKE. Mr. President, I rise today to address issues which are of utmost importance to me: The need to provide additional mortgage money at a time when this Nation's housing industry is in dire straits; and the need to prevent the extension of Federal rate regulation to State banking activities which are not presently regulated by the Federal Government.

Senate bill 2577 contains a series of provisions—some being very beneficial to the mortgage market and essential to this Nation's financial stability and others being of marginal utility at this time. Section 1 of the bill would extend until September 22, 1970, flexible authority to regulate the rates of interest paid by financial institutions on time and savings deposits. This authority was first enacted by Congress during the 1966 "credit crunch" to restrain excessive competition for funds by commercial banks and savings and loan associations. While the operation of a free market would certainly be preferable to the presence of such ceilings, present conditions require the extension of this authority in order to avert the possibilities of a rate war between the banks and savings and loan associations. Unrestrained competition could have disastrous effects upon the supply of mortgage credit at a time when it is already exceedingly scarce.

Section 2 of S. 2577 would extend Federal deposit rate control authority to nonfederally insured financial institutions in a two-step process. Prior to July 31, 1970, Federal financial agencies would have authority to prevent the rates paid by nonfederally insured institutions from exceeding 5½ percent. After that date, full rate control authority would go into effect until September 22, 1970, unless renewed by the Congress. Section 2 also provides that either form of rate control authority will be lifted if, under the laws of the State in question, a State bank supervisory agency has comparable rate control authority and issues regulations in the exercise of that authority.

Section 2 was drawn in such a way that Federal rate control authority over nonfederally insured thrift institutions is confined to one State, Massachusetts. I have given a great deal of time and study to the problems underlying this section and have concluded that it represents a reasonable compromise on the part of the interested parties. I also believe that it represents a long-run solution to the problems which prompted the introduction of this section by Senator PROXMIRE.

Savings institutions in Massachusetts which are not subject to Federal rate control comprise approximately 60 percent of total deposits. Currently, these institutions are paying an average of 5.34 percent on "special notice accounts"; whereas, Federal savings and loans and some cooperative banks, which are members of the Federal Home Loan Bank system, are limited to 5 percent on such accounts. The Federal Deposit Insurance Corporation (FDIC) has permitted eight mutual savings banks under its control to pay a rate which is competitive with that paid by State thrift institutions. Thus, Federal Savings and Loans and certain Cooperative Banks which have voluntarily elected to become members of the Federal Home Loan Bank system are at a competitive disadvantage vis-a-vis the State thrift institutions because of restrictions placed on those institutions by the Board.

There has been considerable pressure brought to bear on certain members of the Senate Banking and Currency Committee to remove the disparity by extending Federal rate control. Several issues have been raised in opposition to such action. Among them are the fact that both Federal and State thrift institutions in Massachusetts are suffering substantial savings drains because of higher rates paid in the bond market and other money markets. To further curtail the rate of interest which these institutions can pay on deposits, would result in a diversion of funds from both types of institutions to other higher yielding investments. In addition, the dual banking system which has operated so successfully in Massachusetts must not be encroached upon by Federal regulatory measures unless it is clearly demonstrated that the State is incapable of coping with its own problems. Following lengthy consideration of these issues the carefully devised compromise measure already discussed has been adopted by the Senate Banking and Currency Committee and, I believe, warrants the approval of my colleagues in the Senate.

It is hoped that enactment of this section will result in responsible State legislation which will avert continued pressures to extend Federal rate control authority to State institutions. It is also hoped that the Federal Home Loan Bank Board will see fit to permit thrift institution under its control to pay competitive rates in Massachusetts.

Section 3 of S. 2577 increases from $1 to $4 billion the authority of the Home Loan Bank system to borrow from the Treasury. It also specifies that it is the sense of the Congress that this authority be used to help stabilize the mortgage market during periods of tight money. The funds borrowed from the Treasury would be reloaned by the Federal Home Loan Bank Board to those savings and loan associations whose supply of funds are substantially impaired. In summary, the borrowing authority provided under this section could produce substantial beneficial effects when mortgage activity is at a standstill and when housing goals continue unsatisfied.

Section 4 of the bill permits the Federal Reserve Board to strengthen its administration of regulation Q so as to preclude commercial banks from raising funds indirectly through holding company affiliates at interest rates higher than the rate ceilings permitted under that regulation. Although the Federal Reserve Board can presently bring this kind of borrowing within the regulation Q ceiling, the Senate Banking and Currency Committee felt that clarification of this authority was necessary. I concur in the committee's judgment that this loophole must be closed to insure that Federal regulations are not circumvented.

Under section 5, the Federal Reserve Board would be given additional authority to establish higher reserve requirements on Eurodollar borrowings from foreign-owned banks. During recent months it has become evident that large commercial banks have been able to circumvent the Federal Reserve Board's monetary policy by drawing on dollars

held on deposit at banks outside of the United States. Presently, the Federal Reserve Board is able to establish a 10-percent reserve requirement on additional Eurodollar inflows; however, the 10-percent figure is generally deemed to be inadequate. Accordingly, this section would permit the Board to establish reserve requirements of up to 22 percent. The Federal Reserve has concurred in the need for this additional authority, and I believe the committee's judgment in extending the authority is justified by the facts presented.

Finally, sections 6 and 7 would provide authority for a voluntary credit restraint program. I voted against adoption of these provisions because the administration has indicated it does not need such tools and, in fact, believes that enactment might have a negative impact. While many economists are optimistic about the effects of anti-inflationary policies presently being employed, I have also heard a growing number of businessmen express concern about the administration's reluctance to utilize moral suasion. I sincerely hope that in the months to come, key Government leaders will actively seek cooperation on the part of business and labor to stabilize wages and prices as a means of easing inflationary pressures.

In conclusion, I commend my very able colleague, the Senator from Wisconsin (Mr. PROXMIRE), on his fine efforts with respect to this piece of legislation, and the Senator from Utah (Mr. BENNETT) for his usual careful scrutiny of legislation. Although I do not agree with every provision, I believe that the thrust of the bill—providing additional mortgage credit—is a commendable purpose which must not go ignored by the 91st Congress. As homeowners, lenders, builders, and construction workers will attest, the housing industry is in dire straits. It must receive relief if we are to avert a further slowdown in housing starts and reverse serious trends which are reducing prospects of realizing the 1968 housing goal of "a decent home for every American."

Mr. PROXMIRE. Mr. President, will the Senator from Massachusetts yield?

Mr. BROOKE. I yield.

Mr. PROXMIRE. I commend the distinguished Senator from Massachusetts on this section of the bill. He acted as chairman of the committee and conducted the hearings on this section of the bill. He has worked out a Solomon-like compromise under very difficult circumstances. I know how difficult it was because there were contending groups within his State.

I should like to ask the Senator from Massachusetts, is it not true that the purpose of regulation Q is to provide for protection against the flow of savings out of institutions which finance homebuilding and into commercial banks such as we experienced before we had regulation Q; that money flowed out of savings and loan institutions when we had the credit crunch, and interest rates went up. We do need regulation Q, in the judgment of many, at least as a temporary expedient, but the Senator has the situation in Massachusetts that the mutual savings banks get a benefit from the regulation Q ceiling; in other words, they are protected against potentially stiff competition from commercial banks but, on the other hand, the Massachusetts mutual savings banks are free from regulation Q and have unlimited freedom to compete against controlled institutions so that they get the benefit but they pay no cost. They are free riders, in a sense. As a matter of equality, they should be subject to the same kind of controls.

Mr. BROOKE. Well, to a degree, I would agree with the Senator from Wisconsin. I certainly admit that regulation Q has been effective and has been helpful in keeping the flow of money from going out of federally controlled banks to the mutual savings banks. But the mutual savings banks have derived some benefit as a result of regulation Q, as the Senator said. The fact remains that we do have an unusual dual banking system in the Commonwealth of Massachusetts, of which I think the Senator is well aware. Under this compromise provision, we are asking the Massachusetts General Court—which is the legislative body of the State of Massachusetts—to enact legislation which will give the State banking commissioner or the banking agency authority to establish rate ceilings on thrift institutions which are not federally controlled.

Mr. PROXMIRE. It seems to me there is special merit in the provision because it does not usurp State authority and does not have the Federal Government move in with an edict from Washington. The section provides the opportunity for State regulatory authorities to act themselves when they see fit.

Mr. BROOKE. Mr. President, in addition, if the State does not act by July 1970 the Federal controls will apply to the thrift institutions in the Commonwealth of Massachusetts as well, but at least it is giving the State the opportunity to act in this field. If they do not act, then the Federal Government will step in. This is a condition and a provision under which they can live. As the Senator has very well said, and I am grateful for his comments, we have had a knotty problem, a rather unusual problem, and we have solved it in the best interests of the dual banking institutions and in preserving State authority.

Mr. PROXMIRE. I thank the Senator from Massachusetts.

Mr. BROOKE. I thank the Senator from Wisconsin very kindly.

Mr. BENNETT. In deference to the Senator from Massachusetts—having expressed my opposition to the proposal to the extension of Federal rate control over State chartered now federally insured institutions—since the provisions of this bill apply only in his State I am prepared to withdraw my amendment.

The PRESIDING OFFICER (Mr. McINTYRE in the chair). The amendment is withdrawn.

Mr. WILLIAMS of New Jersey. Mr. President, I support S. 2577 and particularly section 3 which authorizes the home loan bank system to borrow up to $4 billion from the Treasury during periods of tight money. This provision should enable the average home buyer to obtain a mortgage loan during a credit shortage at rates he can afford to pay. I fully agree with the need to curb inflation. But we should not expect the American home buyer to carry the full load in fighting inflation.

The present law, enacted 19 years ago, authorizes the nome loan banks to borrow up to $1 billion from the Treasury. The Subcommittee on Financial Institutions recommended that this authority be increased to $2 billion. When the full Banking and Currency Committee considered the bill, I offered an amendment increasing the borrowing authority to $4 billion. The committee approved this amendment and it is included in the legislation before the Senate today.

Mr. President, Congress established the home loan bank system in 1933 to help revive the depressed homebuilding industry. Today its tasks are no less urgent. The home loan banks serve as central banks for savings and loan associations. The main job of the home loan banks is to borrow funds in the national money market and reloan them to neighborhood savings and loan associations. This enables the small, local savings and loan associations to obtain funds for making mortgage loans whenever regular savings deposits are not enough. Since savings and loan associations supply about half the mortgage loans in the United States, they obviously are of crucial importance to the home buyer. By the same token, the home loan banks, which stand behind savings and loan associations, are equally important to the home buyer.

As long as the home loan banks can raise all the funds needed by savings and loan associations, the system works reasonably well. But during a period of tight money, the home loan banks must pay more for their funds. This added cost must be passed on to savings and loan associations, who in turn must pass it on to the home buyer. Thus developments in the New York money markets are transmitted swiftly to hundreds of thousands of home buyers across the Nation.

When interest rates rise too high, the home buyer is either squeezed out of the market or forced to pay an onerous rate. It is at this point that Treasury borrowing authority can help ease the burden on the home buyer. The home loan banks can borrow from the Treasury at a lower rate than they would have to pay in the open market. The difference can be as much as 1 percentage point and is due primarily to the fact that the bonds the Treasury issues to finance the loan to the home loan banks have greater investor acceptance.

From the Federal Government's standpoint it makes little real difference whether the home loan banks borrow directly from the market or indirectly through the Treasury. Both the Treasury and the Home Loan Bank Board are agencies of the Federal Government and the treatment of their debt is largely a bookkeeping matter.

However, it is much more than a bookkeeping matter to the home buyer. The savings resulting from the lower cost Treasury borrowing can reduce his

monthly mortgage payments by $15 a month. This may not sound like much, but to a young family just starting out it can spell the difference between owning a home and not owning a home.

If interest rates keep accelerating, the home buyer will soon be paying 9 or even 10 percent interest. Moreover, if he is not permitted to refinance except at a stiff penalty, he is locked into these high rates for 25 or 30 years. The timely use of Treasury borrowing authority can prevent the relentless increase in mortgage interest rates and permit thousands of American families to realize the goal of homeownership.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The committee amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. PROXMIRE. Mr. President, it is quite possible that the President of the United States, Richard M. Nixon, may be here at approximately 2:15 o'clock p.m.

I, therefore, ask unanimous consent that the Senate stand in recess, subject to the call of the Chair. The Senate will be reconvened, as I understand it, between 2 and 2:15 o'clock this afternoon.

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

(At 1 o'clock and 29 minutes p.m., the Senate took a recess subject to the call of the Chair.)

(At 2 o'clock and 23 minutes p.m., the Senate reassembled, when called to order by the Presiding Officer, Mr. SAXBE in the chair.)

VISIT TO THE SENATE BY THE PRESIDENT OF THE UNITED STATES

The PRESIDING OFFICER. The Senate will come to order. Subject to the previous order, the Chair directs the Sergeant at Arms to clear the Chamber of all staff personnel not immediately concerned with the business of the Senate. The Sergeant at Arms is directed to carry out this order at this time.

Mr. BYRD of West Virginia. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will please be in order.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Chair be authorized to appoint a committee to escort the President of the United States into the Senate Chamber.

The PRESIDING OFFICER. Without objection, it is so ordered. The Chair appoints the President pro tempore (Mr. RUSSELL), the majority leader (Mr. MANSFIELD), the minority leader (Mr. SCOTT), a committee to escort the President of the United States into the Senate Chamber.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

(The President of the United States, escorted by the Secretary of the Senate and the Sergeant at Arms, and accompanied by the committee appointed by the President pro tempore, entered the Chamber.)

The PRESIDING OFFICER (Mr. SAXBE in the chair). The Senate is pleased to welcome the President of the United States, who will now address the Senate.

[Applause, Senators rising.]

(At this point the President pro tempore of the Senate assumed the chair.)

The President of the United States, from the rostrum, addressed the Senate as follows:

The PRESIDENT. Mr. President, and my colleagues in the Senate, I can use that term because I shared the opportunity of serving in this body, and I always feel that I belong here whenever I have the chance to return.

I do want to say on this occasion that this is only the second opportunity I have had to speak in this Chamber since I presided over this body; and as you know, the Presiding Officer has very little chance to speak. He makes a few rulings, but not often does he speak.

In speaking to you, I shall do so only briefly, but I do feel that at this time, with the calendar year nearing an end, it would be well to refer to the relations between the executive and the legislative branches of our Government.

When this administration came into office on January 20, we had a problem with regard to those relationships, which had really existed for nearly a hundred years, after an election—the President a member of one party, and both Houses controlled by members of the other party.

Of course, the usual dire predictions were made that, under that situation, progress would grind to a halt, and that whether it was domestic or foreign policy, we would not be able to give the Nation the kind of government that the Nation should be entitled to under our system.

I think the predictions have proved to be wrong. I do not mean to suggest, as I indicated in, I thought, a temperate message to Congress a few weeks ago, that there are not some areas where the executive would appreciate more action on the part of the legislative branch of the Government. But I do say this: I look back over these months with great appreciation for the fact that on some of the great national issues and on the great international issues involving the security of the Nation, we not only have had consultation, but we have had support.

I also want to recognize a fact of life—a fact of life that I learned when I was in the Senate and when I presided over it: Senators, more so than Members of the House of Representatives, are individuals. Senators have a great pride, and rightly so, in their right to make up their own minds with regard to the propositions that are sent to them by the executive branch of the Government. This is true whether they are members of the President's party or not members of the President's party.

I find, looking back over this period of time, that this administration has been subjected to some sharp criticism by some Members of this body, both from the Democratic side and from the Republican side. I want the Members of this body to know that I understand it. I recognize this as being one of the strengths of our system, rather than one of its weaknesses, and I know that, in the end, out of this kind of criticism and debate will come better policies and stronger policies than would have been the case had we simply had an abject Senate—or House of Representatives, for that matter—simply approving whatever ideas came from the executive branch of the Government.

This does not mean that we do not feel very strongly about our proposals when we send them here. It does mean that I, as a former Member of this body, one who served in it and who presided over it for 8 years, recognize this great tradition of independence, and recognize it as one of the great strengths of our Republic.

I would address a very brief remark to a subject that I had an opportunity to discuss with the majority leader this morning at breakfast, and then with Members of the leadership at lunch today.

In the next few months, a number of matters will be undertaken on the world scene, some of which will require not only Senate consultations, but also, if there is agreement among world powers, including ourselves, Senate advice and consent.

This administration wants to develop a relationship in which we will have that consultation, and in which we will have the advice, not just the consent. This is not always easy, because, when such negotiations take place—negotiations involving, as is the case in the strategic arms limitation talks which will begin next week, the very future, not only of this Nation but of all of the nations in the world who depend on America's power for their own security—we must recognize that it is vitally important that the position of our negotiators not be weakened or compromised by discussions that might publicly take place here—discussions that could weaken or compromise us with those representing the other side.

On the other hand, recognizing the role of the Senate, recognizing the importance of getting the best ideas and the best thinking of the Members of this body on both sides of the aisle on these great matters, we are attempting to set up a process—a process in which we can consult, in which we can get your advice, and, at the same time, not weaken the position of our negotiators as they attempt to meet the goals of this Nation—the goal of limiting arms and the goal of a just and lasting peace.

Finally, on one other point: I am very grateful for the fact that a number of Members of the Senate—more than 60—have indicated by a letter to Ambassador Lodge their support of a just peace in Vietnam and their support of some of the proposals I made in my speech of November 3 on that subject. I am grateful for that support; and, at the same time, while being grateful for the support of more than half the Members of this body, I also have respect for those who may have disagreed with the program for peace that I outlined.

I know that this war is the most difficult and most controversial of any war in the Nation's history. But I know that while we have our differences about what is the best way to peace, there are no differences with respect to our goal. I think Americans want a just peace; they want a lasting peace. It is to that goal that this administration is dedicated and that I am dedicated.

I may say this in conclusion: That in the next few months we hope that progress—we know that progress—will be made toward that goal. I am sure, as I stand here, that we are going to reach the goal of a just and lasting peace in Vietnam, one that will, I trust, promote rather than discourage the cause of peace not only in Vietnam but in the Pacific and in the whole world. As that happens, I want everyone in this great Chamber to know that when it happens it will not be simply because of what a President of the United States may have been able to do in terms of leadership; it will happen, and it will only have happened, because the Members of this body and the Members of the House of Representatives, in the great tradition of the Nation, when the security of America is involved, when the security of our young men is involved, and when peace is involved, have acted and have spoken not as Democrats or Republicans but as Americans.

It is in that spirit that I address you today. It is in that spirit that I ask, not for your 100-percent support, which would not be a healthy thing for me personally, for this country, and certainly not for this body; but I ask for your understanding and support when you think we are right and for your constructive criticism when you think we are wrong.

I thank you very much.

[Applause, Senators rising.]

(At 2 o'clock and 48 minutes p.m. the President, accompanied by the Committee of Escort, retired from the Chamber.)

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BYRD of West Virginia. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate Chamber will be in order.

DEPOSIT RATES AND MORTGAGE CREDIT

The Senate resumed the consideration of the bill (S. 2577) to provide additional mortgage credit, and for other purposes.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

Mr. BENNETT. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The bill having been read the third time, the question is, Shall it pass? On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. KENNEDY. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Tennessee (Mr. GORE), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), and the Senator from Connecticut (Mr. RIBICOFF), are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico (Mr. ANDERSON), the Senator from North Dakota (Mr. BURDICK), the Senator from Idaho (Mr. CHURCH), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Tennessee (Mr. GORE), the Senator from Washington (Mr. MAGNUSON), the Senator from Minnesota (Mr. MCCARTHY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), and the Senator from Connecticut (Mr. RIBICOFF), would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Delaware (Mr. BOGGS), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. GOODELL), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Iowa (Mr. MILLER) is absent on official business.

If present and voting, the Senator from Delaware (Mr. BOGGS), the Senator from South Carolina (Mr. THURMOND), and the Senator from Iowa (Mr. MILLER), would each vote "yea."

On this vote, the Senator from New York (Mr. GOODELL) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from New York would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 70, nays 13, as follows:

[No. 153 Leg.]

YEAS—70

Aiken	Case	Ervin
Allen	Cook	Fong
Baker	Cotton	Gravel
Bayh	Cranston	Griffin
Bible	Curtis	Harris
Brooke	Dodd	Hart
Byrd, Va.	Eagleton	Hartke
Byrd, W. Va.	Eastland	Hatfield
Cannon	Ellender	Holland
Hollings	Mondale	Scott
Hruska	Moss	Smith, Ill.
Hughes	Mundt	Sparkman
Inouye	Murphy	Spong
Jackson	Nelson	Stennis
Javits	Packwood	Stevens
Jordan, N.C.	Pastore	Symington
Kennedy	Pell	Talmadge
Long	Percy	Tydings
Mansfield	Prouty	Williams, N.J.
Mathias	Proxmire	Yarborough
McClellan	Randolph	Young, N. Dak.
McGee	Russell	Young, Ohio
McIntyre	Saxbe	
Metcalf	Schweiker	

NAYS—13

Allott	Dominick	Pearson
Bellmon	Fannin	Smith, Maine
Bennett	Gurney	Williams, Del.
Cooper	Hansen	
Dole	Jordan, Idaho	

NOT VOTING—17

Anderson	Goodell	Montoya
Boggs	Gore	Muskie
Burdick	Magnuson	Ribicoff
Church	McCarthy	Thurmond
Fulbright	McGovern	Tower
Goldwater	Miller	

So the bill (S. 2577) was passed.

Mr. COTTON subsequently said: Mr. President, I entered the Chamber late and cast my vote on the last rollcall under a misapprehension. I ask unanimous consent that my vote be changed from "yea" to "nay."

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

(The corrected result of the vote is as follows: yeas 69, nays 14, not voting 17.)

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PROXMIRE. I move to lay that motion on the table.

Mr. HOLLAND. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, the mortgage credit measure just adopted by the Senate represents another major achievement for the distinguished senior Senator from Wisconsin (Mr. PROXMIRE). His outstanding advocacy, his careful preparation, and his able and effective legislative skill assured the overwhelming acceptance of this proposal. May I say that such a success for Senator PROXMIRE is characteristic of the results obtained on any proposal that wins his endorsement and leadership. The Senate is deeply grateful.

The Senate is grateful as well for the splendid cooperation offered by the distinguished senior Senator from Utah (Mr. BENNETT) during the consideration of this measure. His views on certain features of the proposal differed from those of a majority of the Committee on Banking and Currency—from which this measure was reported—but, nevertheless, he urged them strongly and most sincerely. He is to be commended.

Finally, I wish to thank the Senate as a whole for joining to dispose of this measure expeditiously and with full consideration for the views of each member.

CONTINUING APPROPRIATIONS, 1970

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate pro-

ceed to the consideration of Calendar No. 522, House Joint Resolution 966.

The PRESIDING OFFICER (Mr. COOK in the chair). The joint resolution will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A joint resolution (H.J. Res. 966) making further continuing appropriations for the fiscal year 1970, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Appropriations with an amendment on page 5, line 22, after "(c)", strike out "five days subsequent to the sine die adjournment of the first session of the Ninety-first Congress," and insert "December 6, 1969,".

Mr. RUSSELL. Mr. President, this is not a continuing resolution in the normal use of that term. It goes far beyond the customary continuing resolution.

In past years, it has been the practice merely to extend the effective date of the continuing resolution and not to change the rate of obligation for continuing projects to reflect further congressional progress on the various bills. This year, however, the House of Representatives made two departures from this customary procedure:

First. It provided, as proposed by the House committee, that the rate of obligations for the continuing projects and activities be determined by the current status of the pertinent appropriation bill for fiscal year 1970 rather than the status at the time of the original resolution, June 30, 1969.

Second. Without the approval of the House Committee on Appropriations, the House of Representatives voted to continue programs under the Office of Education at the highest rate, which is the rate of the 1970 fiscal year appropriation bill as it passed the House of Representatives in July.

The rate of obligation for all continuing activities and programs of the Government for which the regular 1970 appropriation has not been made available is explained in detail in the report which has been filed with the Senate by the committee.

The provision authorizing the Office of Education to incur obligations based on the appropriations provided in the House-passed Departments of Labor and Health, Education, and Welfare appropriation bill is a matter of great concern to the committee and the Senate. This action is, in effect, the enactment of a separate appropriation for the Office of Education at a time when the regular annual appropriation bill is pending in the Senate subcommittee on the Departments of Labor and Health, Education, and Welfare, under the chairmanship of the distinguished senior Senator from Washington (Mr. MAGNUSON).

Sound legislative procedure dictates that the committee and the Senate have the benefit of the hearings and the recommendations of the subcommittee on these education programs. Through the provision in the House-passed resolution, this has been denied to the Senate. Speaking as chairman of the committee, I want to serve notice to everyone concerned that I do not intend to report any measure with such a provision in the future. This policy which I have just announced has the unanimous approval of the Democratic policy committee and the Republican leadership of the Senate.

It can only be justified due to the fact that the failure to enact some resolution providing funds for the Department of Defense would make it impossible to pay the Navy and Air Force personnel who have a payday on November 14. That is a matter of great concern to the lower ranks in the Service. They live from month to month; they depend on their pay and housing allotments; and their pay is not exorbitant.

The Senate committee was persuaded by the importance of that particular condition to go ahead in this instance with this resolution. We shall not do so in the future.

I wish to point out, Mr. President, that the President of the United States on August 12 of this year made a statement in which he reiterates his intention not to spend in this year any funds appropriated in excess of his budgetary estimates in April of this year until after he has reviewed all of the appropriation bills.

Mr. President, I ask unanimous consent that a portion of the statement by the President be printed in the RECORD at this juncture as a part of my remarks.

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

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE APPROPRIATION

(Statement by the President on the Action of the House of Representatives adding to the recommended budget. August 12, 1969)

Let me reiterate my intention not to spend in this fiscal year any funds appropriated in excess of my budgetary estimates of April this year. No commitments will be made to spend these additional appropriations until the Congress has completed action on all appropriation bills and revenue measures.

At that juncture we will be in a position to measure the economic circumstances we confront, to determine which programs must be cut by the executive to accommodate increases made available by the Congress and which programs have received compensatory cuts by the Congress to offset the increases. Then, consistent with my obligation under the Constitution and the laws, I will not spend funds in excess of the expenditure ceiling.

In short, I have pledged fiscal responsibility. The Congress has imposed an expenditure ceiling; I have myself accepted the spirit of the ceiling and pledged this administration to respect a ceiling for this fiscal year of $192.9 billion.

Let the Congress and the country understand that I shall keep that commitment. I trust that the future actions of Congress will be consistent with its own commitments to fiscal responsibility.

Mr. RUSSELL. Mr. President, we are faced here, though, with this condition. However, in the future the other body will know that they are assuming a responsibility for any delay or any confusion in the operation of the Government if they include in a continuing resolution anything other than the standard provisions to provide for the continuation of continuing projects and activities.

I do not think there is any further statement required, Mr. President. Under the circumstances I do not see that we have any alternative other than to pass this resolution.

Mr. YOUNG of North Dakota. Mr. President, as the ranking Republican on the Committee on Appropriations, and a long time friend of the chairman, the Senator from Georgia (Mr. RUSSELL), I concur wholeheartedly in the views he has expressed. It is not a question of the amount of money being appropriated through this unusual procedure for education.

The Senate through all the years I have been on that committee has been more liberal with education funds than the House, so had any regular procedure been followed, it probably would have resulted in more money for education and not less.

It is the procedure to which I object. Here they send over a continuing resolution adding almost $1 billion new money without any opportunity whatever for Members of the Senate and others to be heard, hearings to be held, or the public to be adequately informed.

Mr. President, I would rather resign from the Committee on Appropriations if a procedure or policy is ever adopted, the precedent for which is being set now, where both sides of every issue could not be heard.

Those following this undemocratic procedure would be the first to be heard from and the first to holler and the loudest if a cut came over from the House of $1 billion and they had no chance to be heard. It is this undemocratic procedure to which I so strenuously object. I shall never again vote for a continuing resolution which contains an item such as this.

Mr. ALLOTT. Mr. President, the distinguished chairman of the Committee on Appropriations and the distinguished ranking minority member have spoken the minds of all of us on the Committee on Appropriations. This represents a most unfortunate and, to me, a dangerous situation.

Members of the Senate are already aware that historically the purpose of a continuing resolution has been to provide stopgap measures necessary to keep essential Government functions operating on a rationally minimum basis between July 1 and the enactment of the regular authorization and appropriations bills. Originally, they were designed to preserve the integrity and options of the regular authorization and appropriation processes in the committees in both Houses of Congress. Unfortunately, however, the manner in which the 91st Congress has discharged its responsibilities during this first session has fallen far short of any reasonable expectation.

Despite repeated admonitions by many of us in the Senate, the continuing resolution now before us provides the only vehicle by which continued funding of the functioning of our Government can continue. I have spoken repeatedly both

here in the Senate and elsewhere with regard to the tremendous inefficiency which results from this kind of failure to deal promptly and forthrightly with the appropriations process.

In order to dramatize the chaotic condition which affects the status of our appropriations during this session of Congress, I ask unanimous consent to have printed in the RECORD at this point a table of the status of these appropriation bills as of today.

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

STATUS OF APPROPRIATION BILLS, 1ST SESS., 91ST CONG.

Number of bill	Short title	Passed House	Received and referred in Senate	Reported in Senate	Passed Senate	Sent to conference	Conference report agreed to in— Senate	Conference report agreed to in— House	Date approved	Number of law
H.J. Res. 414	Labor supplement	Feb. 6			Feb. 7				Feb. 9	91–2
H.J. Res. 584	Commodity Credit Corporation supplemental	Mar. 25	Mar. 26	Mar. 26	Mar. 27				Apr. 1	91–7
H.R. 11400	2d supplemental	May 21	May 23	June 11	June 19	June 24	July 9	July 9	July 22	91–47
H.R. 11612	Agriculture, 1970	do	do	do	July 7	Oct. 9				
H.J. Res. 782	Continuing, 1969	June 17	June 17		June 17				June 18	91–31
H.J. Res. 790	Continuing, 1970	June 24	June 24	June 25	June 25				June 30	91–33
H.R. 12307	Independent offices, 1970	do	June 25	Nov. 6	Nov. 11					
H.R. 12964	State, Justice, Commerce, 1970	July 24	July 25	Nov. 3	Nov. 5					
H.R. 13111	Labor, HEW 1970	July 31	Aug. 4							
H.R. 13763	Legislative, 1970	Sept. 19	Sept. 22	Oct. 16	Oct. 21	Oct. 23				
H.R. 14159	Public works	Oct. 8	Oct. 9	Nov. 10	Nov. 12					
H.J. Res 966	Continuing, 1970	Oct. 28	Oct. 28							

Mr. ALLOTT. Mr. President, the aspect of the continuing appropriations resolution now before us which causes particular concern to me is found on pages 4 and 5 of the resolution wherein it is stated:

Provided, That in the case of activities for which appropriations would be available to the Office of Education under the Act making appropriations for the Departments of Labor, Health, Education and Welfare for the Fiscal Year 1970, as passed by the House, the amount available for each such activity shall be the amount provided therefor by the House action.

This provision of House Joint Resolution 966, the so-called Cohelan amendment, was added on the floor of the House on October 28. The basic impact of the amendment is to provide funding for the Office of Education at the level contained in H.R. 13111 instead of the amount provided at the fiscal year 1969 level of appropriations. Basically, the language adds $649 million to the resolution allowing the Office of Education to operate funding for title I, Vocational Education, and Handicapped Children as provided for in H.R. 13111.

Mr. President, the facts are that the appropriate Senate appropriations subcommittee, under the chairmanship of the Senator from Washington (Mr. MAGNUSON), and the distinguished senior Senator from New Hampshire (Mr. COTTON), the ranking member of the Labor-Health, Education, Welfare Appropriations Subcommittee, is considering appropriations for the Office of Education today.

By coupling this particular provision to the continuing resolution now under consideration, the Senate is really deprived, frankly, of the opportunity to have its committee operate and work its will on the particular appropriations.

Many educators have talked to me, that they may, by urging this themselves, find themselves in a situation where, some day, they will be caught on the horns of the same dilemma, so that they might be deprived of a hearing in one House or the other.

Mr. President, I have spoken with the leadership on this side of the aisle, and they are unanimous in support of the position which the chairman and the ranking member of the committee has taken; namely, that we feel this is an unfortunate thing to do, that it should not constitute a precedent, that we will not consider it a precedent, and in the event this comes before us in any such shape again, it would be the disposition of the members of the committee, as I understand them, to support the chairman in the position he has taken.

Mr. SCOTT. Mr. President, will the Senator from Colorado yield?

Mr. ALLOTT. I yield.

Mr. SCOTT. I thank the distinguished Senator from Colorado for having discussed this matter with some of us. I agree with him that this is no way to legislate, that it bypasses the functions of the Senate and its committees, that it does not give us an opportunity for consideration or for careful examination of the various items.

Many of us are in sympathy with all or most of the goals sought for the funds included here, but I hope that it will clearly not be regarded as a precedent and that this method will not be resorted to again, because I entirely agree it is not in the best interests of getting good and carefully considered legislation.

I thank the Senator from Colorado for yielding to me.

Mr. ALLOTT. I thank the distinguished Senator from Pennsylvania.

Mr. MURPHY. Mr. President, will the Senator from Colorado yield?

Mr. ALLOTT. I yield to the Senator from California.

Mr. MURPHY. Do I correctly understand that there is no precedent for this procedure?

Mr. ALLOTT. There is no precedent, so far as I know. The distinguished chairman of the committee who has served on it for many years says he knows of no precedent for this procedure. May I inquire of the Senator from Georgia (Mr. RUSSELL) whether that is correct? Does he know of any precedent for this?

Mr. RUSSELL. There is no precedent of which I am aware. Certainly I know of none, and I have served on the Committee on Appropriations for 30-odd years.

Mr. MURPHY. It seems to me to be a contradiction in terms. If we have a continuing resolution, it would seem to me that that means we continue under existing provisions of a bill, and if in any way we change it, it becomes new legislation rather than a continuing resolution. Is that not a proper judgment of the matter?

Mr. ALLOTT. Yes, I think that is true. We are in a paradoxical situation. Without question, we would be foolish to deny it. We are, in fact, setting a precedent here without actually attempting to set a precedent. That is a very difficult thing to do. It is clearly the intent of every member of the Appropriations Committee, at least of those present when the resolution was reported yesterday.

Mr. MURPHY. The dilemma the Senator speaks of is one I am sensitive to, having been one of the proponents in the Committee on Education and the subcommittee, and one of the proponents of vocational education in many of the other programs. As a matter of fact, several programs I take original responsibility for. They are good programs, and programs that I would support, and may have to support. But I find myself terribly embarrassed to have to give that support in that manner, which denies the Senate its proper functions in the working out of this legislation.

Mr. ALLOTT. I am sure that the Senator is embarrassed. Like the rest of us, he has supported the legislation along the general lines of appropriations in these matters. Let me make it perfectly clear that the objection which all of us are voicing in this Chamber today is objection to the manner and the method in which it is being done.

Mr. MURPHY. I thank my distinguished colleague from Colorado.

Mr. COTTON. Mr. President, will the Senator from Colorado yield?

Mr. ALLOTT. I yield.

Mr. COTTON. Mr. President, the Senator from New Hampshire is the ranking minority member on the Subcommittee on Labor and Health, Education, and

Welfare of the Appropriations Committee. The chairman, the distinguished Senator from Washington (Mr. MAGNUSON), is unavoidably absent from the Chamber today and also from the committee.

We have been in session morning and afternoon, all day, and every day, for nearly 3 weeks. We are in session downstairs now and I am going to return there. We shall be in session all day tomorrow. We are trying to get the hearings ended and the bill reported as fast as possible.

Mr. President, I have not had his authority, but I am sure I am voicing the position of the chairman of the subcommittee when I make the statement I am about to make. We have 150 Government witnesses from the Department alone and over 100 outside witnesses. We, too, feel keenly, as does every member of the Appropriations Committee—and I think it could almost be said of every Member of this body—that this is a most unfortunate situation. If it is allowed to set a pattern or become a precedent, it could lead to the destruction of the appropriating process and congressional control of appropriations.

If it be any consolation or reassurance to those who will reluctantly vote for this, I would like to emphasize that this so-called continuing resolution is being sent back with an amendment which provides that the continuation and the added amounts will continue only until December 6, unless we should adjourn before that time, which seems to me unlikely.

Let me say, and I am sure that the Senator from Washington (Mr. MAGNUSON) would agree, that we intend, if we have to work day and night, to get the bill reported before that date so that we can go to conference.

Speaking for the Senator from New Hampshire only—I can assure you, Mr. President, that regardless of this extension, we shall exercise our own best judgment in the amounts of the appropriations and in the priorities among the appropriations that are temporarily continued on the House basis in this resolution. I am sure that when we report to the full Committee on Appropriations, they will do likewise.

So, in a sense, we are not closing the door. When the bill comes in, and we intend that it shall, just as soon as it is humanly possible, it will represent the independent judgment of our subcommittee, and then the independent judgment of the Appropriations Committee as a whole, without regard to the amount that is contained in the resolution.

I thank the Senator.

Mr. ALLOTT. I thank the distinguished Senator from New Hampshire, who, everyone knows, over the years has devoted so much time and constructive attention to these particular appropriation bills, on which subcommittee he is the ranking minority member.

I yield now to the distinguished Senator from Delaware (Mr. WILLIAMS).

Mr. WILLIAMS of Delaware. Mr. President, as I understand this controversy it all centers around a six-line amendment at the bottom of page 4 and the top of page 5.

Mr. ALLOTT. That is correct.

Mr. WILLIAMS of Delaware. It seems to me that since the Appropriations Committee and the Members of the Senate object to that proposal so much we should merely delete those lines and send the measure back to the House. Why accept it? Why not delete it, pass the resolution, and send it back to the House?

Mr. ALLOTT. I think the chairman of the committee ought to speak to that point, rather than I, because I am quite a way down the line in the Appropriations Committee; but he has already spoken to the fact that we face a deadline by tomorrow morning, when the checks will have to start to be issued for the various government agencies, which is shown starting on page 2 of the report of the committee. That is the only answer I can give him.

Mr. WILLIAMS of Delaware. I have heard that excuse or explanation before. But why do we always operate in this state of emergency? This continuing resolution came over to the Senate on October 28. As I understand it, the committee and most of the Senate were all against it. We had plenty of time to act. Why do we have to put it on a 24-hour deadline so that we have no choice but to pass it?

It seems to me that if there were that much objection to the resolution—and I do not question the sincerity of the objection—we should have acted earlier, sent it back to the House, and let them have the last 10 days to consider it. Or, better still, the appropriation bill itself came here on August 4. Why do we have this emergency? We extend it to December 6. Then we have another emergency. I wonder if, just once, we should not pass it 48 hours before the deadline.

Mr. ALLOTT. I cannot answer the Senator as to the reasons why this matter did not come up before this time, but I think there are practical matters in connection with the bill which the Senator realizes may not have made it possible to send it to the House.

Mr. RUSSELL. Mr. President, may I say to the distinguished Senator from Delaware that this is not a matter of frequent occurrence. This is the first time I know of that it has happened. The Senator has indicated it has happened time and time again. I do not know of any time in the past when such a provision has been here, or when we have had to operate under this particular caliber of gun.

There are two reasons that prompted me not to take the steps suggested by the Senator from Delaware. I shall not complain if the Senator offers the amendment, although I shall vote against it, if offered. One of them is that this amendment was adopted on the floor of the House over the objections of the Committee on Appropriations, by a majority of more than 50 votes. That would indicate there would be vigorous opposition to its deletion in the House. That would certainly delay the payment of some of the men in the armed services, to which I have referred.

Another is that there is a resolution pending in the Senate to the same purport or effect, that has some 35 Senators as cosponsors. So there is very strong sentiment in the Senate in favor of this proposal. However, it is highly objectionable to me.

As I have said, if the Senate wishes to vote it out, I shall not complain, but under all the circumstances, and with notice being served on the other body that if they do this in the future the responsibility is theirs—whereas today we have to share it—I thought it would be better to go ahead and pass the resolution.

Mr. WILLIAMS of Delaware. Mr. President, perhaps the Senator's argument is valid considering the situation we face today; but why could not we have gotten the resolution before the Senate a couple of weeks ago, deleted that provision, and sent it to the House? Then it would have been their responsibility.

I cannot conceive of the House not providing pay for the military unless they got $1 billion extra for education. That is blackmail.

Mr. RUSSELL. If the amendment prevails, the House will be confronted with that situation.

Mr. WILLIAMS of Delaware. Why did it not get reported before today when it was sent here October 29?

Mr. RUSSELL. There were a number of reasons, as the distinguished Senator from New Hampshire indicated. The committee considering HEW matters was conducting hearings on these very items. Their views, properly, have been consulted and sought. I did seek those views. The matter was brought to the floor just as early as it was possible to get it, under the procedures we usually follow in the Committee on Appropriations.

I will say that a delay of 2 or 3 days is properly attributable to me, because I was negotiating with the chairman of the House committee in an effort to work out some modus operandi that would eliminate this objectionable matter. I failed in my effort.

Mr. WILLIAMS of Delaware. Knowing his background, I am sure the Senator was trying to achieve that result, but we are still confronted with a situation in which we are operating under a shotgun operation.

Mr. RUSSELL. It would be just as much a shotgun for the House as for the Senate. It is no more a shotgun for us than it is for them.

Mr. WILLIAMS of Delaware. We still have to consider the fact that the main appropriation bill for this agency came to us on August 4. For the past week or so the committee has been holding hearings. But this measure was around here for 3 months. Why did it lay around for 2½ months before there were hearings.

I wonder if we could appeal to the leadership which was able to get the Finance Committee to report out a bill by a certain period of time, to have this

committee show the same enthusiasm and get these other appropriation bills out of the committee.

Mr. MANSFIELD. Mr. President, if the Senator will yield, the Senate has only one appropriation bill remaining, and it will be reported out within 2 weeks. There are five other appropriation bills in the House. The Senate can do nothing until they are passed by the House and sent over here.

Mr. WILLIAMS of Delaware. Earlier I would have agreed to that, but in view of the way the leadership was able to get the House to expedite action on the tax reform bill, I respect their ability and force to get that group to act. Maybe they can jack the House up and get it to expedite the appropriation bills.

Mr. MANSFIELD. The Senator wants us to tell the House?

Mr. WILLIAMS of Delaware. I have seen it done.

I think the argument that "we will pass this resolution today and it will not be a precedent" is just kidding. If the Senate passes it it will be a precedent. It will be the first time we will have adopted this procedure since I have been a Member of the Senate. In fact, this is the latest in the year that we have acted on appropriation bills since I have been a Member of the Senate. I think the whole situation of the delay in getting the appropriation bills before the Senate is an outrageous one. I think it is past time when we demonstrated to the Senate, the House, and the country that we are going to act on the business before the Congress. This is the middle of November.

Mr. MANSFIELD. Mr. President, I am sorry I did not hear all of the remarks of the distinguished senior Senator from Delaware, the watchdog of the Senate—and I say that with the utmost respect and affection. But I should like to point out that when this matter was discussed in the Appropriations Committee, the Appropriations Committee unanimously stated that this action was not to be and would not be considered a precedent. There was not one member of the Appropriations Committee as I recall who was the least bit satisfied with this procedure.

I would hope and I would expect that the Republican leadership would join the Democratic leadership, and that every Member of this body would make known his views about the unorthodox way in which we are being presented with what is, in effect, a fait accompli.

We have very little choice. The message is: "If you do not want the members of the armed services to be paid tomorrow, then just do nothing at all about it." But if we want them paid, and the other Government employees paid, perhaps ourselves included, then I think that we ought to recognize that we have little or no choice—in my judgment, no choice—but to pass the continuing resolution which was reported out of the Appropriations Committee. It is not something I like, it is not a procedure with which I agree, but I think it is something we have no choice about.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. WILLIAMS of Delaware. I agree with the Senator that we are confronted with a situation here that we cannot ignore. The point that I made earlier is that this continuing resolution did come over here October 28, and it has been here 2 weeks. I hope that in the future, if the House of Representatives ever sends us another such measure where there is a similar amendment, it will not lie around a couple of weeks until we get caught under a 24-hour deadline as we are here this afternoon. Instead, I hope that the bill will be reported to the Senate immediately and that we will promptly send it back to the House, telling them to do the job over. I hope the Senate will not again get caught in this embarrassing time situation.

I recognize that the chairman of the committee has explained the reason was that he was trying to work out a compromise agreement with the House of Representatives. I respect his position. I know he was trying to accomplish that objective, but I think if such a measure comes over here again the thing to do is just send it back to the House of Representatives and tell them to start over.

Mr. MANSFIELD. I agree with the distinguished Senator from Delaware. I think that is the only way we can operate on a sound procedural basis in the future.

I think this is an unhappy and unpleasant way to resolve an unpleasant situation. I think it mitigates what little appropriation power the Senate has, and is a situation which, as I read the minds of our Appropriations Committee yesterday, the committee is determined not to permit again.

Mr. HANSEN. Mr. President, first of all, I should like to declare anew my very high regard for the distinguished chairman of the Appropriations Committee. I want also to point out that if the appropriation bill in lieu of which this continuing resolution is now before us because the new appropriation bill is not yet available for action by this body, were itself before us, I would vote in favor of greater appropriations for HEW. I have heard from a number of people in my State, and I am convinced that there is a real need for at least, certainly, part of the additional money that probably will be included in the appropriation bill over and above what was called for by the administration.

But I wish to say that while I share the deep misgivings that have been expressed by other Senators already this afternoon, simply to say that we will not consider this as a precedent does not make it that way, any more than to call a dog's tail a leg makes the tail a leg.

I think it was President Abraham Lincoln who, in a courtroom one time, asked a witness, "How many legs does a dog have?"

When the witness replied "Four," the man who later was to become President said, "If we were to call the dog's tail a leg, how many legs would the dog then have?"

When the witness responded, "Five," Abraham Lincoln said, "No, he would have four. Calling a dog's tail a leg does not make it so."

By the same reasoning, it seems perfectly clear to me that despite what we may choose to call our action here this afternoon, as much as I would like to feel that we could say this is not a precedent, I most certainly do believe that it is a precedent, and that it will be looked upon by future historians as being just that.

So it is with great misgiving that I must go along with the sentiments that have been expressed, in giving approval to a continuing resolution which I think does great violence to the processes that have worked so well for so long a period of time.

I hope very sincerely that the Members of the other body will not take lightly the regrettable situation into which the Senate has been forced this afternoon.

IMPACTED AREAS AID

Mr. PROXMIRE. Mr. President, I intend to offer an amendment to the bill that is before us in a moment.

The continuing resolution we are considering today would provide $585 million for impacted areas. I think this amount exceeds the Nixon budget request by a whopping $398 million, or almost $400 million. This means that essentially 40 percent of the increase we are proposing to make in education spending above the President's 1970 budget request by passing this resolution would go into impacted areas assistance.

Although I believe that education should have the very highest priority as we determine our national spending goals, I cannot countenance this massive increase in impacted areas aid. The program is not, by and large, specifically aimed at areas of demonstrated need. We all know that well-to-do suburban families, such as those living in Arlington, Va., and Montgomery County, Md., are the beneficiaries of this assistance, while cities with large deprived populations such as New York and Chicago get virtually nothing.

It would be far, far better to use this great amount of money to attack some of the true crises in the field of education—college scholarships for students who would otherwise never see the inside of a college classroom, accelerated programs in elementary and secondary education for disadvantaged ghetto children, vocational education programs for potential dropouts. But to assess need on the number of Federal employees, and the key word is employees—most bringing in a salary that can be taxed by the State in which they live, whose standard of living is normally adequate to permit them to support their own schools, makes no sense at all.

For this reason I am introducing an amendment to the continuing resolution which would reduce spending for impacted areas aid to the figure requested by the President in his fiscal 1970 budget.

I send the amendment to the desk, and ask unanimous consent that the reading be dispensed with.

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

Mr. PROXMIRE'S amendment is as follows:

On page 2, between lines 21 and 22, insert the following: "activities of the Office of Education, conducted under title I of the Act of September 30, 1950, as amended (20 U.S.C. ch. 13) and for which provision was made under the heading "School Assistance in Federally Affected Areas" of the Department of Labor, and Health, Education, and Welfare Appropriation Act, 1969;".

On page 3, line 21, before the colon insert the following: "(other than activities of the Office of Education conducted under title I of the Act of September 30, 1953, as amended (20 U.S.C. ch. 13)".

On page 4, line 24, after "Education", insert the following: "(other than activities conducted under title I of the Act of September 30, 1953, as amended (20 U.S.C. ch. 13)".

Mr. PROXMIRE. I am proposing to include impacted areas aid in the major category of programs covered by this resolution that would be funded at fiscal 1969 levels or the levels included in the President's budget for fiscal 1970, whichever is the lesser. I am doing so because I do not believe that the great educational needs motivating the Appropriations Committee to increase education funding to the level provided by the House in the 1970 Labor-HEW appropriations bill truly include impacted areas assistance. And in doing so I want to make it very clear that my amendment would permit impacted areas aid to be provided to the tune of $187 million, the amount requested in the Nixon budget, so that truly essential impacted areas programs could go forward.

The criteria for receiving this assistance is that at least 3 percent, or 400 of the children in a school district, whichever is lower, have a parent or parents who either live or work on Federal property. This means that every city with a Federal installation of any substantial size, perhaps even smaller towns that have no Federal installation as such but simply have the expected number of Government workers—postal clerks, and so forth—will receive this assistance. In fact it is possible to receive Federal assistance if as few as 10 of the children in a school district have parents who work for the Government—perhaps two families of five children each, provided the school district is small enough so that these children comprise 3 percent of the total enrollment in the district.

Mr. President, Fairfax County and Arlington, Va., two of the wealthiest counties in the country, receive Federal assistance under this program because, among other Federal workers, my administrative assistant and my press assistant, both of whom earn five-figure salaries, have children in schools in these two districts.

Does it make sense to continue such a subsidy when it means a tax on Americans who are struggling along on a $5,000 or $6,000 a year salary? Does it make sense to provide a subsidy from these hard-pressed taxpayers when intercity schools cry out for more adequate Federal aid?

For this reason, I have offered the amendment to the continuing resolution.

By going back to the administration's budget request my amendment would provide for a much more equitable application of impacted areas funds while sharply limiting the expense of the program. This is how the administration puts it:

This estimate is based on retaining the existing entitlement formula but on focusing priority of funding on school districts serving children whose parents both live on and work on Federal property. The amount requested, $187,000,000 and the proposed appropriation language would permit full funding of some 395,000 children whose parents both live on and work on Federal property but who attend local schools and 50,000 children living on Federal property for whom the Commissioner of Education is required to arrange for their education. These children's parents contribute least to local taxes for the support of schools.

* * * * *

A comprehensive study is now in progress to determine more accurately the economic effects of Federal activities and to help develop a more equitable program.

The PRESIDING OFFICER. The Chair calls to the attention of the Senate that the Senate has not yet acted on the committee amendment. We must act on that before the amendment of the Senator from Wisconsin is in order.

Without objection, the committee amendment is agreed to.

The amendment of the Senator from Wisconsin is now subject to consideration.

Mr. JAVITS. Mr. President, will the Senator yield, just to get the picture clear?

Mr. PROXMIRE. I yield.

Mr. JAVITS. Mr. President, is the Senator proposing to go back to last year's figure or to the budget figure on impacted aid?

Mr. PROXMIRE. We would be going back to the Nixon budget figure.

Mr. JAVITS. Mr. President, I am the ranking minority member of the Labor and Public Welfare Committee, which has responsibility for Public Law 874, the impacted area aid bill, and I speak with some knowledge on the subject.

Last year $506 million was expended. The pending measure, which is finding its way through the various processes of Congress at this time, is in the same order of magnitude—something like a half billion dollars.

The Senator is proposing to go back to the President's budget figure. What does that have to do with substantive legislation? Why should we pick that figure? Suppose the President's budget figure was nothing. Would the Senator wish to go to that figure?

Mr. President, the Senator is asking us in a continuing resolution to, in effect, repeal or substantially amend our impacted area legislation by not funding it or by substantially underfunding it.

Mr. PROXMIRE. I am not asking us to repeal it. I am providing funding. I will restate what I have already read:

This estimate is based on retaining the existing entitlement formula but on focusing priority of funding on school districts serving children whose parents both live on and work on Federal property. The amount requested, $187,000,000 and the proposed appropriation language would permit full funding of some 395,000 children whose parents both live on and work on Federal property but who attend local schools and 50,000 children living on Federal property for whom the Commissioner of Education is required to arrange for their education. These children's parents contribute least to local taxes for the support of schools.

A comprehensive study is now in progress to determine more accurately the economic effects of Federal activities and to help develop a more equitable program.

Mr. JAVITS. Mr. President, I think that the Senator—and the Senator knows that I respect him enormously—is really just rewriting the authorization bill in a manner which has been rejected by the Education Subcommittee and by the House in H.R. 514. HEW will allocate the money to the best use they can. However, that is not what Congress said when it wrote the impacted area legislation.

I happen to think that the impacted areas legislation could stand an enormous amount of improvement. The Battelle Institute will shortly publish a report done for the Federal Government on just that.

I think the Senate should understand the situation. We reported out of the Education Subcommittee late last night a measure on aid to elementary and secondary education. That bill includes impacted area aid. We not only declined to cut the impacted areas formula, but we also made some changes in it and added a provision. And it was quite hotly contested. We added a provision dealing with impacted areas resulting from public housing.

We felt that as long as this measure would provide for educational support, it ought to take care of every area impacted by Federal activity, which we felt included public housing.

It seems to me, therefore, that the Senator by just denying funding is simply going to change the program in whatever way the administrative authorities who have charge want to change it to meet funding responsibility, rather than allowing us in the Congress to deal with it substantively.

It is a fact—is it not?—that, when we bring up the ESEA, which we will, and when the HEW appropriation comes along, that we will have an opportunity to deal in a diligent way with the fundamental question. This rather aborts both processes. We would hardly be capable of any profound consideration when dealing with a continuing resolution.

Mr. PROXMIRE. Mr. President, all I am doing is making the impacted areas a part of the proposal. It is what we usually do. I am not trying to plow any new ground. We usually take whichever figure is lower.

That is what I am doing with the impacted areas. This would conform to all precedents we have had in the past.

I point out to the Senator that I share his views with respect to what the House of Representatives did. However, I have very strong feelings about the high priority accorded to other education pro-

grams. We are also appropriating for the impacted areas.

That is the way I feel, and I think it is perfectly consistent.

Mr. JAVITS. Mr. President, is it not a fact that what the Senator is doing is really breaking down a part of the principle for which the Senator from New Mexico (Mr. MONTOYA) and I, as principal sponsors of Senate Joint Resolution 163 and many other Senators have contended, which did experience quite a struggle in the Appropriations Committee and which finally emerged successfully.

All the Senator is really doing is picking out one part of that proposition which he does not like or does not feel we can afford and breaking that down.

Mr. PROXMIRE. That is exactly right. I would not express it that way. However, that is what we are doing.

Mr. JAVITS. Mr. President, I submit with all due respect that while others are very much interested in getting money for education, I do not think much of the precedent-shattering effect of this resolution. If we do not like it the next time, we can do what we want to do the next time. I am not afraid of that. We have had that argument made here many times.

So long as we keep our senses, I do not think we need to be overwhelmed by so-called precedents. However, I think when we do it right in legislation, it seems to be an open invitation to everyone. Perhaps someone else does not like elementary and secondary education or higher education. So they would move in on that until the whole thing is dismantled.

It seems to me that we are in the position where when legislation comes along, either under ESEA or under appropriations, or both, we will have to either do this or not do it.

The Appropriations Committee, I think, has very wisely given us the opportunity to do this. I am for doing it.

I am not quarreling with the Senator. However, I think for the benefit of the rest of us who feel as I do, we had better understand that we cannot just pick out impacted area aid and knock that on the head.

Mr. PROXMIRE. Why can we not do that?

Mr. JAVITS. We can. However, if we do, we will invite a very similar and perhaps successful attack on a good many other programs in the education field.

Mr. PROXMIRE. Mr. President, I point out to the Senator that I feel the impacted area part of the program is by far the least defensible. It is not a small part. It contains 40 percent of the dollars involved.

It seems to me, under these circumstances, that it is perfectly consistent to say that impacted areas should be treated as we have treated expenditures in continuing resolutions in the past. So far as the rest of the educational program is concerned, I have no objection. If other Members have other views, I have no objection. That is the glory of this body. We can have endless amendments. I am not sure that I am going to get overwhelming support.

Mr. JAVITS. There is a substantive argument, too, which is important. A good deal of educational structure, whether we like it or not has been built out of this impacted areas money. I do not think it can be snapped out that rapidly without doing some serious damage to the educational picture. As I have said, I am not entirely sold on impacted areas aid, but I rather believe that, in the interest of getting the total education package, even if we do not agree, it is a price I willingly pay because I think it is so vitally important in this continuing resolution, especially considering the icejam that we have on appropriations. We must keep our eye on the forest and for the moment do not keep our eye on the trees. That is the essence of my feeling in this matter.

Mr. PROXMIRE. Nothing I would do here would foreclose other action on impacted areas when the HEW appropriation bill comes before the Senate.

Mr. GURNEY. Mr. President, will the Senator yield for a question?

Mr. PROXMIRE. I yield.

Mr. GURNEY. I ask this question of the Senator from Wisconsin or the Senator from New York.

Is it not true that the educational money in this resolution, so far as impacted aid is concerned, is practically the same as Congress appropriated last year except for the increase that would be reflected in the figures in student bodies?

Mr. PROXMIRE. It is substantially more money than was appropriated last year. It is, however, over the Nixon budget—almost $400 million. But I do not know how much of it is because of more children and how much of it is because of more generous financing. I simply do not know. I would be very surprised if most of this could be accounted for by an increase in the number of children.

Mr. GURNEY. If the Senator compares the figures in the continuing resolution with those we appropriated last year, he will find that it is approximately the same amount except that it is reflecting more the additional amount of school children that we have this year.

I bring that out because I am not sure it has been brought out, and the budget figure as offered by the Bureau of the Budget for impacted aid was considerably below what Congress appropriated last year. So that we would damage this impacted aid program considerably, and those who are affected by it, as is Florida, the Cape Canaveral area, and other areas.

Mr. PROXMIRE. That is true. The proposal I make would follow the formula proposed by the President of the United States.

Mr. MURPHY. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. MURPHY. As the Senator from New York has pointed out, as the Senator from California earlier remarked, we seem to be faced with a strange situation today. Not being a lawyer, sometimes I do not understand these things. But we have before us a continuing resolution which, as I understand it, is an emergency measure to continue the existing condition until such time as Congress can work its will for the future.

Is that a proper understanding of the resolution?

Mr. PROXMIRE. That is my understanding.

Mr. MURPHY. We find today that we have a continuing resolution which is not really a continuing resolution at all. It has been brought to the Senate from the House as a continuing resolution plus $1 billion. This has caused some concern in the Senate.

Now we find that this continuing resolution, at the suggestion of my distinguished colleague, is to be amended in order to change some of the conditions. So that I am further concerned with what is a continuing resolution and what is not.

Last night, I sat with the Senator from New York until after 6:30, in committee, working long hours. This was the culmination of long hearings with regard to an educational bill which we marked up in the full committee last night.

It would seem to me that my distinguished colleague's amendment might very well affect that bill. If the amendment is accepted, would my colleague please explain what effect that would have on the educational bill which we on the Education Committee are writing? Or, would it have no effect? Or, is the amendment a temporary matter that goes on to what started out to be a continuing resolution and which is now a continuing resolution plus $1 billion?

Mr. PROXMIRE. The continuing resolution is a temporary matter, and the amendment also would be a temporary matter. It would not prejudice any legislative action by the Committee on Labor and Public Welfare.

Mr. MURPHY. I thank the Senator.

Mr. HARRIS. Mr. President, I rise in opposition to the amendment offered by the distinguished Senator from Wisconsin (Mr. PROXMIRE).

The Senator from Wisconsin has been very diligent in his opposition generally to this type of educational assistance, and I do not quarrel with the zeal or with the sincerity with which he has for a long time argued that position. I respectfully disagree with it, Mr. President.

I will broaden what I have to say by stating first, that I am also concerned about the procedure that has been in a way forced upon us here.

I am one of those who is quite willing to say that, so far as this one Senator is concerned, this is not and should not be a precedent for the future, and I am glad that the distinguished chairman of the Committee on Appropriations and the leadership on both sides of the aisle have served that kind of notice on the other body. I do, however, very strongly support that portion of the continuing resolution which provides additional funds for education. I think that in this instance we can go along with that unusual procedure, given the situation which has been outlined by the distinguished Senator from Georgia.

Also, I think we ought to go along

with that portion of the resolution and the resolution in general because of the great need for the added approximately $1 billion for education. Education is the lifeblood of this country; it is the future of this country. Education is not the place where we should cut the budget, and it is not the place where we should compromise on funds. Education can make the difference between living with or rising above the problems of poverty and of despair which now trouble so many people in this Nation. Education can provide the meaningful and independent lives which all Americans are entitled to live.

I think that any short-term savings that might be realized by cutting education funds will inevitably be long-term losses.

There is a great deal concerning education in this resolution in addition to impact funds, and I support it all. I support the increase for educationally deprived children. I support the increase for vocational technical training. I support the increase for library and community services. I support the increase for other needed programs, such as the student loan assistance program, construction of higher education facilities, supplementary educational centers, and education for the handicapped. I think these are appropriations items which have perhaps the greatest call on us and our support.

I also support the increase provided in the measure for impact funds over what would be appropriated if we followed the budget request of this administration.

I would just point out to the Senate, and to the distinguished Senator from Wisconsin, what seems to me rather obvious. If we cut, by this amendment, funds which otherwise have been available in the past to school districts of the country, without by some other formula replacing those funds, we have moved exactly in the opposite direction from which the distinguished Senator from Wisconsin wants us to go if we are to improve the educational advantages and opportunities of all the children of this country.

This money is not a subsidy to the children of those who live or work on Federal facilities.

It goes to the school district and the school district uses these funds. I was looking at the figures. In my State last year the actual amount of money that the State of Oklahoma received for both types of school assistance in federally affected areas was $12,609,173. That figure would be reduced by the administration budget request down to $3,706,000. Whereas under the House-passed appropriation bill we would have $13,963,000, an increase of about $1,300,000, reflecting increased costs and increased numbers of students.

It seems to me that the results of cutting back that much should be rather obvious to us all and we should see the disastrous effect it would have.

For example, take my home school district in Lawton, Okla. I received a letter the other day from the Lawton superintendent of schools, Mr. Hugh Bish, in which he states that Lawton, which is next door to Fort Sill, a military installation, has 55 percent of its students who are impact students.

His letter states:

Some of these students live on the base and some live off the base. The Lawton community is voting the limit of its legal capacity for building and operational purposes in support of its educational program. This support coupled with Federal impact aid leaves the Lawton public schools $50 below the average annual per capita student expenditure in Oklahoma.

Then, he goes on to say:

Impact aid is not a luxury within the Lawton system—it is a vital part of our basic program and an absolute necessity if we expect to offer our students a comparable educational program.

Mr. President, I shall not detain the Senate much longer. I ask unanimous consent to have printed in full in the RECORD at this point the letter I received from Mr. Bish.

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

LAWTON PUBLIC SCHOOLS,
Lawton, Okla., October 13, 1969.

The Hon. FRED HARRIS,
The U.S. Senate,
Washington, D.C.

DEAR SENATOR HARRIS: The United States will soon be considering legislation relating to schools and the Nation's investment in the education of its young people.

The citizens of the Lawton community are deeply concerned about the willingness of the Federal Government to invest strongly, not only in the Nation's educational system, but also to continue to assume a rather obvious obligation in areas where the Federal impact has placed additional responsibility on the local taxpayer and the local school system.

The Lawton community is an example of this obvious obligation. The community is located next door to Fort Sill, and 55% of our students are "impact" students. Some of these students live on the base and some live off the base. The Lawton community is voting the limit of its legal capacity for building and operational purposes in support of its educational program. This support coupled with Federal impact aid leaves the Lawton Public Schools $50 below the average annual per capita student expenditure in Oklahoma. Impact aid is not a luxury within the Lawton system—it is a vital part of our basic program and an absolute necessity if we expect to offer our students a comparable educational program. Our citizens do not think we should be penalized because of our support of the National Defense effort of our Federal Government, and since they willingly give full legal financial support locally they also expect the Federal Government to assume, as it has in the past, its share of this obligation.

It is not difficult to relate the Federal obligation to our "A" category students whose parents live and work at Fort Sill. It is obvious that the property where they live and where they work is tax-free. It is perhaps more difficult to relate the Federal obligation to our "B" category students (both military and non-military) because they live on taxable property. However, the Federal installation where the parents work remains tax-free and it is because of taxes not received from this source that the Federal obligation continues to exist. Ponca City and Bartlesville, Oklahoma, are excellent examples of the influence of huge industries on the local tax structure. In essence, all sons and daughters of personnel working in the industries located adjacent to these communities (Ponca City and Bartlesville) are "B" category students because they do not live on property owned by the industry. However, Ponca City and Bartlesville schools are supported not only by taxes on the property where the parents live, *but also on the property where the parents work.* This is the reason the annual per capita student expenditure in Bartlesville is $47 per student higher than Lawton and why Ponca City is $45 per student higher. This is also the reason the tax value per student enrolled in Bartlesville is $6,332 ($7,010 in Ponca City) as compared to $2,283 in Lawton. Money received on category "B" students is in lieu of tax money not received on the Federal installation, and it is the opinion of our citizens that this constitutes a Federal obligation if our community is expected to offer a quality and comparable education to the students of military personnel and the students of non-military personnel who live in a community which is heavily impacted. This would appear to be a poor time to tell those who are doing so much for their country that in appreciation we will offer their children a diluted and inferior education.

The Lawton Public Schools have participated to the fullest extent in the Title I (ESEA), Title II (ESEA), Title V (NDEA) and Title III (NDEA) programs. These programs have permitted us to do many things which could not have been done without Federal financial support. We are proud of our Title I program for the disadvantaged and the upgrading of our instructional program as a result of what we have been able to do financially with Title II (ESEA), Title V (NDEA) and Title III (NDEA) funds. Our teachers aide program—our summer remedial program—our increased counseling services—our increased special education program—our materials centers in all our schools—our special classes in reading and English—these, along with others, are all a vital part of our total school program, and they are all a direct result of the Federal assistance received through the NDEA and ESEA. Since our schools are committed to the education of *all* youth regardless of aspirations, motivation, ability or economic background, it is important that these programs be fully funded and that we not abandon or dilute them at a time when we are just beginning to identify and reap the benefits of their effectiveness.

Your support of a fully funded impact aid appropriation and your support of the Title programs of NDEA and ESEA would be greatly appreciated.

Very truly yours,

HUGH BISH,
Superintendent.

Mr. HARRIS. Mr. President, I would say further I think it is extremely important that we pass this continuing resolution with the portion of it dealing with education, and that we not accept the pending amendment.

Mr. President, lastly, I wish to pay tribute to the distinguished Senator from New Mexico (Mr. MONTOYA), whose leadership has been so important during the last weeks and months in bringing us to the point where we could see these increased educational funds becoming a reality. I hope the Senate will vote down the pending amendment and agree to the continuing resolution which is now before the Senate.

Mr. SPONG. Mr. President, I wish to speak briefly against the amendment introduced by the Senator from Wisconsin. Prior to that I want to say that although

I agree with those on the Committee on Appropriations who have spoken as they have about the circumstances facing us with regard to this continuing resolution and the education funds therein, I believe Congress must face up to the fact that we are now in the third month of a school year and local school divisions throughout the United States do not yet know how much Federal funds they will receive this current year.

It is particularly ironic that of all the programs involved in the resolution, the Senator from Wisconsin has chosen the impacted area program. In my judgment, the return on the dollar from impacted area funds exceeds the return from any other program. There is less administrative cost connected with the distribution of these funds; and there are better results through the use of this money in the local school divisions than any other educational program.

This is no time to single out the impacted aid program, of all of those involved in this continuing resolution, for a reduction in funding.

Mr. BYRD of Virginia. Mr. President, I feel there is not adequate appreciation throughout the Nation for the value of the impacted aid school program. It seems to me this is one of the fairest and one of the best of the Federal educational programs.

Without getting into specific figures, I would like to discuss the principle of impacted aid.

The principle, I feel, is a fair one. It provides that in those localities from which the Federal Government has taken away real estate, which otherwise would have been available for local taxes, and where the Federal Government has large numbers of Federal employees whose children must be educated, the Federal Government has an obligation to those localities to supply some of the funds necessary to do the job.

In recent years, beginning with the Johnson administration several years ago, a determined effort has been made to reduce and ultimately to eliminate the impacted aid program. In my judgment the reason that has been done is that the funds under the impacted aid program go back to the localities without strings attached. These funds are available to the local school districts to be used in the way the local school people feel is the best for their localities.

The Department of Health, Education, and Welfare under President Johnson, and apparently under the new administration, prefers that this money, the money which ordinarily would be available for impacted aid, be transferred to other programs, which programs are controlled from Washington, D.C.

So I say, Mr. President, that the Federal impacted aid school program is a fair program, it is a just program, and it is a program that I believe should be continued.

Somehow we must make Federal aid to education more responsive to the needs of the local school systems throughout our Nation. The present categorical system is entirely too limited. It is not uncommon to find dollars available for frills while basic needs go unmet because there are no funds for them.

Situations like that are absurd, but inevitable so long as the educational system remains ridden with bureaucracy, as it is today.

I would like to see all educational aid take the form of the program to assist federally impacted areas, a program I strongly support. Under the impacted aid program, a statement of the actual number of pupils is sent in and the school district gets back a check without strings attached. My objection to many other programs is that the Federal Government and the administrators in Washington attempt to dominate the local school districts.

I strongly support the Federal impact school aid programs. I strongly oppose the amendment of the distinguished senior Senator from Wisconsin (Mr. PROXMIRE), because I think the Federal impacted aid program is a sound program and, a just program, and one of the very few programs where Federal money goes back to the localities from which it first came without strings being pulled in Washington.

Mr. EAGLETON. Mr. President, I, too, rise briefly to speak in opposition to the amendment introduced by the distinguished senior Senator from Wisconsin (Mr. PROXMIRE).

As I comprehend the Senator's amendment it would cut the impact aid allocation from $585 to $187 million. This would constitute a cut of somewhere between 60 and 70 percent and in net practical effect such a cut would emasculate the Federal impact aid program.

I gather the Senator's opposition to the concept of the Federal impact aid results from the fact that, on occasion, some school districts of affluence or perhaps even opulence are recipients of Federal impact aid under the present program.

I readily concede that the present impact aid program under Public Law 874 is far from perfect. I admit it is sometimes abused. I wish to assure the Senator from Wisconsin that the Subcommittee on Education of the Committee on Labor and Public Welfare is busily at work trying to democratize the concept of impact aid.

As was previously mentioned by the Senator from New York (Mr. JAVITS) and the Senator from California (Mr. MURPHY), the Education Subcommittee met yesterday and marked up the primary and secondary education bill to be reported to the full committee. Under this bill as presently written impact aid will be somewhat democratized so that the funds will not ultimately be concentrated as they presently are under the existing law. The Education Subcommittee broadens the concept of impact aid to apply it to public housing projects which, like military bases, when they are situated in a given school district, as the Senator from Virginia (Mr. BYRD) pointed out, cause otherwise taxable property to be taken off the tax rolls, leaving the receiving school district with children still to be educated, but with less property to be taxed in order to pay for it. Some on the Education Subcommittee feel that we can more broadly base the concept of impact aid and in so doing democratize the current and sometimes abused current concept of impact aid. I, therefore, will vote in opposition to the amendment offered by the Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, the Senator from Oklahoma, the two Senators from Virginia, and the Senator from Missouri have all made, roughly, the same kind of point. The assumption has been that I am attacking the whole impacted area program. I am not.

What I am providing for is that what the Secretary of Commerce worked out with the administration, with the President, with the Bureau of the Budget makes sense; that is, that we would be providing for those who work and live on Federal property. Obviously, children in families of this kind go to school and the school has to be able to pay for the education but they have no tax resource available. In view of the great need we have for educational money, in view of the fact that those who live in the ghetto areas and those whose incomes are too low to pay for a good education, and need training and need help, in view of the fact that we have many school districts throughout the country which have an inadequate basis to provide adequate teachers' salaries and facilities, I think we should provide the kind of assistance being provided in Arlington, and Fairfax, Va., who provide for their own assistance and work for the Government and live in considerable comfort and can afford to pay adequate taxes for the education of their children. To provide this kind of emergency relief under the circumstances, makes no sense to me, so I do hope that the Senate will support the amendment.

Mr. President, I yield the floor.

Mr. YARBOROUGH. Mr. President, the impacted areas operation and maintenance support given directly to school districts which qualify, is based upon an entitlement derived from the number of children being served by the school district whose parents live or work on Federal property, or both. The House appropriation is a vast improvement over the budget, which would fund only the "A" category pupils, whose parents both live and work on Federal property.

The budget provides nothing for the "B" category children, whose parents either live or work on Federal property.

When Congress creates an entitlement, based upon the careful consideration of evidence and the tests of floor and conference action, a presumption is created that is relied upon by the recipient. Hundreds of school districts and millions of children will lose what they thought the Federal Government had promised them when it enacted this entitlement. I consider it to be as much an "uncontrollable" part of the budget as any other entitlement, be it social security, veterans care, or any other. In fact, I believe we should make good on the entire amount, for both operation and construction.

For Texas schools, the Nixon budget

would provide $8,018,000 for all impacted school aid. The House appropriation would provide $34,926,000.

I need not tell you that elementary and secondary education in Texas is relying upon a reasonable fulfillment of that obligation, and I think it is an obligation they are entitled to assume Congress will make good on.

The impacted school aid is not an authorized amount. It is an entitlement. We create a standard; those who meet it are entitled to something. Then the necessary amounts are appropriated, to be used by those who made use of the entitlement.

I urge the Senate to reject this amendment. It is not in keeping with the good faith we owe to children all over the country.

The PRESIDING OFFICER. The questions is on agreeing to the amendment of the Senator from Wisconsin.

The amendment was rejected.

Mrs. SMITH of Maine. Mr. President, as a member of the Appropriations Committee, I wish to associate myself with the remarks made by the able chairman of the Appropriations Committee, the Senator from Georgia (Mr. RUSSELL), and the distinguished ranking member of the committee, the Senator from North Dakota (Mr. YOUNG).

With respect to the resolution, I should like to vote against House Joint Resolution 966, but because of the emergency confronting us, I can see no way, in good conscience, to do so.

Mr. HOLLAND. Mr. President, I should like to address a question to the distinguished chairman of the Appropriations Committee, if I may.

As the distinguished Senator knows, the Senator from Florida was unable to attend the meeting of the Appropriations Committee yesterday afternoon when the bill was marked up, and gave his proxy to the distinguished chairman of the committee. I propose to stand by the action of the chairman in that committee.

Recognizing the unusual and very great difficulties presented, particularly in connection with the inability of the Government to pay members of the Armed Forces unless this particular appropriation is promptly passed, I can understand those difficulties and I approve the action taken. I shall, of course, support the action of the committee as stated by the chairman.

This question I want to ask, though, is: Do I correctly understand that the placing of the amendment, limiting the time of coverage of this continuing resolution, so-called, to December 6, 1969, will, to a very material degree, overcome the lengthy period of time stated in the continuing resolution which reached us from the other body?

Mr. RUSSELL. The Senator is correct. However, it may make it necessary for another continuing resolution to be sent to us by the other body.

Mr. HOLLAND. Will not the inclusion of that date encourage and expedite and even insist upon early consideration of the annual appropriation bills?

Mr. RUSSELL. That was the purpose that motivated the committee. It is the hope that it will put pressure, frankly, on the subcommittees to expedite the bills.

Mr. HOLLAND. Is the Senator from Florida correct in his understanding that however the date may pass in its final form, and I hope it will pass in the form of December 6, 1969, as a limitation as placed in the resolution by the Appropriations Committee——

Mr. RUSSELL. May I say to the distinguished Senator that that matter was the subject of controversy and votes in the committee. The chairman would feel bound to support that date vigorously.

Mr. HOLLAND. I am happy that action was taken because it seems to me it will expedite or seem to have expedited early consideration and passage of the annual appropriation bills, all of them that are not yet passed, particularly the ones for the HEW and Labor Departments which seem to be the ones that bring trouble to the bill.

May I ask if my understanding is correct that regardless of what amount is provided here temporarily, that amount will be applicable only ratably for the period of time covered by this continuing resolution, and that when the annual bill is passed, the rate provided in that bill will be substituted, whether lesser or greater than the rate provided in the resolution.

Mr. RUSSELL. That is the understanding of the Senator in charge of the resolution. I think it is clearly stated in section 105, on page 6 of the bill, which reads:

SEC. 105. Expenditures made pursuant to this joint resolution shall be charged to the applicable appropriation, fund, or authorization whenever a bill in which such applicable appropriation, fund, or authorization is contained is enacted into law.

Mr. HOLLAND. If there be a very large departure from the continuing resolution principle, as has existed heretofore, relative to those funds which have been picked up and made applicable from the House bill as already passed, the agencies involved would be on touchy ground in trying to rely for any great period of time on that figure as a permanent figure.

Mr. RUSSELL. The Senator in charge of the bill would advise the Senator from Florida that that is clearly stated in the committee report on page 6. I shall not read it all, but the last sentence states:

The Bureau of the Budget and the Department of Health, Education, and Welfare should exercise caution in utilizing the authority granted in this resolution in order not to jeopardize the integrity of the programs as they may be finally approved by the Congress.

Mr. HOLLAND. Mr. President, I certainly am grateful to the committee, which, in my absence, wrote the termination date of December 6 into this resolution as a substitute for the open ended date—at least extending until five days after the termination of the instant session of Congress—that appeared in the House measure.

Mr. RUSSELL. That may be a rather late date if we do not get more speed than we have had up to now on the appropriation bills.

Mr. HOLLAND. That would take it into the next year, possibly.

Mr. RUSSELL. Yes.

Mr. HOLLAND. I also appreciate the action of the full committee, which, again, I was unable to attend, but which I want to approve as to its action in writing into the report the very words which have been read by the distinguished chairman, because I think those are words of warning to the administrative agencies which are affected by the new and dangerous policy which I hope will never be followed again, and which can never be followed again unless the appropriation bills get so far behind.

The real vice in this whole picture, as I see it, is that the appropriation bills have been allowed to get so far behind. I think the distinguished chairman and other Members of this body know there has been a series of incidents this year which have contributed to that. It would do no good to relate them here. I simply express my approval and compliment to the chairman of the committee and the other members of the committee. I am glad the Senator was able to use my proxy for the purposes which he did.

Mr. RUSSELL. I thank the Senator for myself and the members of the committee.

Mr. President, I ask unanimous consent that the language under the table on page 5 and down to the subhead "Status of Regular Appropriation Bills" may be printed in the RECORD at this point as a part of my remarks.

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

Normally, the continuing resolutions continue a program at the lowest of several different rates of obligation; however, the amendment which was adopted on the floor of the House of Representatives authorizes a rate of obligation for the Office of Education equal to the amount in the bill for fiscal year 1970 as it passed the House of Representatives. The House provision reads as follows:

"Provided, That in the case of activities for which appropriations would be available to the Office of Education under the Act making appropriations for the Departments of Labor and Health, Education, and Welfare for the fiscal year 1970, as passed by the House, the amount available for each such activity shall be the amount provided therefore by the House action."

The committee is very much concerned with the action of the House in providing what is in effect a separate appropriation for the Office of Education at a time when the regular annual appropriation bill for the Office of Education is pending in the Senate subcommittee. The committee has reluctantly agreed to go along with this resolution, but desires to make it abundantly clear that this is not a precedent and, in the future, the committee does not intend to report such a resolution.

In addition, the committee wishes to make it clear that its action in reporting this resolution does not constitute an endorsement of the appropriations included in the House-passed Departments of Labor and Health, Education, and Welfare appropriation bill, 1970 (H.R. 1311), for the programs administered by the Office of Education. The

Bureau of the Budget and the Department of Health, Education, and Welfare should exercise caution in utilizing the authority granted in this resolution in order not to jeopardize the integrity of the programs as they may be finally approved by the Congress.

Mr. HOLLAND. Mr. President, if the Senator will yield briefly, I would like to add one more thing. The Senator from Florida wants the RECORD to show that the Senator from Florida was not absent from the Senate, but was on the floor in debate on another appropriation bill passed out of the committee, on a very vital matter, and simply could not be in two places.

Mr. RUSSELL. Mr. President, the chairman and the committee understood the Senator from Florida was on the floor representing the vital interests of the State he so well represents in this body.

Mr. HOLLAND. I thank my distinguished colleague.

Mr. YARBOROUGH. Mr. President, as chairman of the Senate Committee on Labor and Public Welfare, I wish to take this opportunity to express my appreciation for the role that my friend and colleague, Senator JOSEPH MONTOYA, has played in fighting for increased funds for education. It was through his leadership and perseverance that the Senate Appropriations Committee, on which both he and I sit, passed unanimously House Joint Resolution 966—the continuing resolution, including substantial spending provisions for education programs.

Senator MONTOYA spearheaded the drive in the Senate to provide these needed moneys for the education of all American youngsters, and it was his sponsorship of such a resolution in the Senate which prompted the House to take action on education appropriations under the continuing resolution, which resulted in passage by that body of a measure adding more than $1 billion to the administration's budget for temporary education funding.

The actions of the Congress this year to date in appropriating funds for education have been nearly revolutionary. Education has come to the floor as a matter of urgent National priority; and Senator MONTOYA's role in this fight for improving both the quality and quantity of the education services we provided our young people comes as no surprise to me nor, I am sure, to any other Member of the Senate familiar with his record.

As a member of the Senate Committee on Labor and Public Welfare since 1958, and now as chairman of that committee since the beginning of this session of the Congress, I have had the opportunity to scrutinize the education voting records of many of my colleagues. JOSEPH MONTOYA has always been on the side of progressive education legislation.

In particular, as author of the Bilingual Education Act, I can testify to Senator MONTOYA's dedication to the improvement of educational opportunities for the children of Spanish descent who suffer serious educational disadvantages. New Mexico, like my own State of Texas, has a high concentration of children from such families. I am most thankful for Senator MONTOYA's support in providing legislation specifically designed to assist these children.

Senator MONTOYA's effective marshaling of support for the continuing resolution containing increased funds for education merits the appreciation, not only of the citizens of his State and of mine, but of the entire Nation.

Just yesterday afternoon the Subcommittee on Education, under the chairmanship of Senator PELL of Rhode Island, reported to the full Committee on Labor and Public Welfare the Elementary and Secondary Education Amendments of 1969, which vastly improve the educational program for the children in this country. I know that Senator MONTOYA, with his fine record of supporting education legislation, will join with like-minded Senators in supporting this bill when it comes to the floor of the Senate.

Mr. SPARKMAN. Mr. President, I favor adoption of this continuing resolution. Conditions in the schools in Alabama, I believe may be typical.

The State of Alabama has experienced tremendous growth in higher education during the past 6 years. Since 1963 the enrollment has increased over 100 percent—45,718 in 1963 to 94,850 in 1968. During this period of time Alabama has exceeded the national percentage increase in 5 of the 6 years. Three of the 6 years Alabama experienced more than twice the national average increase in enrollment. During this same period Alabama has exceeded the percentage increase for the southeastern region in 5 of the 6 years.

The State junior college program has just begun its fifth year of operation. The enrollment for the five fall quarters indicates the tremendous growth in this segment of post-secondary education in Alabama.

Year:	*Number of students*
1965	5,737
1966	12,910
1967	15,174
1968	17,545
1969	18,386

During the 5 years of operation $32,804,016 has been spent in capital projects in support of the State junior college program. Included in the $32,804,016 figure is $8,220,687 of title I, Higher Education Facilities Act of 1963 funds. The State-Federal partnership in supporting the construction of the facilities necessary for the State junior college program is vividly depicted here; however, the 1969 enrollment is expected to double by 1977–78—this increase in enrollment was documented in the 1969 report of the Alabama Education Study Commission.

Additional capital projects are desperately needed if adequate facilities are to be provided for this increase in enrollment. On file with the State commission for the July 31 closing date are 11 projects, with an estimated construction cost of $9,958,903. The funds requested for these projects through section 103, title I, Higher Education Facilities Act of 1963, comes to $4,682,467. These are desperately needed projects. In reviewing the master plan for the State junior colleges, in keeping with the projected enrollment, over $12 million must be spent in addition to the projects now on file if we are to keep pace with the expanded enrollment.

The 4-year institutions in Alabama have on file 17 title I applications with an estimated construction cost totaling $30,277,394, with title I funds requested totaling $8,316,484. These projects have been reviewed as desperately needed projects; however, over $20 million in estimated construction costs for additional facilities are identified if we are to keep pace with the expanding enrollment in 1977–78. The State-Federal partnership has provided over $55 million in capital projects since 1965. In these projects $20,114,252 were title I funds.

I ask unanimous consent to have two tables printed in the RECORD.

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

ALABAMA STATE COMMISSION

TITLE I.—HIGHER EDUCATION FACILITIES ACT, CLOSING DATE JULY 31, 1969

Name of institution	Type of facility	Estimated construction cost	Desired completion date	Funds requested
Alexander City State Junior College	Classroom-lab. building	$825,000	January 1971	$412,500
Albert P. Brewer State Junior College	Physical education facility	538,460	do	269,230
John C. Calhoun State Tech. Junior College	Classroom building	955,456	do	477,728
Gadsden State Junior College	Student center	1,992,410	do	764,013
Jefferson State Junior College	Physical education facility	2,209,970	do	1,040,193
Northeast Alabama State Junior College	Health-P.E.	487,508	do	243,754
Northwest Alabama State Junior College	2d phase fine arts building	584,254	do	292,127
Snead State Junior College	Physical education building	836,720	do	418,360
Southern Union State Junior College	Science building and lab	700,700	do	350,350
Geo. C. Wallace State Tech. Junior College	P.E. dressing room	146,455	do	73,227
Lurleen B. Wallace State Junior College	Physical education building	681,970	do	340,985
Total		9,958,903		4,682,467

ALABAMA STATE COMMISSION

TITLE I.—HIGHER EDUCATION FACILITIES ACT, CLOSING DATE JULY 31, 1969, FISCAL YEAR 1970

Name of institution	Type of facility	Estimated construction cost	Desired completion date	Funds requested
Alabama A. & M. University	Humanities building	$1,571,951	January 1971	$750,000
Alabama College	Music building	614,975	do	307,487
Alabama State University	Fine arts center	3,131,763	do	750,000
Athens College	Library building	1,705,521	do	750,000
Auburn University in Montgomery	Library building	1,169,750	do	576,845
Auburn University in Montgomery	Classroom building	2,541,000	do	750,000
Birmingham Southern College	Health facility	1,543,800	do	53,350
Florence State University	Physical education building	2,254,959	do	179,326
Stillman College	Math-Science building	1,512,585	do	750,000
St. Bernard College	Physical education building	700,000	do	319,637
Tuskegee Institute	Physical education building	1,787,871	do	822,199
Tuskegee Institute	Engineering building, partial $574,992	2,583,726	do	286,164
Tuskegee Institute	Administration building	993,496	do	438,150
Troy State University	Classroom building	876,300	do	438,150
University of Alabama in Birmingham	Library facility	1,615,000	do	750,000
University of Alabama in Birmingham	Building No. 3	2,480,000	do	79,300
University of Alabama (Tuscaloosa)	Bio.-Complex	3,194,697	do	315,876
Total		30,277,394		8,316,484

SENATE SUPPORT OF EDUCATION IS VITAL TO NATIONAL WELL-BEING

Mr. RANDOLPH. Mr. President, education is a key to the economic and social strength of our Nation, a hope in part for coping with the turbulence and uncertainties of our complex age, and a means for fulfillment of service and success in individual lives.

It is fundamental to the American ideal of equality of opportunity for worthwhile development of individual abilities. The American commitment to equality of opportunity is more fully realized through quality education which must be made available to all who can benefit from it.

Education is expected to produce citizens equipped to live and work in a rapidly changing society.

Education—quality education—is vital to our growth and well-being.

But the process of teaching and learning can be no better than the people determine it to be; therefore, these are problems to be shared by all of us—requiring utilization of every source of support.

Now before the Senate is House Joint Resolution 966, the continuing resolution which will allow over a $1-billion increase in funds for the operation of many important educational programs on a temporary basis. Educators charged with the responsibility for providing quality education for the Nation's youth have experienced a most difficult situation since this school year began. Many programs cannot be carried forward because of a lack of funds and because of other administratively imposed budgetary restrictions.

Mr. President, the education of Americans is a priority matter. Time wasted is time lost. These years of schooling are not a biding time until adulthood but a time for growth in knowledge as well as stature. On these crucial years an educational base for productive life must be built.

It was my privilege to join with the able Senator from New Mexico (Mr. MONTOYA) and other colleagues in sponsoring an education funding resolution similar to the provisions of the measure now before the Senate. It is gratifying that our diligent colleagues on the Appropriations Committee have recommended approval of this altered procedure to fund the education programs at the level approved by the House of Representatives until Congress has completed action on the Department of Health, Education, and Welfare appropriations legislation. It is my hope that the Senate will voice its support for a realistic program of educational assistance by approving this resolution.

As a member of the Senate Education Subcommittee, I have participated actively in the formulation of the many education assistance programs of this decade. These have been landmark measures. We have broken new ground, and we will continue to refine and build. In a sense the Congress made a national commitment to quality education. But that commitment has been lessened by our inability to provide the necessary funds to implement education programs. The pending resolution is a revitalization of our commitment. It is tangible evidence of the growing support to provide increased funding for education.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the joint resolution.

The amendment was ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass?

The joint resolution (H.J. Res. 966) was passed.

Mr. MANSFIELD. Mr. President, the junior Senator from New Mexico (Mr. MONTOYA) is necessarily absent from the Senate today. I would not want this opportunity to pass without paying tribute to him for his untiring efforts in behalf of American education. Today we have passed a continuing resolution providing for the release of operating funds for education programs. It is no exaggeration to say that the single most important force behind this victory for education was JOSEPH MONTOYA.

Education this year has been recognized as a matter of national urgency and deserving of national priority. We have acknowledged a mandate from the people in support of education programs, and we have seen that mandate reflected in the appropriations process, through the leadership of such men as JOSEPH MONTOYA.

We cannot believe in education, however, or profess to, without supporting every opportunity which comes our way to provide a quality education for every child in this country. There are many who profess to believe in education, and there are many who do support education measures when a vote is called. But how many are there who consistently take the positive action which is so vital to the success of legislation which supports the public schools of this country?

Such a man is JOSEPH MONTOYA. He is not only a supporter but a leader in the cause of progressive education legislation, and the results of his leadership have been seen today, with the passage of this resolution which is so vital to the operation of our schools.

I ask unanimous consent to have printed in the RECORD remarks which Senator MONTOYA would have made had he been here.

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

STATEMENT OF SENATOR MONTOYA

I wish to thank the distinguished Chairman of the Committee on Appropriations, the Honorable Richard Russell, for his cooperation in reporting the continuing joint resolution for our consideration today. I know that it was not easy for him to agree to do so because of the Montoya-Cohelan amendment in the joint resolution, pertaining to education funds.

I wish to stress as strongly as I can that I do not want to leave any indication or implication whatsoever that the distinguished Committee Chairman is any less sensitive than I to the education needs of our country. As a member of, and now Chairman of the Appropriations Committee, Senator Russell has served this country for many years in a dedicated and loyal manner. He has assisted on and presided over many bills appropriating great sums of money for education—normally far more than was appropriated by the other body.

I do appreciate, however, that there was some concern on the part of the committee chairman and others that we might be establishing a precedent by adopting this amendment with respect to education appropriations.

But more is at stake here than a precedent with respect to the nature of a continuing resolution. The very concept of providing a sound education for our nation's children is at stake.

I stand here as a spokesman for three allied interests. I speak for my constituency in New Mexico, for Senators who have joined with me in cosponsoring Senate Joint Resolution 163, and for the millions of students, teachers, and educators across the Nation.

My message is simple, and I shall try to be as brief as possible, knowing well the terrific pressures of time and circumstances under which Congress is working.

The continuing joint resolution before us provides, of course, funding for all those agencies whose fiscal year 1970 appropriation bill has not yet become law. The previous continuing resolution expired on October 31, 1969, and the agencies affected have been without obligating and funding authority since. While the agencies have been able to operate on a temporary and uncertain basis during this interim, the time has run out for them and they must have legislative authority to make payrolls that have become due. For example, this Friday the Department of Defense military personnel payroll becomes due as do those of the Weather Bureau and the Architect of the Capitol. Also this weekend, the payroll for the Coast Guard is due. Next week the payrolls for the personnel at the Tennessee Valley Authority, the Department of Defense civilian personnel, and every other agency whose appropriation bill has not been enacted, will become due. We must enact this continuing joint resolution today, unchanged from that passed by the House in H.J. Res. 966, if these agencies are to pay their employees on time.

I think every Senator fully understands that aspect and appreciates the need for urgency. We have no time for a Senate-House Conference. We must approve H.J. Res. 966 without amendment.

Of course, at this moment the subject of great concern for all of us is that portion of the continuing resolution which pertains to the interim funding of education programs. There are few among us who would not agree that education ranks very high as a national priority. That is not the issue. Rather, the issue is whether we should express our belief in the importance of education by supporting a continuing resolution which would fund education programs at a level substantially above last year's appropriations and this year's administration budget request. On this issue, at least 47 of our colleagues here in the Senate have committed themselves to education as an action priority by cosponsoring S.J. Res. 163, which I introduced. Thus, at least 47 members of this body have already stated that we should fund education programs during this interim period at the level provided for in the House-passed HEW appropriation bill for FY 1970.

H.J. Res. 966 as passed by the House was amended on the floor of the House to include the language of S.J. Res. 163. This provision simply states that the Office of Education programs will be funded during this interim period at the level contained in the House-passed HEW appropriation bill for FY 1970 (H.R. 13111), instead of at the lesser levels represented either by last year's appropriations or this year's budget request.

The following table shows the differences in these three levels of funding.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, OFFICE OF EDUCATION

SUMMARY OF FISCAL YEAR 1970 HISTORY

	Fiscal year 1969		Fiscal year 1970						
	Authorization [1]	Appropriation [2,3]	Authorization [1]	Estimate to Department	Department estimate to Budget Bureau	Johnson budget	Nixon amendments	House committee allowance	House allowance
Elementary and secondary education	$3,249,059,274	$1,475,993,000	$3,612,054,470	$1,553,855,000	$1,558,327,000	$1,525,876,000	$1,415,393,000	$1,470,338,000	$1,761,591,000
School assistance in federally affected areas	640,112,000	521,253,000	729,941,000	458,502,000	315,167,000	315,167,000	202,167,000	202,167,000	600,167,000
Education professions development	352,500,000	95,000,000	445,000,000	146,500,000	116,500,000	105,000,000	95,000,000	95,000,000	95,000,000
Teacher Corps	46,000,000	20,900,000	56,000,000	31,100,000	31,100,000	31,100,000	31,100,000	21,737,000	21,737,000
Higher education	1,689,428,706	808,203,000	1,981,700,000	1,204,372,000	1,071,188,000	897,259,000	780,839,000	785,839,000	859,633,000
Vocational education	482,100,000	248,216,000	766,650,000	444,570,000	350,216,000	279,216,000	279,216,000	357,216,000	488,716,000
Libraries and community services	275,300,000	147,144,000	425,100,000	179,675,000	168,375,000	155,625,000	107,709,000	126,209,000	135,394,000
Education for the handicapped	243,125,000	79,795,000	321,500,000	111,500,000	100,000,000	85,850,000	85,850,000	84,540,000	100,000,000
Research and training	35,030,000	87,452,000	56,000,000	161,755,000	113,200,000	90,000,000	115,000,000	85,750,000	85,750,000
Education in foreign languages and world affairs	56,050,000	18,165,000	120,000,000	29,500,000	24,000,000	20,000,000	20,000,000	18,000,000	18,000,000
Research and training (special foreign currency)	(4)	1,000,000	(4)	7,500,000	4,000,000	4,000,000	1,000,000	1,000,000	1,000,000
Salaries and expenses	(4)	40,804,512	(4)	58,412,000	46,725,000	43,375,000	43,375,000	42,157,000	42,157,000
HISTORY OF 1970 BUDGET, OFFICE OF EDUCATION									
Civil rights education	(4)	10,797,000	(4)	16,500,000	13,800,000	13,750,000	20,000,000	12,000,000	12,000,000
College for agriculture and the mechanic arts	2,600,000	2,600,000	2,600,000	2,650,000	2,600,000	2,600,000	2,600,000	2,600,000	2,600,000
Promotion of Vocational Education Act, February 23, 1917	7,161,455	7,161,455	7,161,455	7,161,455	7,161,455	7,161,455	7,161,455	7,161,455	7,161,455
Student loan insurance fund	(4)	0	(4)	10,826,000	10,826,000	10,826,000	10,826,000	10,826,000	10,826,000
Higher education facilities loan fund	400,000,000	104,875,000	400,000,000	154,800,000	54,509,000	4,509,000	4,509,000	4,509,000	4,509,000
Total	7,479,682,435	3,669,358,967	8,923,706,925	4,579,178,455	3,987,694,455	3,591,314,455	3,221,745,455	3,327,049,455	4,246,241,455

[1] Includes indefinite authorizations.
[2] 1969 appropriation adjusted for comparability with 1970 appropriation structure.
[3] Includes supplementals.
[4] Indefinite.

Briefly, H.R. 13111 represents an increase of approximately $605.5 million over last year's appropriation and more than $1 billion over this year's administration budget request.

The question has been asked as to why we should provide funding of education programs during this interim period at the House-passed level for FY 1970 instead of at the traditional level provided for in continuing resolutions, of last year's appropriation or the new budget request, whichever is lesser. This is a fair question and deserves a straight answer.

The House in it wisdom has recognized the severe inadequacy of both the fiscal year 1969 appropriation and this year's administration budget request. Although we have authorizations for education programs totalling nearly $9 billion for FY 1970, the budget request for FY 1970 and last year's appropriations are far below this amount.

In order to remedy this inadequacy and more realistically approximate the true needs of education, the House, late in July, passed H.R. 13111. Many Senators, probably a majority, silently applauded this action on the part of the House. Although encouraged by the positive trend established by the other body, I have found that many Senators agree that the increases voted by the House do not go far enough. The Senate, during the past 10 years, except for one instance, has traditionally appropriated more money for education than has the House. There is no reason to feel that we will not do so again. Unfortunately, however, unavoidable delays have put final passage of the appropriations bill for HEW in the Senate in the uncertain future. It may be late November or early December before the Senate will have an opportunity to vote on the bill. In the meantime, we cannot cheat on our obligations to provide for sufficient funding for education programs.

From my point of view, one that is shared by the other cosponsors of S.J. Res. 163, logic and obligation demand that we uphold as a minimum the level established by H.R. 13111 while awaiting passage of the final appropriations bill. We must firmly establish our intention to meet the real financial requirements of quality education programs; and the surest way of establishing our intention is through immediate passage of H.J. Res. 966 as passed by the House. With such passage, positive gains for education, although still not adequate, become an accomplished feat in terms of desperately-needed funding.

Such action speaks with greater integrity than the acceptance of past funding levels with a promise that things will get better sometime in the future.

Thus, some specific and crucial dollar amounts are inherent in S.J. Res. 163 as incorporated into the House passed H.J. Res. 966, as compared with the one under which the U.S. Office of Education has been operating since July 1, 1969 (P.L. 91-33). Overall, the House-passed H.J. Res. 966 would add approximately $1 billion for Federal education programs. More specifically, H.J. Res. 966 would add approximately $400 million for school assistance in Federally af-

fected areas; $350 million for elementary and secondary education programs; $26.5 million for Libraries and community services; $200 million for vocational education; and make a number of other needed additions to the presently authorized spending levels for Office of Education programs.

In New Mexico, for example, H.J. Res. 966 as passed by the House, would add $1.2 million for Elementary and Secondary Education; $5.1 million for school assistance in federally affected areas; and $900 thousand for vocational education. We face a school crisis in New Mexico—as I am sure other States do—and this measure will greatly alleviate our financial problems.

I must admit that I do not view with pleasure the necessity of making an issue of a continuing resolution. Such a procedure acts to undermine a tradition of non-controversiality which is normally a part of a continuing resolution. Nevertheless, I feel even more strongly that we must not, for the sake of tradition, hold up desperately-needed funds for our education programs. As one Senator has put it, the exigencies of time demand extraordinary action. I ask on behalf of a sound education system in this country for the support of all Senators.

Mr. MANSFIELD. Mr. President, I also wish to include in the RECORD a statement in praise of Senator MONTOYA which would have been delivered by the Senator from Washington (Mr. MAGNUSON). Senator MAGNUSON is likewise necessarily absent from the Chamber. I subscribe wholeheartedly to his remarks about the junior Senator from New Mexico, and ask unanimous consent that they be printed at this point in the RECORD.

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

SENATOR JOSEPH M. MONTOYA'S LEADERSHIP IN BEHALF OF AMERICAN EDUCATION

Mr. MAGNUSON. Mr. President, it is one of the most useful, though informal, functions of Members of the United States Senate, to call attention from time to time to the accomplishments of those who distinguish themselves by helping to perpetuate the ideals of service on which the health of our free democratic society depends.

It is a special pleasure for me, therefore, as Chairman of the Labor-HEW Subcommittee of the Senate Appropriations Committee, to join with my colleagues on both sides of the aisle in paying tribute to our distinguished colleague, Senator Joseph M. Montoya, in connection with the vital role he has played in providing additional funds for education which will be of such benefit to the Nation's school districts.

Senator Montoya's leadership has never been more illuminating than the way in which he has responded to the call to speak up in behalf of America's educational objectives. Education has been one of the interests closest to his heart. In his judgment there is no more worthy objective than the full attainment of our educational goals. He feels that those of us with the awesome responsibility of helping prepare youth for their life roles as employed adults and citizens must assume that responsibility by making available tools which educators and school administrators can seize upon and use to enhance and improve our national education system.

As a result, Senator Montoya has championed and voted for every substantive improvement in educational opportunities for the American people since he came to Congress—from preschool projects to graduate education. And in securing passage of this—his most recent effort—he has been working behind the scenes, giving selflessly of his ideas and energies, so that this education resolution may be enacted.

Of course many other accomplishments by Senator Montoya could be cited here, and over his many years of public service he has demonstrated that he is a devoted and loyal son of, and willing to work hard for the best interest of, the State of New Mexico and this Nation.

Mr. President, Senator Montoya's contributions remain of the highest quality and utmost importance, and we cannot do less than warmly applaud his earnest and effective efforts.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PEARSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

HARMON KILLEBREW

Mr. PACKWOOD. Mr. President, moving from the field of law to the field of baseball, one of Oregon's outstanding citizens—though adopted and not native—is Harmon Killebrew. I had a chance to talk with him this morning, after he received the award yesterday as the American League's most valuable player, and I was very much heartened and impressed by his comments.

Senators will recall that last year, due to an injury, he had what was, for Harmon Killebrew, a very bad season. This year he has had a marvelous recovery, and I wish him another 10 years of success.

As far as I am concerned, Harmon Killebrew is an inspiration to youth and a credit to Oregon. He bounced back this year with a tremendous performance after receiving a substantial setback in 1968, when he was injured.

I know I speak for thousands of fellow Oregonians when I say how proud we are to have such a great athlete and fine gentleman living in our State.

I ask unanimous consent to have printed in the RECORD an article entitled "Killebrew Voted as Most Valuable," published in today's Washington Post, concerning Harmon Killebrew and his selection as most valuable player.

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

KILLEBREW VOTED AS MOST VALUABLE

NEW YORK, November 12.—Harmon Killebrew, a quiet baldish man who led the major leagues with 49 home runs and 140 runs batted in for the Minnesota Twins, was named tonight the Most Valuable Player in the American League for 1969.

The muscular Killebrew, who bounced back strong from an injury in the 1968 All-Star Game that threatened to end his career, was a decisive winner over John (Boog) Powell of the pennant-winning Baltimore Orioles. Powell batted .304, hit 37 homers and knocked in 121 runs.

Killebrew, 33, received 16 of the first-place votes by the 24-man committee of the Baseball Writers Association of America, two from each league city. Powell received six.

PREPLAYOFF VOTING

The voting, completed before the beginning of the playoffs and thus restricted to performance in regular-season games, was tabulated and announced by Jack Lang, secretary-treasurer of the writers' group. Minnesota won the league's West Division race before losing to Baltimore in the playoffs.

Frank Robinson of Baltimore, who won the MVP award in the American League in 1966 and in the National League with Cincinnati in 1961, received this year's two remaining first-place votes. Robinson hit .308 with 32 homers and 100 RBI.

The writers mentioned 37 players in the balloting and 10 of the 12 clubs were represented. Only Chicago and Cleveland failed to draw a vote.

The point score, based on 14 for a first-place vote, nine for second, eight for third and so on down to one for 10th gave Killebrew 294 points, Powell 227 and Robinson 162.

Frank Howard, the Washington slugger who was runnerup with 48 homers, finished fourth with 115 points and Reggie Jackson, Oakland's home-run hitter who threatened in midseason to top both Babe Ruth and Roger Maris and wound up with 47, was fifth with 110 points.

Denny McLain, last year's MVP unanimous winner who shared the 1969 Cy Young pitching award with Mike Cuellar of Baltimore, had the most points of any pitcher, 85, for sixth place.

Killebrew wound up with a .276 batting average and now has hit 446 homers in his 11-year career. It was feared he was finished in the 1968 All-Star Game at Houston's Astrodome when he suffered a ruptured left hamstring muscle while stretching for a throw at first base, and he missed much of the season, in which he hit only .210. He exercised during the winter and came back to play in 162 games, splitting the season between first base (80 games) and third base (103 games).

Reached at his home in Ontario, Ore., Killebrew said he was honored to receive the award which had eluded him in previous years.

"I've always felt this was the No. 1 award, so I feel real good" said Killebrew over the phone. "Last year I was injured so was just really hoping I'd get to play a lot this year. I've always felt it is difficult to pick one guy for the MVP. It takes a lot of guys to win. It's great to receive the award."

Killebrew said he was leaving soon for Japan on a sales trip for Killebrew Enterprises, hoping to interest young Japanese players in a batting trainer.

PHILOSOPHICAL ATTITUDE

When asked for his reactions to the recent firing of Twins' manager Billy Bartin, Killebrew said, "It's hard to tell what the reaction will be among the players. They're all scattered now. Everybody had varying opinions. It's kind of tough but I think everybody realizes that's the way baseball is. You just go out and try to do your best."

Killebrew and Powell were the only players named on all 24 ballots. "The Killer" was named no lower than fourth on any vote with seven for second place and one for fourth. Powell had seven for second, seven for third, three for fourth and one for eighth. Robinson was left off three of the 24 ballots.

THE VICE PRESIDENT SPEAKS ON THE IMPORTANCE OF THE TELEVISION NEWS MEDIUM TO THE AMERICAN PEOPLE

Mr. BAKER. Mr. President, tonight Vice President AGNEW is scheduled to deliver an address to the Midwest Regional Republican Committee meeting in Des Moines, Iowa.

It is no secret that recent utterances

by Vice President AGNEW have generated a great deal of public comment. I am confident that tonight's speech will be no exception, because he discusses with characteristic directness his thinking about the role of television in America today.

I know that Senators will be interested in what the Vice President plans to say tonight, and I ask unanimous consent that the advance text of his speech be printed in the RECORD.

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

ADDRESS BY THE VICE PRESIDENT, MIDWEST REGIONAL REPUBLICAN COMMITTEE MEETING

Tonight I want to discuss the importance of the television news medium to the American people. No nation depends more on the intelligent judgment of its citizens. No medium has a more profound influence over public opinion. Nowhere in our system are there fewer checks on vast power. So, nowhere should there be more conscientious responsibility exercised than by the news media. The question is . . . are we demanding enough of our television news presentations? . . . And, are the men of this medium demanding enough of themselves?

Monday night, a week ago, President Nixon delivered the most important address of his Administration, one of the most important of our decade. His subject was Vietnam. His hope was to rally the American people to see the conflict through to a lasting and just peace in the Pacific. For thirty-two minutes, he reasoned with a nation that has suffered almost a third of a million casualties in the longest war in its history.

When the President completed his address—an address that he spent weeks in preparing—his words and policies were subjected to instant analysis and querulous criticism. The audience of seventy million Americans—gathered to hear the President of the United States—was inherited by a small band of network commentators and self-appointed analysts, the *majority* of whom expressed, in one way or another, their hostility to what he had to say.

It was obvious that their minds were made up in advance. Those who recall the fumbling and groping that followed President Johnson's dramatic discloscure of his intention not to seek reelection have seen these men in a genuine state on non-preparedness. This was not it.

One commentator twice contradicted the President's statement about the exchange of correspondence with Ho Chi Minh. Another challenged the President's abilities as a politician. A third asserted that the President was now "following the Pentagon line." Others, by the expressions on their faces, the tone of their questions, and the sarcasm of their responses, made clear their sharp disapproval.

To guarantee in advance that the President's plea for national unity would be challenged, one network trotted out Averell Harriman for the occasion. Throughout the President's address he waited in the wings. When the President concluded, Mr. Harriman recited perfectly. He attacked the Thieu Government as unrepresentative; he criticized the President's speech for various deficiencies; he twice issued a call to the Senate Foreign Relations Committee to debate Vietnam once again; he stated his belief that the Viet Cong or North Vietnamese did not really want a military take-over of South Vietnam; he told a little anecdote about a "very, very responsible" fellow he had met in the North Vietnamese delegation.

All in all, Mr. Harriman offered a broad range of gratuitous advice—challenging and contradicting the policies outlined by the President of the United States. Where the President had issued a call for unity, Mr. Harriman was encouraging the country not to listen to him.

A word about Mr. Harriman. For ten months he was America's chief negotiator at the Paris Peace Talks—a period in which the United States swapped some of the greatest military concessions in the history of warfare for an enemy agreement on the shape of a bargaining table. Like Coleridge's Ancient Mariner, Mr. Harriman sems to be under some heavy compulsion to justify his failures to anyone who will listen. The networks have shown themselves willing to give him all the air time he desires.

Every American has a right to disagree with the President of the United States, and to express publicly that disagreement.

But the President of the United States has a right to communicate directly with the people who elected him, and the people of this country have the right to make up their own minds and form their own opinions about a Presidential address without having the President's words and thoughts characterized through the prejudices of hostile critics before they can even be digested.

When Winston Churchill rallied public opinion to stay the course against Hitler's Germany, he did not have to contend with a gaggle of commentators raising doubts about whether he was reading public opinion right, or whether Britain had the stamina to see the war through. When President Kennedy rallied the Nation in the Cuban Missile Crisis, his address to the people was not chewed over by a round-table of critics who disparaged the course of action he had asked America to follow.

The purpose of my remarks tonight is to focus your attention on this little group of men who not only enjoy a right of instant rebuttal to every Presidential address, but more importantly, wield a free hand in selecting, presenting and interpreting the great issues of our Nation.

First, let us define that power. At least forty million Americans each night, it is estimated, watch the network news. Seven million of them view ABC; the remainder being divided between NBC and CBS. According to Harris polls and other studies, for millions of Americans the networks are the sole source of national and world news.

In Will Rogers' observation, what you knew was what you read in the newspaper. Today, for growing millions of Americans, it is what they see and hear on their television sets.

How is this network news determined? A small group of men, numbering perhaps no more than a dozen "anchormen," commentators and executive producers, settle upon the 20 minutes or so of film and commentary that is to reach the public. This selection is made from the 90 to 180 minutes that may be available. Their powers of choice are broad. They decide what forty to fifty million Americans will learn of the day's events in the Nation and the world.

We cannot measure this power and influence by traditional democratic standards for these men can create national issues overnight. They can make or break—by their coverage and commentary—a Moratorium on the war. They can elevate men from local obscurity to national prominence within a week. They can reward some politicians with national exposure and ignore others. For millions of Americans, the network reporter who covers a continuing issue, like ABM or Civil Rights, becomes in effect, the presiding judge in a national trial by jury.

It must be recognized that the networks have made important contributions to the national knowledge. Through news, documentaries and specials, they have often used their power constructively and creatively to awaken the public conscience to critical problems.

The networks made "hunger" and "black lung" disease national issues overnight. The TV networks have done what no other medium could have done in terms of dramatizing the horrors of war. The networks have tackled our most difficult social problems with a directness and immediacy that is the gift of their medium. They have focused the nation's attention on its environmental abuses. . . . on pollution in the Great Lakes and the threatened ecology of the Everglades.

But it was also the networks that elevated Stokely Carmichael and George Lincoln Rockwell from obscurity to national prominence . . . nor is their power confined to the substantive.

A raised eyebrow, an inflection of the voice, a caustic remark dropped in the middle of a broadcast can raise doubts in a million minds about the veracity of a public official or the wisdom of a government policy.

One Federal Communications Commissioner considers the power of the networks to equal that of local, state and federal governments combined. Certainly, it represents a concentration of power over American public opinion unknown in history.

What do Americans know of the men who wield this power? Of the men who produce and direct the network news—the nation knows practically nothing. Of the commentators, most Americans know little, other than that they reflect an urbane and assured presence, seemingly well informed on every important matter.

We do know that, to a man, these commentators and producers live and work in the geographical and intellectual confines of Washington, D.C. or New York City—the latter of which James Reston terms the "most unrepresentative community in the entire United States." Both communities bask in their own provincialism, their own parochialism. We can deduce that these men thus read the same newspapers, and draw their political and social views from the same sources. Worse, they talk constantly to one another, thereby providing artificial reinforcement to their shared viewpoints.

Do they allow their biases to influence the selection and presentation of the news? David Brinkley states, "objectivity is impossible to normal human behavior." Rather, he says, we should strive for "fairness."

Another anchorman on a network news shows contends: "You can't expunge all your private convictions just because you sit in a seat like this and a camera starts to stare at you. . . . I think your program has to reflect what your basic feelings are. I'll plead guilty to that"

Less than a week before the 1968 election, this same commentator charged that President Nixon's campaign commitments were no more durable than campaign balloons. He claimed that, were it not for fear of a hostile reaction, Richard Nixon would be giving into, and I quote the commentator, "His natural instinct to smash the enemy with a club or go after him with a meat axe."

Had this slander been made by one political candidate about another, it would have been dismissed by most commentators as a partisan assault. But this attack emanated from the privileged sanctuary of a network studio and therefore had the apparent dignity of an objective statement.

The American people would rightly not tolerate this kind of concentration of power in government. Is it not fair and relevant to question its concentration in the hands of a tiny and closed fraternity of privileged men, elected by no one, and enjoying a monopoly sanctioned and licensed by government?

The views of this fraternity do *not* represent the views of America. That is why such a great gulf existed between how the nation received the President's address—and how the networks reviewed it.

As with other American institutions, perhaps it is time that the networks were made more responsive to the views of the nation and more responsible to the people they serve.

I am not asking for government censorship or any other kind of censorship. I am asking whether a form of censorship already exists when the news that forty million Americans receive each night is determined by a handful of men responsible only to their corporate employers and filtered through a handful of commentators who admit to their own set of biases.

The questions I am raising here tonight should have been raised by others long ago. They should have been raised by those Americans who have traditionally considered the preservation of freedom of speech and freedom of the press their special provinces of responsibility and concern. They should have been raised by those Americans who share the view of the late Justice Learned Hand that "right conclusions are more likely to be gathered out of a multitude of tongues than through any kind of authoritative selection."

Advocates for the networks have claimed a first amendment right to the same unlimited freedoms held by the great newspapers of America.

The situations are not identical. Where the New York *Times* reaches 800,000 people, NBC reaches twenty times that number with its evening news. Nor can the tremendous impact of seeing television film and hearing commentary be compared with reading the printed page.

A decade ago, before the network news acquired such dominance over public opinion, Walter Lippman spoke to the issue: "There is an essential and radical difference," he stated, "between television and printing . . . the three or four competing television stations control virtually all that can be received over the air by ordinary television sets. But, besides the mass circulation dailies, there are the weeklies, the monthlies, the out-of-town newspapers, and books. If a man does not like his newspaper, he can read another from out of town, or wait for a weekly news magazine. It is not ideal. But it is infinitely better than the situation in television. There, if a man does not like what the networks offer him, all he can do is turn them off, and listen to a phonograph."

"Networks," he stated, "which are few in number, have a virtual monopoly of a whole medium of communication." The newspapers of mass circulation have no monopoly of the medium of print.

"A virtual monopoly of a whole medium of communication" is not something a democratic people should blithely ignore.

And we are not going to cut off our television sets and listen to the phonograph because the air waves do not belong to the networks; they belong to the people.

As Justice Byron White wrote in his landmark opinion six months ago, "It is the right of the viewers and listeners, not the right of the broadcasters, which is paramount."

It is argued that this power presents no danger in the hands of those who have used it responsibly.

But as to whether or not the networks have abused the power they enjoy, let us call as our first witnesses, former Vice President Humphrey and the City of Chicago.

According to Theodore H. White, television's intercutting of the film from the streets of Chicago with the "current proceedings on the floor of the convention created the most striking and *false* political picture of 1968—the nomination of a man for the American Presidency by the brutality and violence of merciless police."

If we are to believe a recent report of the House Commerce Committee, then television's presentation of the violence in the streets worked an injustice on the reputation of the Chicago police.

According to the Committee findings, one network in particular presented "a one-sided picture which in large measure exonerates the demonstrators and protestors." Film of provocations of police that was available never saw the light of day, while the film of the police response which the protestors provoked was shown to millions.

Another network showed virtually the same scene of violence—from three separate angles—without making clear it was the same scene.

While the full report is reticent in drawing conclusions, it is not a document to inspire confidence in the fairness of the network news.

Our knowledge of the impact of network news on the national mind is far from complete. But some early returns are available. Again, we have enough information to raise serious questions about its effect on a democratic society.

Several years ago, Fred Friendly, one of the pioneers of network news, wrote that its missing ingredients were "conviction, controversy and a point of view." The networks have compensated with a vengeance.

And in the networks' endless pursuit of controversy, we should ask what is the end value . . . to enlighten or to profit? What is the end result . . . to inform or to confuse? How does the on-going exploration for more action, more excitement, more drama, serve our national search for internal peace and stability?

Gresham's law seems to be operating in the network news.

Bad news drives out good news. The irrational is more controversial than the rational. Concurrence can no longer compete with dissent. One minute of Eldridge Cleaver is worth ten minutes of Roy Wilkins. The labor crisis settled at the negotiating table is nothing compared to the confrontation that results in a strike—or, better yet, violence along the picket line. Normality has become the nemesis of the evening news.

The upshot of all this controversy is that a narrow and distorted picture of America often emerges from the televised news. A single dramatic piece of the mosaic becomes, in the minds of millions, the whole picture. The American who relies upon television for his news might conclude that the majority of American students are embittered radicals, that the majority of black Americans feel no regard for their country; that violence and lawlessness are the rule, rather than the exception, on the American campus. None of these conclusions is true.

Television may have destroyed the old stereotypes—but has it not created new ones in their place?

What has this passionate pursuit of "controversy" done to the politics of progress through logical compromise, essential to the functioning of a democratic society?

The members of Congress or the Senate who follow their principles and philosophy quietly in a spirit of compromise are unknown to many Americans—while the loudest and most extreme dissenters on every issue are known to every man in the street.

How many marches and demonstrations would we have if the marchers did not know that the ever-faithful TV cameras would be there to record their antics for the next news show.

We have heard demands that Senators and Congressmen and Judges make known all their financial connections—so that the public will know who and what influences their decisions or votes. Strong arguments can be made for that view. But when a single commentator or producer, night after night, determines for millions of people how much of each side of a great issue they are going to see and hear; should he not first disclose his personal views on the issue as well?

In this search for excitement and controversy, has more than equal time gone to that minority of Americans who specialize in attacking the United States, its institutions and its citizens?

Tonight, I have raised questions. I have made no attempt to suggest answers. These answers must come from the media men. They are challenged to turn their critical powers on themselves. They are challenged to direct their energy, talent and conviction toward improving the quality and objectivity of news presentation. They are challenged to structure their own civic ethics to relate their great freedom with their great responsibility.

And the people of America are challenged too . . . challenged to press for responsible news presentations. The people can let the networks know that they want their news straight and objective. The people can register their complaints on bias through mail to the networks and phone calls to local stations. This is one case where the people must defend themselves . . . where the citizen—not government—must be the reformer . . . where the consumer can be the most effective crusader.

By way of conclusion, let me say that every elected leader in the United States depends on these men of the media. Whether what I have said to you tonight will be heard and seen at all by the nation is not *my* decision; it is not *your* decision; it is *their* decision.

In tomorrow's edition of the Des Moines *Register* you will be able to read a news story detailing what I said tonight; editorial comment will be reserved for the editorial page, where it belongs. Should not the same wall of separation exist between news and comment on the nation's networks.

We would never trust such power over public opinion in the hands of an elected government—it is time we questioned it in the hands of a small and un-elected elite. The great networks have dominated America's airwaves for decades; the people are entitled to a full accounting of their stewardship.

NOMINATION OF JUDGE CLEMENT F. HAYNSWORTH, JR., TO BE AN ASSOCIATE JUSTICE OF THE U.S. SUPREME COURT

Mr. PEARSON. Mr. President, I shall vote for the confirmation of the nomination of Judge Clement F. Haynsworth, Jr., as an Associate Justice of the U.S. Supreme Court.

I do so with some concern.

Mr. President, the specific criticisms of this nomination are of two types. The charges of prejudice relate to the first essential of justice. The allegations of judicial improprieties and in fact the violation of the statutes and the code of judicial ethics relate to honesty and the first qualification of one who is to be a judge.

I make no attempt in this statement to analyze the decisions of Judge Haynsworth to prove that he is free of prejudice. No purpose is served by abstracting cases or merely counting the number of decisions rendered in favor or against a particular interest. There is a presumption that he fairly applied fact to law, which the record of the hearings does not disprove.

The circumstances of some of Judge Haynsworth's personal finances and outside business interests as they relate to his official duties have been described and admitted as "mistakes," "indiscretions," or "misjudgments."

Each, according to his own measurement or evaluation of ethical standards, may reach his own conviction. But, Mr. President, in the end one must confront the basic question, Is the nominee an honest man? Although I know him only from the cold pages of the record of the

hearings, the expressions of the committee report, and the evaluations of those who do know him, I cannot judge him to be dishonest. I accept his acts as unintentional indiscretions. Having done so, I cannot vote against him on this count.

Perhaps, Mr. President, the most difficult consideration for the Senator to resolve is the effect this confirmation will have upon the prestige of the Court. The charges and allegations that this nomination is a political payoff or that it is the implementation of some political strategy, the heat of this debate, the apparent closeness of the vote, which is an expression of confidence, may ultimately serve to reduce the effectiveness and the utility of Judge Haynsworth's service upon the Highest Court of the land.

Yet perhaps few nominations or issues in our free and open and troubled society, so filled with protest, so consumed with anger, will escape the erosive effect of controversy. Long ago, in my first days of public service, it became apparent that those who are activists, those who seek to achieve, those who do things, are to be the focus of controversy. The need is not to escape controversy but to learn to control it with understanding. In a political system, political motives and philosophy are inevitably at work.

Some are affronted by this nomination, Mr. President, because the judge is said to be a "conservative." But within each public institution I would hope that there would be a balance of philosophy and a divergence of views which would sharpen debate and clearly define ideas.

Mr. President, I read and studied this record with the hope that I could support the President. That same hope existed when I served in the Senate during the administrations of President Kennedy and President Johnson. Further, I sought a decision which would be representative of the will of the people of Kansas. The instruments that are available for determining public opinion—correspondence, conferences, editorial opinion—were all referred to, but in addition, my office made a special effort to do many personal interviews to find the will of my constituency. It was overwhelmingly in favor of the confirmation of the nomination of Judge Haynsworth.

Mr. President, for my part a difficult decision has been made. I urge the confirmation of Judge Haynsworth's nomination.

THE PHILIPPINES: AN EXAMPLE TO NEW NATIONS

Mr. MANSFIELD. Mr. President, an election has just been held in the Republic of the Philippines. The Philippines has operated under a single democratic constitution for almost 35 years. It has consistently held all scheduled elections. It has had and has the freest press in the world. The opposition is lusty and open, and nowhere in the world is the party in power, and its president, so ardently and publicly criticized.

Despite the intensity of the election campaigns, the defeated party has after each election accepted the mandate of the voters and confined its protest to the courts.

Mr. President, the reelection of President Ferdinand Marcos is an event of great significance in the history of the Republic of the Philippines. For the first time, the Filipino people have given their confidence to the same leadership in two successive Presidential selections. I would like on this occasion to congratulate both President Marcos and Vice President Lopez on their election.

I want, too, to express again my admiration for the people of the Philippines for their vitality in sustaining their institutions of free government. To be sure, there are imperfections in that system; imperfections are not uncommon in the institutions of all free governments including our own. The fact remains that, for a quarter of a century, the constitutional system of the Philippines has guaranteed the traditional democratic freedoms of the individual and has assured the holding of elections at regular intervals. It has given continuity to this oldest functioning democracy in Southeast Asia.

In my judgment, the election this year may also mark the beginning of a new era in United States-Philippine relations. In my judgment, it will not be an easy period and the most careful and considerate attention to its problems will be required on both sides. In my judgment, the next 4 years may well mark the period in which the book is finally closed on the old dependent colonial relationship which began almost 70 years ago.

It seems to me that change should be anticipated by all concerned because the impetus for change has been given by both the Guam declaration of President Nixon and the emergence of a new dynamism in Philippine nationalism. Nevertheless, there ought to be every expectation that the transition can be made successfully. Successful change, however, will require an extra measure of understanding, restraint, respect, and tolerance on the part of both nations.

In my public report to the Foreign Relations Committee and my confidential report to the President, after my return from a visit to the Philippines last August, I tried to deal with these questions, without, of course, in any manner intruding into the Philippine elections which were matters of concern only to the Filipino people.

I ask unanimous consent that an excerpt from my public report be printed at this point in the RECORD.

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

IV. THE NEW DOCTRINE AND SOUTHEAST ASIAN COUNTRIES

A. THE PHILIPPINES

Since the establishment of the Republic of the Philippines in 1946, the interaction of policy between that nation and the United States has been deeply influenced by a "special relationship," a phrase which is subject to two interpretations. On the one hand, it connotes the emotional interplay between the two countries which stretches back over more than half a century. This "special relationship" began, in fact, with a degree of hostility in the conflict over the annexation of the Philippines by the United States. Gradually, however, the relationship developed mutual trust, and it was finally welded by the shared dangers, horrors, and triumphs of World War II, and the U.S. pledge of independence to the Philippines into a strong and sympathetic mutual attachment.

"Special relationship" also refers to a carryover of concessions in trade and commerce and the preferential treatment of U.S. nationals in the Philippines from the preindependence period. In the same vein, the term also describes the vested military privileges which are enjoyed by the Armed Forces of the United States in the Philippines. These privileges were assumed during the period of U.S. rule of the Philippines, and they have been extended, with some modifications, under the lease arrangements by which the United States continues to occupy a great military base complex in the Philippines.

It is perhaps not generally realized that there are about 30,000 U.S. military personnel in the Islands, and over 25,000 dependents. Over 100,000 Filipinos and U.S. civilian employees work on our military bases in the Philippines, the U.S. Department of Defense being the second largest employer in the Philippines, coming only after the Philippine Government itself. The Clark Field lease, which covers over 132,000 acres, and the Subic Bay installation are among the largest U.S. military holdings anywhere in the world. Last year, U.S. Government spending in the Philippines amounted to about $270 million, over half of which was for outlays in connection with the military bases.

With regard to special economic rights, U.S. investors are the only foreigners in the Philippines presently permitted to own a controlling share of companies engaged in the exploitation of natural resources and in the operation of public utilities. In addition, the Laurel-Langley agreement of 1955 which amended the trade agreement of 1946 provides preferential tariff treatment on trade between the two nations and, of special benefit to Philippine commerce, guaranteed access within a quota to U.S. markets for sugar and cordage as well as duty-free quotas on certain other products.

The close integration of the Philippine economy with that of the United States now shows signs of diversification. Japanese and Europeans, for example, have come to assume an increasingly important role in Philippine trade. In fact, Japan has now become the chief supplier of Philippine imports. There are also some initial explorations being made with regard to the possibilities of trade with Communist nations, although Philippine relations with these countries are still far more circumscribed than our own.

Last year, the Philippine gross national product rose 6.3 percent and the country, employing the new miracle strains, became self-sufficient in rice for the first time in memory. At the same time, however, the Philippines had a $300 million deficit in international trade incurred in considerable measure because of the import of capital goods for the developing economy. The deficit figure underscores the compensatory significance of both U.S. base expenditures and trade preferences in the present economy of the Philippines.

The carryover of economic privileges has come under press attack in the Philippines in connection with preliminary scrutiny of the Laurel-Langley agreement which is due to expire in 1974. President Nixon's new doctrine would seem to call for a readiness on the part of this Nation to make adjustments in this agreement. There will be difficulties in this connection, to be sure, but there ought not to be insurmountable difficulties. As I tried to specify in my report to the President, the shock of change can be minimized if there is restraint and understanding on both sides.

The administration's new doctrine would also seem to imply a forthcoming attitude with regard to the military base issues. As

nations whose futures are interwoven with the peace of the Pacific, the Philippines and the United States have a common interest in cooperating closely in the field of defense. In that sense, the U.S. bases in the Philippines are of great significance to both nations. In the end, however, the value of the bases is dependent not only on our willingness to support them but also on Philippine acceptance of the arrangements which govern their usage. In that connection, it is important to bear in mind that, with the Philippines no longer an island possession of the United States, what transpires on and around the bases is bound to be of direct and deep concern to any Philippine Government.

In my judgment, the continued effectiveness of the bases requires an alertness to national sensitivities, a scrupulous respect for Philippine sovereignty, and close collaboration between the two governments on all matters pertaining to the usage of the bases. In that fashion, the scope and design of our military presence in the Philippines can be made to reflect not only our military needs but, equally, the wishes of the Philippine people.

When President Nixon arrived in Manila, he said: "I hope that we can initiate a new era in Philippine-American relations, not returning to the old special relationships, because the winds of change have swept away those factors, but building a new relationship, a new relationship which will be based on mutual trust, on mutual respect, on mutual confidence, on mutual cooperation."

As he left Manila, he said: "We have a special relationship with the Philippines which will always be in our hearts * * *."

The President's remarks underscore the dual significance of the phrase "special relationship." To recast all that these two words have come to imply into one mutually acceptable meaning will test the sagacity of the policies and the diplomacy of both nations in the period of transition which lies ahead.

Mr. MANSFIELD. Mr. President, I am delighted now to yield to the distinguished Senator from Alabama, without relinquishing my right to the floor.

THE ANNOUNCED RETIREMENT OF SENATOR SPESSARD L. HOLLAND

Mr. ALLEN. Mr. President, an item in the newspaper this morning caused me great sadness, for it reported the decision of Florida's great and distinguished senior Senator not to seek reelection to the Senate at the end of his present term. This is a decision that causes sadness and a sense of great loss—a loss for the Senate of the United States, a loss for the Members of the Senate, who love him and have the greatest repect and admiration for him, and a loss for the people of Florida and of the Nation.

Senator HOLLAND and Senators of his type have won for the Senate the accolade "the greatest deliberative body in the world."

His great intellect and silver-tongued eloquence; his integrity and statesmanship; his fairmindedness and sincere desire to serve the people of his State and Nation; his logic and his leadership cause him to rank as one of the greatest Senators in this body. His 24½ years in the Senate have been years of distinguished service. I have followed his career since his days as Governor of Florida. I heard him speak boldly at the Democratic Convention in Chicago in 1952 in opposition to punitive proposals leveled against southern delegations at that convention.

I admired his leadership in the successful fight in the Senate earlier this year to preserve the protection afforded by rule 22 to freedom of expression in the Senate.

I look forward to enjoying and profiting by Senator HOLLAND'S remaining months of service in the Senate for I have leaned heavily on his leadership in the past and expect to continue to do so in the remaining length of time that we shall have the benefit of his services in the Senate.

On behalf of the people of Alabama, I congratulate our distinguished neighbor on his outstanding and illustrious career in the U.S. Senate.

Though Senator HOLLAND is leaving the Senate, he will continue to be active in many worthwhile endeavors for years to come.

Mrs. Allen joins me in wishing Senator HCLLAND and Mrs. Holland many happy and rewarding years in the future.

Mr. MANSFIELD. Mr. President, at an appropriate time I intend to make some remarks about the retirement of our distinguished colleague, the senior Senator from Florida. I know other Members of the Senate will, also; they have so informed me. I shall only say at this time that I regret the decision of the distinguished senior Senator from Florida, who has contributed so much to the welfare of his State and to the welfare and the security of the Nation, and who has made for himself a most momentous and memorable record as a U.S. Senator during his service as a Member of this body.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. Yes, indeed.

Mr. HOLLAND. I simply want to express my grateful thanks to my distinguished friend from Alabama and my distinguished majority leader, the Senator from Montana, for these gracious comments. I assure them they are not going to get rid of me quite yet. I expect to be here until the end of my present term, which will not expire until January of 1971, at which time I shall have attained approximately the length of service for which our distinguished friend from Alabama gives me credit.

I simply wish to say that the gracious, kind, and generous treatment which I have received from these two Senators today is typical of the kind of treatment Mrs. Holland and I have received from Senators generally and their wives; and after all, that is what makes service in this body so highly treasured by all of us, on a personal basis.

I wish to express my appreciation for these overgenerous statements, and to say again that I look forward to being here for the remainder of my term. I shall not have to be away running next year, so I shall be enjoying these comradely relationships all year.

If I have been vigorous in the past, I hope to continue to be vigorous throughout that period, in doing the things which seem to be worth while, and particularly those things that are assigned to me by my majority leader, when I can see that they are things in accord with my philosophy; and he never asks me to do things which are not in accord with my philosophy, because he has been very gentle in his treatment of me.

I thank both of my distinguished friends.

Mr. EASTLAND. Mr. President, I join the distinguished Senator from Alabama and the distinguished majority leader in their tributes to the distinguished Senator from Florida (Mr. HOLLAND).

The Senator from Florida is certainly an outstanding Senator and one of the greatest Florida has ever had. At another time I shall have some additional words to say about him.

The Senator from Florida is my friend, and I think he is one of the greatest men in the history of the Senate.

Mr. MANSFIELD. Only one word: I call to the Senator's attention the fact that a year and 2 months is a long way off, and express the hope that in the meantime he may change his mind.

Mr. President, I yield to the distinguished Senator from Kansas.

Mr. DOLE. Let me say first that I certainly share the views of the Senator from Alabama and the Senator from Montana with reference to the Senator from Florida.

PRESIDENT NIXON'S VISIT TO THE SENATE

Mr. DOLE. Mr. President, I, as a freshman Member of this body, was certainly most appreciative of the fact that President Nixon today paid a visit to this body. I think what he said was said most properly. It was a great day for the Senate, and I think for all of us, to have the President visit this Chamber.

I did notice, as I am sure other Senators noticed, that there were a few in the gallery who apparently had no respect for the Office of the Presidency, who refused to stand when the President came in and refused to stand when he left the Chamber.

I suppose that those few who have so little respect for the highest office in our land and the President of our country are here for the activities this weekend. I would say they represent a very small minority of our people. As I looked around the galleries and saw the people standing and applauding, proud to be Americans, I felt very sorry for the three I saw in one row up here, who sat there and did not rise to pay respect to the high office which the President holds.

But it has been a great day for us, and despite the efforts of a few, a small minority, I would say three out of 2,000, I think the great majority of Americans share the wish expressed by the President, which I am sure is also shared by every Member of this body, that we can have an honorable peace in Vietnam, and peace throughout the world.

THE CONSTITUTIONAL PERILS OF PREVENTIVE DETENTION

Mr. ERVIN. Mr. President, on October 29, 1969, I had the privilege of participating in a conference on preventive detention conducted by the University of Chicago Center for Continuing Education at

the University of Chicago, in Chicago, Ill. I ask unanimous consent that some remarks made by me on that occasion be printed at this point in the RECORD.

There being no objection, the remarks were ordered printed as follows:

THE CONSTITUTIONAL PERILS OF PREVENTIVE DETENTION

I. INTRODUCTION

Initially, I want to make it clear that I am deeply concerned about the crime problem in this country and about the safety of our law-abiding citizens. The increasing rate of criminal activity in our land is appalling. I am especially disturbed by the crime problems besetting us each day in the District of Columbia. The existence of these problems, however, should not prompt Congress towards enacting unconstitutional and unwise and deceptively appealing legislation. Rather, it should provide us with the opportunity to make those difficult legislative decisions which are essential if our court and corrective systems are to cope with the demands of modern society.

Proponents of preventive detention legislation assert that it is the only realistic and efficient way to attack the problem of crime by persons free on bail while awaiting trial. In my judgment, the supporters of preventive detention are serious mistaken in that assertion. Although it is difficult to obtain complete statistics, the available figures indicate that offenses committed by persons released on bail are approximately 6% of the total crime figure. In addition, well over half the crimes on bail are not committed until more than 60 days after release. While any crime by bailees is serious, we should recognize that only a slight portion of our overall crime problem can be attributed to those on bail. That portion could be substantially reduced by providing for speedy trial and by other measures which would not involve such drastic infringement of civil liberties as does proposed preventive detention legislation.

Advocates of preventive detention generally attribute the need for preventive detention legislation to problems caused by the Bail Reform Act of 1966. Again, I am constrained to say that they are in error. As most of you well know, the Bail Reform Act revised Federal bail law for the first time since 1789. Its purpose was to implement the two fundamental principles which have always been at the foundation of American bail law—first, that a criminal suspect shall be released pending trial unless there are good reasons to believe he will flee rather than appear for trial; and second, that a person's financial inability to post monetary bond shall not preclude his right to pretrial release. These principles constitute the American ideal of bail—one which we have always sought but had never achieved until 1966. We should not recklessly repudiate these principles by enacting a preventive detention law which raises grave constitutional questions when considered in light of the individual rights guaranteed by the Eighth, Fifth and Sixth Amendments to the Constitution.

II. CONSTITUTIONAL QUESTIONS

A. Eighth amendment—right to reasonable bail

The historical purpose of bail is to insure the appearance at trial of a criminal suspect and not to detain him in the hope that such detention will impede the possibility of his further criminal activity. The Eighth Amendment prohibits excessive bail. Clearly, if bail is set at a level higher than necessary to insure appearance, it is excessive and is serving a function not consonant with its historical purpose. The result of excessive bail is pretrial detention violative of the Eighth Amendment. In my judgment, the Eighth Amendment implicitly guarantees a right to bail in all non-capital cases.

The history of the Eighth Amendment makes this evident. The right to bail was explicitly provided by the Northwest Ordinance of 1787 and by the Judiciary Act of 1789, both of which are contemporary to the Eighth Amendment. Furthermore, the major pre-Constitutional documents of the period, including the constitutions of Virginia, Massachusetts, North Carolina and Pennsylvania all provided for a non-discretionary right to bail. It is evident that the founders of our country adopted the Eighth Amendment's prohibition against excessive bail as a means of securing a pre-existing right which was generally accepted at the time and which had been expressly decreed by the same Congress only months previously. An especially significant manifestation of that intent is the presence of an absolute right to bail in non-capital cases in the great majority of our state constitutions.

I have recently received a memorandum on constitutionality which the Justice Department prepared in defense of S. 2600, the Administration's preventive detention proposal. In the memo, the Department argues that the Eighth Amendment guarantees a right to reasonable bail only in those cases where Congress authorizes bail. According to this argument, Congress could define away the right to bail and leave the Eighth Amendment meaningless. The Constitution's purpose is to limit governmental infringement of the people's declared rights whether by the courts, the legislature, or the executive. Under the Department's theory, the Eighth Amendment guarantees could be abolished by legislative action—an untenable result which does violence to the very purpose of the document.

While arguments may be mounted on both sides of the Eighth Amendment issue, it is generally agreed that existing case law is not dispositive. The two cases, *Carlson* v. *Landon*, 342 U.S. 524 (1952), and *Stack* v. *Boyle*, 342 U.S. 1 (1951), do not deal with the issue directly. The former case concerned the right of an alien to bail pending deportation. The Court found no such right under the Eighth Amendment. Then in dicta, it discussed the Eighth Amendment in terms of English legal history. This was a basic error since the Eighth Amendment was designed to repudiate the abusive exercise of judicial discretion which had grown up under English bail practice.

The second case, *Stack* v. *Boyle*, dealt mainly with the question of how the "excessive" nature of bail is to be determined under statute and the Eighth Amendment. While the Court opinion contains some helpful language on the constitutional right to bail, the concurring opinion of Justices Jackson and Frankfurter, taken with the dissent of Justice Black and the dissent of Justices Frankfurter and Burton in the *Carlson* case, all support my view of the Eighth Amendment.

Although I am personally satisfied that preventive detention prostitutes the purpose of bail and runs afoul of the Eighth Amendment, the constitutional implications would remain unclear until a case raising them reached the Supreme Court. At best, preventive detention is a constitutionally questionable device whose survival depends on a frontal assault on the Eighth Amendment as it has been understood from its enactment.

B. Fifth amendment

1. Due Process (and the Effect on Individuals of Violation of Due Process.)

The Constitutional difficulty of preventive detention proposals does not end, however, even if the Eighth Amendment is overcome. In my opinion these proposals are fraught with even greater difficulty when viewed in light of the Fifth Amendment guarantee of due process.

For example, under S. 2600 a judicial officer must find, prior to ordering preventive detention, that there is a "substantial probability" that the individual committed the offense charged. This provision allows the government to deprive a suspect of his liberty on the basis of a vague and uncertain standard of proof. I do not believe the standard of "substantial probability of guilt" comports with due process.

Fundamental to due process of law is the tenet that a man is presumed innocent until proven guilty beyond a reasonable doubt. Preventive detention proponents argue that the presumption of innocence is merely a technical rule of evidence assigning the burden of proof to the government at the actual trial. To the contrary, I believe that the presumption inheres in due process. Under our system of justice the government cannot deprive a man of his liberty on the basis of a mere accusation or assumption that he has committed a crime or is likely to do so. In practical effect, preventive detention legislation convicts individuals of "probable" guilt and "dangerousness" and sentences them to 60 days imprisonment without trial and conviction of a crime. Such flagrant violation of due process smacks of a police state rather than a democracy under law. It is reminiscent of similar devices in other countries which have proved all too useful as tools of political repression.

The Administration's bill, S. 2600, and most other detention proposals attempt to avoid the due process argument by providing for a preventive detention hearing. That hearing is ostensibly designed to protect the accused, but in reality it does him irreparable harm without satisfying due process.

Under S. 2600 the preventive detention hearing is adversary in nature, yet the rules of evidence do not apply. Thus, hearsay and other incompetent evidence would be admissible and the hearing would not be a truly evidentiary one. Notwithstanding that fact, the accused's testimony at the detention hearing could be used pursuant to provisions of the bill for his impeachment in any subsequent proceeding. I doubt both the wisdom and constitutionality of provisions of that type.

Notwithstanding the supposed safeguard of a required preventive detention hearing, it should be noted that a suspect could be detained under the Administration's bill for at least eight days without a hearing of any sort. For good cause shown, the U.S. Attorney may secure a continuance of three days while the suspect's attorney may obtain one for five additional days or more in event of extenuating circumstances. Here again we are confronted with the question of whether due process is accorded an individual as required by the Fifth Amendment.

Furthermore, we must not overlook the fact that preventive detention rest on an untested theory of predictability. A judicial officer must be able to pick out with precision the suspect who will commit new crime while on bail. Yet there are no standards for determining dangerousness and no statistical guidelines on which to base the prediction which must be made under the proposed law. Nor will any statistics become available if preventive detention is the law because suspects who are detained will not then be able to demonstrate that they would not recidivate. A legislative judgment of predictability which does not rest on an adequate factual foundation may not be constitutionally valid where the consequences to personal freedom and a fair trial are so serious.

Throughout any consideration of the theory of predictability, on which preventive detention is based, we should remember that only a small percentage and number of suspects actually commit crime while on bail. When that fact is coupled with the fact that judges have nothing to guide them other than some enigmatic power of prophecy, a

preventive detention law will most assuredly result in the imprisonment without trial of many persons who are not dangerous and who are innocent of the charges. If a preventive detention law is judged by its susceptibility to abuse, plainly it is an evil law.

As with any proposed legislation affecting the freedom and livelihood of the individual, we should examine the impact of that law upon the individual with the utmost care. It is obvious that 30 or 60 days preventive detention will cost the detained individual his job. Loss of employment plus physical absence from his home will unquestionably have a detrimental effect upon his family. The taxpayers will probably be required to contribute to the financial support of his family and will certainly pay the costs of his detention. It is interesting to note that testimony during bail reform hearings a few years ago estimated that the public cost of pretrial detention before the Bail Reform Act was $2 million.

Probably the most serious blows to be dealt the individual will stem from his subjection to the physical and psychological deprivations and degradations of prison life. S. 2600 does provide that an individual preventively detained under the bill will be confined separately, if "practicable." That provision, however, constitutes another example of the meaningless "rights" that S. 2600 and other bills offer those subjected to preventive detention.

Approximately 40% of all Federal criminal cases in the country are tried in the District of Columbia. Criminal suspects in the District of Columbia will bear the brunt of the preventive detention law. Consequently, we ought to ask where individuals selected by prophetic judges for preventive detention in the District will be incarcerated pending trial.

The D.C. Corrections Department already wrestles each day with the problems of assault, narcotics, and homosexual rape, as well as general turmoil and unrest, all of which result primarily from overcrowding and inadequate supervision. The jails of that city are already a national disgrace. Yet the advocates of preventive detention would inject untold additional individuals, many of them innocent, into our problem-ridden, overcrowded, prison system. The probability that separate confinement facilities will be available for detainees under S. 2600 or other proposals is simply nonexistent.

A period of thirty or sixty days or more of preventive detention in such a system is not likely to improve an individual's reputation. It will make securing employment difficult. It will, in all probability, increase rather than reduce any existing criminal tendencies. And it will sharply detract from the defendant's ability to secure probationary or suspended sentence in the event of conviction. Furthermore, we must realistically ask ourselves whether or not a defendant convicted of "probable guilt" and imprisonment for thirty or sixty days can receive a fair and unprejudiced trial thereafter.

2. Privilege Against Self-Incrimination

Under our system of criminal justice, the prosecution must come forward with evidence of guilt at trial. The defendant may reserve his case pending establishment by the prosecution of a prima facie case. This procedure also protects the defendant's privilege against self-incrimination and does not put him to his election on whether or not to testify at least until after the prosecution has gone forward with evidence of a prima facie case.

The procedure for a preventive detention hearing would constitute a radical departure from our traditional procedure in criminal cases and would place a defendant in an untenable position. If he wishes to avoid preventive detention, he must present his defense, including perhaps his own testimony, at this very early stage of the proceedings. The procedure prescribed by preventive detention proposals thereby strikes a serious blow at two fundamental privileges traditionally reserved to a defendant at the time of his trial.

3. Double Jeopardy

Preventive detention hearing procedures also may raise a double jeopardy issue under the Fifth Amendment. If, at the preventive detention hearing, the judicial officer finds no "substantial probability" that a suspect committed the crime, may that suspect successfully plead *res judicata* and double jeopardy at the subsequent trial? It would seem that having failed to meet the standard of "substantial probability," the government should not thereafter be allowed to try to prove guilt beyond a reasonable doubt.

4. Grand Jury Indictment

It is difficult to exhaust the list of constitutional questions raised by preventive detention legislation. Plainly, findings of "dangerousness to the community" and "likelihood to commit serious crime" under S. 2600 are not petty matters. Nor is a preliminary sentence of 60 days imprisonment. Does the Fifth Amendment provision regarding grand jury indictment apply to a preventive detention proceeding?

C. Sixth amendment

1. Effective Assistance of Counsel

In considering the constitutional problems posed by preventive detention, we must not overlook the Sixth Amendment right of an accused to have the effective assistance of counsel for his defense. Pretrial detention clearly militates against access to counsel and the opportunity to participate in preparing a defense. While the Administration's bill provides for a suspect's temporary release "for good cause", that privilege is diluted, if not totally devoid of meaning, because the release is in the custody of a U.S. Marshal and at the pleasure of the custodial official. The presence of a U.S. Marshal is hardly conducive to contacting prospective defense witnesses. Thus, preventive detention, even with a temporary release provision, substantially infringes upon a defendant's ability to assist in his defense and severely impairs his right to the effective assistance of counsel.

2. Trial by jury

Inasmuch as findings of "dangerousness to the community" and "likelihood to commit serious crime" and a 60-day prison sentence without trial under S. 2600 are matters of such great substance, is the guarantee of trial by jury secured by the Sixth Amendment applicable? Under current definitions, a distinction is made between penalties of 6 months imprisonment or more. This distinction is based less on logic than on practicality, since the judicial system would break down if all petty offenses were triable by jury. In my judgment the distinction is invalid. Certainly where the offense is "dangerousness" and a supposed predeliction to commit violent felonies, the amount of incarceration—60 days—is less important than the finding of serious criminality. Judged on this basis, a good argument can be made that the right to jury trial applies. That argument is strengthened by the facts (1) that detention is indefinite so long as the defendant seeks continuances, and (2) that the hearing will so prejudice the defendant's later trial that it may be, for practical purposes, the actual determination of guilt or innocence.

3. Speedy trial

I believe we ought also to examine preventive detention in light of the Sixth Amendment's right to a speedy trial. In so doing we must consider the administrative effect of proposed preventive detention measures. I must confess that I have great difficulty with this matter. The need for preventive detention legislation concededly rests on the inability to provide speedy trials for criminal suspects. It is an attempt to compensate for a progressive breakdown in our law enforcement structure and especially our over-burdened courts. Yet, the proposed solution would impose heavy additional administrative burdens on the already heavily backlogged courts.

The full adversary hearing, concededly required in any attempt to meet due process objections, and the need to make informed decisions on predictability would, in many instances, take as much time as would actual trial of the principal case. The judicial and prosecutional manpower required by this legislation has not been estimated, but it is no doubt great. Court congestion would get worse. Delays in criminal trials, now running 10–12 months in the District of Columbia, would increase.

Under the terms of the Administration's bill, those detained must be released after 60 days. Other proposals prescribe 30 days' detention. Measured by present delays, which will be worse because of these proposals, the suspect will be in the streets 8–10 months awaiting trial after his 30 or 60 days' detention period is over. Thus we have the curious situation where our failure to give defendants and the public their constitutional right to speedy trial has spawned legislation which will further burden the judges, and make speedy trials even less likely than at present. Yet the professed goal of protecting the public will still remain unrealized.

II. CONCLUSION

On the basis of our Senate hearings earlier this year in the Constitutional Rights Subcommittee and my study on proposed preventive detention legislation, I stand firmly convinced that such legislation is unconstitutional on its face and would initiate a disastrous policy in criminal justice. Furthermore, no compelling evidence has been presented to prove the need for such drastic legislation. Preventive detention will not solve the problem at hand. And I fear that enactment of the pending legislation would merely relax the mounting public pressure for a real and lasting solution to our crime problem.

In my judgment, the real answer to the immediate problem of crime committed by persons on bail, and, indeed, the solution to the general problem of crime, lies not in the preventive detention of individuals presumed innocent but in the speedy trial of the accused and the swift and sure punishment of the guilty. To attain that objective we must bring major improvements, long overdue, into our system of criminal justice. We must have more judges with adequate staffs and facilities, more prosecutors with sufficient supporting personnel, a more efficient system of defense for suspects financially unable to obtain counsel, and a more enlightened approach to penal reform.

As you know, the House and the Senate are both considering a variety of legislative proposals designed to achieve those ends. We must proceed with dispatch to enact carefully thought-through legislation in each of these areas affecting our criminal justice system. While working toward such long-range reform, we can, I am convinced, meet our immediate problem by greater effort on the part of our judges and prosecutors to bring about speedy trials, by the advancement of cases involving defendants believed dangerous, and by wider use of the procedures established in the Bail Reform Act of 1966 and the D.C. Bail Agency Act to supervise and control the conduct of defendants on bail.

Given the choice between a course of action fraught with constitutional perils and one clearly constitutional, let us choose the latter. Let us reject this facile and desperate

detention device which repudiates our traditional concepts of liberty and pursue instead the goal of speedy trial of criminal suspects. That objective does not depend upon constitutional affront but instead plainly preserves and enhances the rights of us all under the Constitution.

ORDER FOR ADJOURNMENT TO 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 o'clock tomorrow morning.

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

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nomination on the calendar.

The PRESIDING OFFICER (Mr. GRAVEL in the chair). Is there objection to the request of the Senator from Montana?

There being no objection, the Senate proceeded to the consideration of executive business.

SUPREME COURT OF THE UNITED STATES

The bill clerk read the nomination of Clement F. Haynsworth, Jr., of South Carolina, to be an Associate Justice of the Supreme Court of the United States.

The PRESIDING OFFICER. The Senate will proceed to the consideration of the nomination.

Mr. EASTLAND. Mr. President, I have received a letter which is self-explanatory. The letter is addressed to JAMES O. EASTLAND, chairman of the Senate Judiciary Committee, Washington, D.C. It reads:

> INTERNATIONAL BROTHERHOOD OF TEAMSTERS, CHAUFFEURS, WAREHOUSEMEN & HELPERS OF AMERICA.
>
> *Detroit, Mich., November 13, 1969.*
>
> Hon. JAMES O. EASTLAND,
> *Chairman, Senate Judiciary Committee, U.S. Senate, Washington, D.C.*
>
> DEAR SENATOR EASTLAND: Due to numerous reports in the news media stating that labor unions and in some instances stating explicitly that the Teamsters Union is opposed to the confirmation of President Nixon's nomination of Judge Haynsworth to the United States Supreme Court and, also, due to many inquiries from members of the United States Senate inquiring of our official position concerning Judge Haynsworth, please be advised that the International Brotherhood of Teamsters does not oppose the confirmation nor do we take a position for the confirmation of Judge Haynsworth.
>
> With kind personal regards, I remain
> Sincerely yours,
>
> CARLOS MOORE,
> *Political and Legislative Director.*

Mr. President, I rise to address myself to the nomination of Clement F. Haynsworth, Jr., to be Associate Justice of the Supreme Court of the United States.

First, let me say as chairman of the Judiciary Committee, that no nomination in the history of the Senate has ever received such close and careful scrutiny. No nominee in the history of the Senate has been subjected to such extensive interrogation and exhaustive investigation.

And, I might add, no nominee in the history of the Judiciary Committee has been so open and candid in his testimony and so cooperative in his conduct.

Mr. President, this nomination was announced from the Western White House on August 18 and received by the Senate on August 21. After timely notice in the CONGRESSIONAL RECORD and in the press, the committee commenced hearings on this nomination on September 16 and continued with 8 days of testimony, during which time the committee heard 33 witnesses, including Judge Haynsworth.

Every citizen who requested to be heard was given an opportunity to testify before the committee, and those unable to testify were allowed to file statements for the record. Each witness, including private citizens representing no one but themselves, were allowed all the time they asked to testify and were accorded every consideration possible under the circumstances. At the end of the hearings each witness who had failed to appear when called was again summoned and given another opportunity to testify. Those failing to appear were allowed to file and have their statements included in the printed record.

I want to state for the record that in my 13 years as chairman of this committee—and, to the best of my knowledge, in the history of the Senate—no nominee for judicial office has made the sweeping disclosures about his personal financial condition and transactions as has Judge Haynsworth. He was completely forthright and candid with this committee. He responded to all reasonable requests made of him.

Prior to the beginning of these hearings Judge Haynsworth made unprecedented disclosures to the committee, including but not limited to the income tax returns for himself and his wife from 1957 to date, and a complete financial statement.

Judge Haynsworth voluntarily requested that the entire Justice Department file on the Vend-A-Matic charges be made available to the committee and the public.

Judge Haynsworth also supplied to the committee a list of all of Vend-A-Matic's major customers as of December 1963, and all other information in his possession, or knowledge, pertaining to his investment in Carolina Vend-A-Matic Co.

I would like to say that Automatic Retailers of America, Inc., has given this committee unprecedented cooperation in furnishing information concerning this nomination. From the very beginning, ARA has made it clear that they would comply with any reasonable and official request by this committee. For instance, prior to these hearings and immediately upon request by the committee, ARA flew the minute books of Vend-A-Matic to Washington at their own expense. In addition they have flown up to Washington all of the records pertaining to the sales and customers of Vend-A-Matic, as well as copies of all tax returns and audited statements of Vend-A-Matic that they were able to locate.

Upon request Judge Haynsworth compiled a chronological listing of all his stock transactions during his tenure on the Circuit Court of Appeals and, in addition, furnished all of the brokerage slips evidencing each purchase and sale. Judge Haynsworth also furnished a chronological listing of all of his stock transactions and copies of each deed.

On Thursday, October 2, 1969, I released to representatives of Senator BAYH the following documents pertaining to the nomination of Judge Haynsworth:

First. Records pertaining to the sales and customers of Carolina Vend-A-Matic Co. from the date of its incorporation to the date of its merger with ARA, Inc. From these records a list of customers and income from each customer of Carolina Vend-A-Matic during its entire existence can be computed.

Second. Copies of all tax returns of Carolina Vend-A-Matic Co. and its subsidiaries. The 1962 and 1963 tax returns have been obtained from the company's auditor.

Third. Copies of the audited statements for Carolina Vend-A-Matic Co. and its subsidiaries for the years ending December 31, 1961, 1962, and 1963. These were the only annual reports ever prepared for Carolina Vend-A-Matic Co.

Fourth. All of Carolina Vend-A-Matic's auditor's records, including tax returns, pertaining to the Carolina Vend-A-Matic profit-sharing and retirement plan.

Fifth. Copies of all deeds involving all real estate transactions concerning Carolina Vend-A-Matic Co. and the Carolina Vend-A-Matic Co. profit-sharing and retirement plan.

Mr. President, I have stated unequivocally, and I repeat, that no nominee in the long history of the Judiciary Committee has ever voluntarily made such full disclosure. In fact, no other nominee has ever been requested or required to do so. I can imagine the editorial abuse that would have been heaped upon this committee had we even suggested that any previous nominee file for our inspection copies of his joint income tax returns. But Judge Haynsworth has done this and much more. His adversaries have taken full advantage of it. They have pored through this mass of information with a fine-tooth comb and admit they have found nothing that would indicate that Judge Haynsworth has done anything improper, or in expectation or hope of personal gain. They have sent investigators into his State in search of something, anything, to use against him. They have pored over some 300 cases in which he was involved, one by one, in hope of finding something to discredit him. But they admit they have found nothing.

In addition to furnishing this information to the committee, Judge Haynsworth voluntarily appeared before the committee and not only answered all questions put to him but also offered to return for further testimony upon the request of any Senator.

What kind of man is Clement Haynsworth? What does his conduct before the committee and the testimony of impartial witnesses reveal?

In his appearance before the committee, Judge Haynsworth showed himself to be truthful, frank, and candid. He testified with the confidence of a man with nothing to hide and nothing in his public record or private life to be ashamed of. His testimony was well reasoned and plain spoken, as are his opinions on the bench. He did not attempt to be clever or humorous or impassioned, but, consistent with his character, was honest and forthright. He answered each question put to him directly and was neither vague nor evasive. He demonstrated the same judicial temperament before this committee that he has shown throughout his tenure as a member of the court. With dignity, restraint, and courage, he underwent an exhaustive interrogation without complaint. He withstood a trial-by-ordeal within the committee and a trial-by-rumor without the committee with no trace of bitterness, or anger, or outrage which others felt for him.

The testimony of leading Senators, noted lawyers, and recognized legal scholars showed him to be a lawyer's lawyer and a judge's judge, a man of the law from a distinguished family of lawyers. Witness after witness described him as a preeminent jurist, a legal scholar, and at all times, a perfect gentleman.

A study of his case reveals a fair minded, well reasoned, plain spoken approach to the law. Judge Haynsworth's opinions show that he writes as he speaks, with clarity and perception, in a style unpretentious and unambiguous. They reveal those qualities of mind and heart required of a great Justice. His decisions show, as does his testimony, that he is a man devoid of flamboyant style and artificial, meaningless rhetoric, a man neither impatient, impulsive, nor impassioned; a man more concerned with substance than form, more concerned with seeing justice done than coining a clever cliche or turning a phrase.

Judge Haynsworth's record on the bench shows him to be a man who has concern without emotion, compassion without tears, who can render justice without passion, who can write clearly with confidence and authority, without resort to oratory or demagoguery.

While it is true that these are my conclusions, I believe they will be inescapable to anyone who will make the effort to read the record. They are supported by the testimony of impartial unsolicited witnesses, who came to Washington at their own expense, with no score to settle, no votes to win, no cross to bear, no cause to champion, no interest to protect. They are supported by the President of the United States and by a broad cross-section of Senators, lawyers, and legal scholars.

As stated by the distinguished junior Senator from South Carolina (Mr. HOLLINGS), who is himself a noted trial lawyer:

> Judge Haynsworth comes with neither a party labor nor a label of philosophy. After outstanding academic accomplishment at Furman University and Harvard Law School, and after 32 years of practice before the bar, for the past 12 years now he has labored in the vineyards of the judicial branch. For this, the New York Times has labeled him "obscure." Appellate judges hardly make headlines. In fact, they are not supposed to. In accordance with the doctrine of stare decisis, the intermediate circuity court must hew the line of Supreme Court decisions. But, as Senator Tydings of your committee will tell you, no one has been more assidious in the advancement of the administration of justice than Chief Judge Haynsworth of the Fourth Circuit Court of Appeals. He is considered by his peers on the bench and scholars of the law as being in the vanguard for the improvement of our judicial machinery. Judge Haynsworth has not won his promotion for outstanding backdoor politics at the White House. Rather, he is promoted for his excellent record as a judge.

As Senator HOLLINGS has so eloquently stated, Judge Haynsworth is a "gentleman and a scholar" who has "labored in the vineyards of the law." He is not a national celebrity, nor one of the "beautiful people," nor a member of the jet set. He is not famous or notorious, and he has not tried to be. It is true that as an attorney he was not a Melvin Belli or a Percy Foreman, and while this type lawyer has a place before the bench, I am not sure they have a place on the bench. He has not sought fame or recognition or notoriety.

As Judge Haynsworth has himself said, the law is not only his profession, it is his life.

The committee was also privileged to hear the testimony of Lawrence E. Walsh, chairman of the American Bar Association's Standing Committee on the Federal Judiciary. Judge Walsh brought with him an illustrious record and a distinguished career. A member of the New York Bar since 1936, Judge Walsh has held numerous positions of great distinction, including district attorney and counsel to the Governor of New York, director of the New York Waterfront Commission, Federal judge, and Deputy Attorney General of the United States. He had recently returned from Paris, where he served as a personal representative of the President in the peace negotiations.

Mr. President, I hope the Senate will give careful and serious consideration to the eloquent testimony of this famous lawyer, statesman and judge. As stated by Judge Walsh:

> The committee has for many years at the request of either the Attorney General or the chairman of this Judiciary Committee evaluated the professional qualifications of persons under consideration for Federal judgeships. In this particular case the request came from you, sir, as chairman of this committee. After receiving that request, we proceeded in four ways. We had a survey made of Judge Haynsworth's opinions. Through Mr. Ramsey and Mr. Owens, we interviewed every member of his court, the Fourth Circuit of Appeals, except one who is abroad. We also, through Mr. Ramsey and Mr. Owens, interviewed a number of district judges and a number of practicing lawyers. They selected the lawyers to try to get a fair sample of the bar throughout the circuit. They interviewed lawyers from each State in the circuit. They interviewed lawyers who frequently represent defendants, lawyers who frequently represent plaintiffs, lawyers who represent labor unions, and lawyers who are in the Admiralty Bar, lawyers on both sides who sometimes are plaintiffs and defendants in that bar. I also knew of a number of lawyers and judges in this circuit and I personally talked with them.
>
> I think I can summarize the investigation this way. As far as Judge Haynsworth's opinions are concerned, he has written more than 300. Probably 90 percent of them are not controversial in any way. He has participated in many, many more, probably well over 1,000, but looking to the 10 percent of his opinions which were in areas which inevitably would invite controversy, we can see that in those areas where the Supreme Court is perhaps moving the most rapidly in breaking new ground he has tended to favor allowing time to pass in following up or in any way expanding these new precedents.
>
> The areas in which you might notice this would be in the areas of civil rights but also in the areas perhaps of labor law and in the areas of the rights of, for example, seamen and longshoremen. The Supreme Court has greatly expanded the old definitions of seaworthiness and things like that. In all of these areas, whether they are politically sensitive or not, you see the same intellectual approach.
>
> It was our conclusion, after looking through these cases, that this was in no way a reflection of bias. This was a reflection of a man who has a concept of deliberateness in the judicial process and that his opinions were scholarly, well written, and that he was, therefore, professionally qualified for this post for which he is being considered.
>
> Incidentally, in reporting to this committee for the lower courts, we usually express our qualifications without limitation. When we report on a person under consideration for the Supreme Court, we realize that professional qualification is only one of many factors that has to be considered in this case. The Supreme Court has such broad responsibilities that are many things that must go into selection besides professional qualification. It is only for that reason that we limit our endorsement to professional qualification. We feel that it is beyond the scope of our committee to go into these other factors, so we do not express any view as to the points of view expressed by Judge Haynsworth, for example. All we say is that they are within the limits of good professional thinking.
>
> Then the interviews which were conducted support completely the analysis which we had reached ourselves. Each member of his court and each member of the bar who was interviewed supported this general evaluation. I think it was Senator Tydings who posed the three questions which must be considered at this time: first, integrity, second, judicial temperament, and third, professional ability. As far as integrity is concerned, it is the unvarying, unequivocal and emphatic view of each judge and lawyer interviewed that Judge Haynsworth is, beyond any reservation, a man of impeccable integrity. His word is good.
>
> * * * * *
>
> Going to judicial temperament, we found he is extremely popular in the circuit. He is well liked by the lawyers who appear before him. He is patient. He hears them well and gives them a full chance to develop their points of view. When he makes up his mind, he is firm, which again they like.
>
> As far as his professional qualification is concerned, he is spoken of in the highest terms. I do not think we ever quite put it in this way but among the lawyers in his circuit and the district judges, certainly those that we talked to in the circuit, in terms of professional qualification, they will put him right at the top of those who would be eligible for consideration for this post from that circuit.
>
> Now, here are reservations as to his, some of his particular points of view. I mean, there were lawyers who will differ. Some will wish that he would lean more toward plaintiffs in personal injury cases, for example, or that he was perhaps for faster progress in civil rights cases or more oriented toward labor in labor cases. They will say that and they

will say because of this they wish the President had picked someone else. This is a minority of the group that we talked to but even they, and this I thought was the real test as far as our job was concerned, they conceded his professional qualifications and they conceded his intellectual integrity and they conceded his personal integrity and they like him as a man.

Now, I knew a number of district judges and, in fact, I had gone through some civil rights matters with some of them, so I talked to them myself and they spoke in highest terms of Judge Haynsworth. I mean, whether or not they agree with particular points of view, they support him fully, as a man and as an honest man, a man of integrity.

Beyond that he has been an excellent chief judge, he has been a good administrator, a fair administrator, and you sense an enthusiasm from the district judges as you talk to them in his district.

I think that perhaps is a fair summary of what we found, Mr. Chairman.

Mr. President, I would also direct the attention of the Senate to the following colloquy between Senator ERVIN, Senator TYDINGS, and Mr. Norman Ramsey, who accompanied Judge Walsh as a representative of the American Bar Association and who was described by Senator TYDINGS as a "distinguished lawyer from my State":

Senator TYDINGS. Do you know of any lawyer who is from Maryland who has ever argued a case before a fourth circuit panel, a panel on which Judge Haynsworth sat, who felt he was not fair and impartial, and that he was not a good judge, even if the opinion or panel ruled against him?

Mr. RAMSEY. I have never heard that comment made. I have lost a few myself and obviously I did not agree with the court on ones I lost but I never felt it was in any way due to any bias, prejudice or improper conduct on Judge Haynsworth.

Senator ERVIN. Concerning lost cases, I think there is an old couplet: "Now wretch e'er felt the halter draw with good opinion of the law."

Mr. RAMSEY. I have never heard, sir, any adverse comments on Judge Haynsworth during his tenure on the bench.

Senator TYDINGS. Would it be a fair statement to say that not just the great weight but the overwhelming opinion of the lawyers of Maryland who have had any contact, direct or indirect, with Judge Haynsworth would be that he, regardless of his political philosophy or political allegiance or political registration, is competent and qualified to be a Justice of the Supreme Court?

Mr. RAMSEY. I believe that is correct, sir, and I think our State bar association has advised the chairman of the committee that in the opinion of the board of governors of our association, he is eminently well qualified to be a member of the Supreme Court and in addition, I would concur that I think that is unvaryingly the opinion of our board.

Mr. President, the senior and junior Senators from Maryland have announced against confirmation of the nominee, so as a passing note I call special attention to the testimony of Mr. Ramsey, of Maryland, and I would also point out that every single district and circuit judge from Maryland has endorsed this nominee and vouched for his ability, impartiality, and integrity. This is the judgment of those who have served with him and know him best.

Consider the testimony of Judge Harrison L. Winter, Judge of the U.S. Court of Appeals for the Fourth Circuit. Judge Winter told the committee:

To summarize my views, I would say that I know of no fairer judge, no more gracious, considerate or understanding leader, and no judicial officer more possessed of judicial temperament.

* * * * *

Judge Haynsworth and I have differed on the decision of cases. At times I have sought to give decisions of the Supreme Court wider scope and wider application than he has. At times the converse has been true. And at times he and I have found ourselves in disagreement with our brethren on the Court, so that we were in a dissenting position. But I must say, sir, and gentlemen, that when he and I have disagreed between ourselves, I have never felt or thought that his position on a particular matter has exceeded the area of legitimate and informed debate.

From my association with him, I have a profound respect for his capabilities as a legal scholar and as an intelligent, capable and informed judge.

The Senate should also consider the testimony of Louis B. Fine, a noted Virginia lawyer of the Jewish faith. Mr. Fine has served as president of the Virginia Bar Lawyers' Association, has been for 12 years an officer of the American Trial Lawyers' Association, and a member of its board of governors. Mr. Fine asked to appear before the committee and came at his own expense. He described Judge Haynsworth in the following language:

I had the pleasure of meeting Judge Haynsworth when he was first appointed to the United States Court of Appeals for the Fourth Circuit. I have only known him as a judge and only socially as a member of the Judicial Council for the Fourth Circuit.

I have grown to love and respect him.

I represented the Teamsters, the Painters Union, the Carpenters Union, and the Longshoremen's Union of Norfolk. I have appeared for them in legal controversies before the Supreme Court of Appeals of Virginia, and I feel that it is my duty under Canon 8 to appear here, and I appear unsolicited by the Department of Justice or by Judge Haynsworth or anybody else.

I feel that the criticism that has been made by labor is unfounded, and I feel that the representation that has been made here that he is anti-Negro is not true, and I say that on the same basis that I am not anti-Semitic being of the Jewish faith.

* * * * *

Judge Haynsworth is eminently qualified by virtue of education, character, integrity and experience to be an Associate Justice of the United States Supreme Court.

* * * * *

I have appeared before him in his Court in any number of cases. His grasp of the law and his opinions are crystal clear, and are based upon the ever-growing common law, with a total respect for law and order.

He is loved, admired and respected as one of our great judges.

All of his personal and official conduct reflects a disposition which is in conformity with the American ideals of equal justice for all people, regardless of race, color or creed.

I can only speak for myself personally, but as one who has represented both plaintiffs and defendants from personal injury actions to antitrust suits, as well as one who has represented labor unions in my jurisdiction. I am confident that labor has nothing to fear from Judge Haynsworth.

I wish to state without any hesitancy that with Judge Haynsworth on the United States Supreme Court bench he will be one of the greatest in American jurisprudence.

Several witnesses who appeared unsolicited, and at their own expense, felt compelled to do so by canon 8 of the Canons of Ethics, which expressly puts upon the bar the duty of defending judges from unjust criticism.

John P. Frank, of Phoenix, Ariz., was such a witness. I will not detail the illustrious career of Mr. Frank but I would note his unquestioned credentials as a liberal Democrat, a supporter of President Kennedy, President Johnson, and Vice President Humphrey, a leader in civil rights litigation, and an admirer of the Warren Court. Yet, Mr. Frank told the committee:

I suppose I am one of the foremost publicists in the support of Chief Justice Warren and whom I ardently admire and the work of the Court. But I think the liberty, I hope without sanctimony, but there is another canon involved here beyond those which have been mentioned and that is canon 8 of the new Canons of Ethics. Canon 8 expressly puts upon the bar the duty of rising to defend judges from unjust cirticism, and I think for that purpose it is not material under canon 8 whether we agree with a particular judge or whether we don't. Obviously given my point of view and experience I would without doubt have preferred a different administration to be appointing a more liberal Justice. But my side lost an election, and the fact of the matter is that as a member of the bar we are called upon by canon 8 to rise to the defense of judges unjustly criticized, and it is my abiding conviction, sir, that the criticism directed to the disqualification or nondisqualification of Judge Haynsworth is a truly unjust criticism which cannot be fairly made.

Mr. President, Mr. Frank is the leading authority in the United States on disqualification of judges. Much has been made about the Darlington case. Here is what this leading authority in the country said about it:

It follows that under the standard Federal rule, Judge Haynsworth had no alternative whatsoever. He was bound by the principle of the case. It is the judge's duty to refuse to sit when he is disqualified but it is equally his duty to sit when there is no valid reason not to. I do think that it is perfectly clear under the authority that there was virtually no choice whatever for Judge Haynsworth except to participate in that case and do his job as well as he could.

Judge Haynsworth's nomination was also supported by a number of leading law professors, including Charles Allan Wright, of the University of Texas, and G. W. Foster, Jr., of the University of Wisconsin. Charles Allan Wright, for example, is a noted scholar and a responsible, impartial voice from the academic community. Mr. Wright has studied all of Judge Haynsworth's opinions and has watched his development as a jurist since his appointment to the bench. Based upon his studies of Judge Haynsworth's record, Mr. Wright made the following observations in a statement filed with the committee:

With this professional interest, and with these writing commitments, I necessarily study with care all of the decisions of the federal courts, and inevitably form judgments about the personnel of those courts. We are fortunate that federal judges are, on the whole, men of very high caliber and great ability. Among even so able a group, Clement Haynsworth stands out. Long before I ever met him, I had come to admire him from his writings as I had seen them in Federal Reporter.

* * * * *

There are judges who have been great essayists. We remember persons such as Justice Cardozo and Judge Learned Hand as much for their contributions to literature as for their contributions to law. Judge Haynsworth is not of this number. Very rarely does he indulge himself in a well-turned epigram or in quotable rhetoric. Instead his opinions are direct and lucid explanations of the process by which he has reached a conclusion. He faces squarely the difficulties a case presents but he resists the temptation to speculate about related matters not necessary to decision.

* * * * *

It would be very hard to characterize Judge Haynsworth as a 'conservative' or a 'liberal'—whatever these terms may mean—because the most striking impression one gets from his writing is of a highly disciplined attempt to apply the law as he understands it, rather than to yield to his own policy preferences.

* * * * *

I end as I began. I cannot predict the votes of Justice Haynsworth. The cases I have reviewed in this statement demonstrate, I believe, that in the areas of criminal procedure and freedom of expression the record of Judge Haynsworth on the Fourth Circuit has been a constructive and forward-looking one. But I support his nomination, not because his views on these subjects or others are similar to mine, but because his overall record shows him to have the ability, character, temperament, and judiciousness that are needed to be an outstanding Justice of the United States Supreme Court.

I also mentioned that Mr. G. W. Foster, Jr., of the University of Wisconsin Law School, supported the Haynsworth nomination. Mr. Foster, filing a statement with the committee, said that "by faith I am a liberal Democrat" and summed up his opinion of Judge Haynsworth in the following language:

Judge Haynsworth is an intelligent, sensitive, reasoning man. He does not fit among that small handful of front-running federal judges who have consistently made new law in the racial area. He has earned a place, however, among those who serve in the best tradition of the system as pragmatic, open-minded men, neither dogmatic nor doctrinaire. His decisions, including those in the racial area, have been consistent with those of other sensitive and thoughtful judges who faced the same problems at the same time.

Mr. President, I would also like to draw special and final attention to the testimony of John Bolt Culbertson, of Greenville, S.C., a liberal Democrat, a member of Americans For Democratic Action, a lawyer for various labor unions, including textile and teamsters, and a representative, at times, of the NAACP. Mr. Culbertson has an unquestionable reputation as a lawyer for the poor, the weak, and the defenseless. By his own testimony his clients and his politics have not endeared him to the establishment of South Carolina, and, according to Mr. Culbertson's further testimony, have at times endangered his life.

Mr. Culbertson was considered by many members of the committee to be one of the most effective witnesses to appear before us in some time. He was effective because he obviously spoke from the heart and told the truth as he saw it. The junior Senator from Michigan was moved to tell the witness:

You have been a very effective and very impressive witness.

The junior Senator from Indiana felt compelled to note:

From what you told us I have the distinct impression that you told it as you thought it was in your heart.

Nor, might I add, was the standing or testimony of this witness diminished by a shoddy and shameful attempt to discredit him by a witness for the NAACP.

Mr. Culbertson, aside from his many credentials as a favorable witness, spoke as a life-time associate of Judge Haynsworth. Because of the great impression this witness made upon the committee, I would ask my colleagues to give serious consideration to the following testimony from our hearing record:

Mr. CULBERTSON. He is absolutely honest. He has impeccable integrity. He is a man whose word I would believe about anything. I have never put into writing any agreement that I have had with the Haynsworth firm. They are honorable people. They have a different philosophy from me because I am a real genuine double-dipped Democrat, and they are not liberal enough for me. I want them, to see them go further.

The CHAIRMAN. What about Judge Haynsworth's legal ability?

Mr. CULBERTSON. Legal ability?

The CHAIRMAN. Yes.

Mr. CULBERTSON. Judge Haynsworth, in my opinion, has one of the best legal minds, the most incisive mind that I have run into.

* * * * *

Clement Haynsworth's mind, legal mind, is really sharp and he is a competent man. Now, don't misunderstand me, he has decided a lot of cases. I take a lot of cases on social security for disability before that court and I haven't had much success up there, and I have got some of those, one of those cases on the way now, on the pauper's oath, to the U.S. Supreme Court, but what I am saying in response to Senator Eastland's question is that he has as good a legal mind as there is in the United States, in my opinion. Now, I don't know whether that answers that or not.

The CHAIRMAN. And he has made a fair judge?

* * * * *

Mr. CULBERTSON. If I didn't believe he was fair and honest, Senator, a thousand mules couldn't pull me from South Carolina up here.

I must confess that I have, on my own, gone through Judge Haynsworth's background with a 'fine-tooth comb,' and I have not discovered anything which I think could possibly disqualify Judge Haynsworth, either as a Federal Judge or as United States Supreme Court Justice. I may not always agree with his decisions, but he is an honest man, he has perfect judicial temperament, he is both competent, industrious, and able. I am convinced that he decides each case on its merits as he sees the merits, and that he tries to do the just and right thing in all situations. He does not, in my opinion, prejudge any case. By background and education, I would consider him to be conservative in his thinking, and that he is not the kind of judge who would try to legislate law by Court decision, but who follows precedents already established. I would not be afraid to submit any case of mine for Judge Haynsworth's decision. I am a Democrat. I was for years, for a good many years ago when I was younger than that, I was State president of the Young Democrats of South Carolina.

Hubert Humphrey was my candidate for President. I was asked by the way to head up the South Carolina forces for McCarthy but I told them no, I can't do that. I am a Humphrey man. I donated $500 in this last campaign and I will give him more if he is again a candidate. I will tell you where I got that $500. Had this white boy and Negro from New York charged by the FBI for stealing a car and bringing it into Greenville. I represented the Negro, some other lawyer represented the white man. I charged him $500 during that campaign, and I got a directed verdict from the judge of innocent and my colored man went back to New York and the $500 went to Hubert Humphrey and I will get him some more money if he is a candidate.

Had Mr. Humphrey won I would have advocated his appointment of Arthur Goldberg to the Supreme Court. I would not have suggested Judge Haynsworth. I was happy when Arthur Goldberg was appointed to the U.S. Supreme Court by President Kennedy and I was happy when President Johnson appointed Thurgood Marshall to the U.S. Supreme Court. I might say that I spoke with Thurgood Marshall in Jackson, Miss., and Columbia, S.C., and I spoke with James Foreman of the CORE in Columbia, S.C. I am not bashful, and I would be happy to see Arthur Goldberg back on the Supreme Court. But President Nixon won the office, and it is his prerogative to appoint the members of the U.S. Supreme Court. We Democrats lost. It is my feeling that President Nixon has a mandate from the American people, including the people of South Carolina, who gave him her votes.

I feel, therefore, that President Nixon owes an obligation to the people of this Nation to appoint to high office men and women who are qualified to carry out the promises that President Nixon made during his campaign. That applies, of course, to appointments to the highest Court of this land. If President Nixon searched the whole Nation over, looking for a man to appoint to the Supreme Court to fill this requirement, he could not find a more ideally suited man for the job than Judge Haynsworth. I hope that my friends in the civil rights movement and in the labor movement can understand and appreciate my position concerning this appointment because while I agree with them in many, many ways, and I think that some good will come out of the protests by them, nonetheless, I believe that they must agree with me that this is President Nixon's appointment; he has picked a fine man, and I am confident that once he is seated, which he certainly will be, that all their fears will disappear. I predict that Judge Haynsworth with prove to be one of the greatest Justices of the Supreme Court that ever has been on this Court. I believe that my friends of liberal persuasion can understand that if we have the right when our crowd is in power, to appoint our Judges, then our opponents, by the same token, have this right when they win. As a South Carolinian, I shall be proud to have Judge Haynsworth on our highest Court and if I were a Member of the U.S. Senate, I would vote for the confirmation of his appointment, and for this endorsement I do not apologize to anyone.

It has been one of the recurring themes of the Haynsworth hearing that somehow the nominee is out of touch with the real America. It is repeatedly suggested and inferred that he is not, as the senior Senator from Massachusetts says "a contemporary man of our times," that he is not in the social, political, and economic "mainstream" of America. Thus, according to Life magazine, the nominee is "far removed from the whiffs of tear gas at Chicago and Berkeley—a long and solitary distance from the dust and clangor, the desperations and urgencies of the times—invisible, refined out of existence, indifferent—like people who are living 50 years ago."

In other words, it is feared that Judge Haynsworth will not march in step with the mob in the street and is neither responsive to or sympathetic with the aspirations of the masses. In essence,

it is feared that he will not maintain the forward thrust of the Warren Court.

I am especially intrigued with the reservation expressed by the senior Senator from Massachusetts that he might not be able to vote for the nominee if it were shown that "his decisions were perhaps running against the general stream of the law even though a reasonable man would not reach the conclusion that in any way he was biased or prejudiced."

That phrase, "running against the general stream," calls to mind a recent article in the American Bar Association Journal of October 1969, entitled, "Law and Communist Reality in the Soviet Union," by Charles S. Maddock and Kazimierz Grzybowski. In commenting on the state of the law in the Soviet Union the authors observed:

> In its own literature the Soviet Union describes the real Soviet man as a "person who puts the interest of society first and is imbued with a sense of collectivism". This same statement continues:
>
> "It cannot be said, of course, that everybody in the USSR measures up to that ideal. There are some who pull against the stream, against the efforts and ideas of the masses. It is extremely difficult, in a comparatively short period of time even with conditions as they are in the Soviet Union, *to rid people of an individualist outlook* (emphasis supplied). Century-old traditions and the influence of a world in which individualism is assiduously cultivated have their effect. But the experience of the USSR shows that gradually it can be done."

The stated fear that Judge Haynsworth will run "against the general stream" also calls to mind Senator Walsh's eloquent defense of Justice Brandeis wherein he said:

> It is easy for a brilliant lawyer so to conduct himself as to escape calumny and villification. All he needs to do is to drift with the tide.

Quite frankly, Mr. President, I think it is immaterial and irrelevant whether we can be assured that a prospective Justice will not "run against the general stream." History reveals that had that test been adhered to in the past, the Court would have been deprived of many of its most illustrious members. It is doubtful whether a Holmes, a Brandeis, a Cardozo, or a Frankfurter could have passed such a test. This country is big enough for men of all races, men of all faiths, men of all social, political, and economic philosophies. Surely a nine-member Court is also big enough for men of different ideals and men from different regions of this country. I will say at this point, Mr. President, that the area of this country from which he comes, in my opinion, has had much to do with this fight over Judge Haynsworth. However, since the question has been raised as to whether Judge Haynsworth is a "contemporary man of our times," I would like to make some general observations about what kind of American Judge Haynsworth is and what kind of people will identify with him. I might preface these remarks with the suggestion that it is not the Judge Haynsworths who are out of touch with America and with the values and aspirations of the American people. Perhaps it is the so-called liberal establishment that does not understand what is in the minds and hearts of the American people and does not fully comprehend the issues, the ideas, and the forces that are sweeping and changing this land of ours. They have been so busy shouting that they have not taken time to listen. With one broad sweep of the brush they have always painted everyone with a dissenting view as a racist or a bigot or a Fascist. Controlling the great communications media they have found it easier to shout down and drown out opposition rather than to answer it. They have sought to destroy and discredit every man and movement offering resistance to their policies. Ruthlessly using the power of mass communication as an instrument rather than a medium, they have given us a case study of the methods and techniques of propaganda which have been used with chilling effect at other times, in other lands, by other men.

The Haynsworth hearing is a case in point. It has shown us how attention can be focused upon unfavorable testimony and events, how words can be quoted out of context, how the truth can be ignored, and how rumor reported as fact. It has shown us how facts themselves can be shaded, twisted, and perverted with a subtle ruthlessness almost imperceptible to the casual reader or viewer, how the truth and the lie can be so intricately interwoven as to be indistinguishable. As we have seen in the coverage of the Democratic Convention in Chicago, events can even be staged for the proper effect. In a nutshell, the studied purpose of these methods and the desired result of their authors is to discredit ideas and destroy men who cannot be counted on to dance to the tune of the liberal press.

Thus, Mr. President, the liberal establishment of the East has always regarded as dull, insipid, and mediocre any man or idea out of step with their own social, political, and economic philosophy. To prove that they learn nothing from the past, I would like to read from an editorial which appeared in the New York World of April 23, 1930, regarding the nomination of John J. Parker of South Carolina to be an Associate Justice of the Supreme Court:

> It is Judge Parker's total lack of a distinguished record of public service and the total lack of proof that he has any distinction as a jurist which seems to us above all else to justify the Senate in saying that his nomination does not measure up to the standards which the American public rightly expects to see attained in the nomination of a Supreme Court justice.

Of course Judge Parker, along with Judge Learned Hand, has been judged by history to be among the greatest jurists our country has produced. Today there is not to be found one responsible lawyer, scholar, or historian who does not acknowledge his talent and pay tribute to his greatness.

And so today the New York Times refers to Judge Haynsworth as "a gray man with a gray record." The Washington Post says the President "has not distinguished himself in his first two opportunities to name Justices to the Supreme Court" and calls for men who are "truly distinguished." A columnist for the Washington Evening Star says:

> The Court needs a man of impeccable distinction, which Haynsworth plainly is not.

This columnist says that Judge Haynsworth "talks like a smalltown businessman" and his conversation is extremely "small potatoes." "Despite his limitations" he will probably be confirmed, says this writer. "So Richard Nixon will have his way and give the 'forgotten American' a rather forgettable American."

While this columnist's petty sarcasm was obviously intended as a measured insult to the nominee, I do not believe Judge Haynsworth is offended to be identified with the "forgotten American." For he may be called the "forgotten American," he may be called the "silent American" or the "average American," but by whatever name, he works in our factories, he runs our farms, and he fights our country's wars, regardless of his race, creed, religion, or the area of the country he calls home. He works hard for what he has, he loves his family and hopes to pass on to his children a stronger country, a better life, with more bountiful opportunities and a higher standard of living than he himself has known. He also has "rising expectations" and seeks a greater share of the affluent society in which we live, but he does not hope to get it by robbing a store or rioting in the streets. God is not dead to him, nor is his love for and loyalty to the country of his birth and those ideas and ideals that made our Nation great, those institutions of our democracy that have kept our country free. Those who share the viewpoint of the columnist I have mentioned charge that this so-called forgotten American is not concerned about the aspirations of the poor, about the problems of the cities, about the plight of impoverished nations, about the war in Vietnam, and about the frustrations of the young in a society of increasing complexity. This simply is not true, for, in fact, the average American is a decent, compassionate, and generous man. He has willingly given his blood to set captive peoples free and his country's treasure to aid and assist peoples throughout the world. He is a concerned American. He is concerned about the war in Vietnam, for his sons are carrying the greatest burden there and are doing most of the dying there. But if he thinks our Nation's policies are not right, he will try to set them right within the framework of our democratic processes, but right or wrong, he will not betray it. He wants peace more than anything, but he wants peace with honor; he wants the war to stop, but he does not want to see his country defeated and humiliated.

Yes, this "average American" or "forgotten American" is concerned about many things, and this "forgotten American" is also becoming a very angry American. He is angry and concerned about Supreme Court decisions that have unleashed a wave of rioting and crime in our streets. He is angry and concerned about the leniency of the courts and parole boards that unleashes dangerous

criminals upon society even when apprehended and convicted. He is angry and concerned about Supreme Court decisions that mistake license for liberty and tie the hands of local prosecutors in their efforts to stop the flood of obscenity that has innundated our country. He is concerned about the preservation of his neighborhood school, his property rights, and his State and local government, and he is angry about Supreme Court decisions which threaten these time-honored institutions. He is tired of demonstrators waving Vietcong flags, agitators calling for the violent overthrow of the Government, and he is tired of Supreme Court decisions which have rendered our country helpless to deal with the threat of internal subversion. This forgotten American is pictured by the liberal press as a reactionary clinging to values and standards of conduct which are no longer relevant in our society. To the contrary, I maintain as do many others, that to value hard work, to love one's family, to be devoted to one's country, and to value moral standards of public and private conduct are traits of character to be admired in any society and at any time. When these values become irrelevant in a society, then decadence has already set in and decline and fall surely follow. These are the values which make the forgotten American subject to ridicule by such columnists as I have mentioned and it is true, I believe, that Judge Haynsworth shares these values, and therefore it is not surprising that he, too, is subject to their ridicule and vilification.

Mr. President, it would be tragic if those who do not share these values and who seek to undermine those institutions the average American holds dear, are able by a campaign of smear and slander, to prevent the nomination of an outstanding Judge and an honorable man who has displeased them.

Mr. President, this is as far as I shall speak at this time. I shall have more to say on this case later, and on Judge Haynsworth as a man.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HRUSKA. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. HRUSKA. Mr. President, on Wednesday I reported the nomination of Clement F. Haynsworth, Jr., to be Associate Justice of the Supreme Court. The Judiciary Committee reached its favorable recommendation by a vote of 10 to 7. The committee report, including individual views, has been filed and is available to all Senators.

Judge Haynsworth, who has served for 12 years as a member of the Fourth Circuit Court of Appeals, is a distinguished jurist. He is highly qualified to serve as an Associate Justice of the Supreme Court. His record has been analyzed by attorneys, judges, Senators, and professors; northerners, southerners, easterners, and westerners. The hearing record contains their considered conclusions that Judge Haynsworth is intelligent, scholarly, practical, precise, and analytical. His opinions are well written and easy to follow. It has been predicted that he will compile a brilliant record on the Supreme Court; he has the potential to be an outstanding Justice; he may be great as Justice Black. And the record goes on and on.

President Nixon has personally reviewed Judge Haynsworth's record and he supports the nominee unreservedly. He has stated twice that Judge Haynsworth is "the man of all the circuit judges in the country by age, experience, background, and philosophy the best qualified to serve on the Supreme Court at this time."

I ask unanimous consent to have printed in the RECORD at this point a news release, as published in the Washington Post on October 21, 1969, containing excerpts from the President's statement on this subject on that occasion.

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

PRESIDENT NIXON SPEAKS ON HAYNSWORTH

When I nominated Judge Haynsworth, I said that he was the man I considered to be by age, experience, background and philosophy the best qualified to serve on the Supreme Court at this time.

Today . . . I reaffirm my support of Judge Haynsworth with even greater conviction.

Judge Haynsworth "has had to go through what I believe to be a vicious character assassination" and still "comes through as a man of integrity, a man of honesty, and a man of qualifications."

"In all twelve cases raised in hearings, Judge Haynsworth was beyond suspicion."

The Bobby Baker matter "is guilt by association and character assassination of the very worst type."

I would agree with those Senators, many of whom are now opposing Judge Haynsworth, who in the Marshall confirmation, categorically said that a judge's philosophy was not a proper basis for rejecting him.

An editorial in the Washington *Post* said that "because a doubt had been raised, the name should be withdrawn." "I say categorically, I shall never accept that philosophy." "That isn't our system. Under our system, a man is innocent until proven guilty."

I have examined the charges. I find that Judge Haynsworth is an honest man. He has been, in my opinion as a lawyer, a lawyer's lawyer and a judge's judge. I think he will be a great credit to the Supreme Court and I am going to stand by him until he is confirmed.

It is not proper to turn a man down because he is a Southerner, because he is a Jew, because he is a Negro or because of his philosophy.

I had to consider . . . whether I would then take upon my hands the destruction of a man's whole life, to destroy his reputation, to drive him from the bench and from public service. I did not do so. There is no dishonor in connection with him.

Mr. HRUSKA. Mr. President, I shall not cite all of the many scholars and experts who are quoted, in their statements, as to their judgment of Judge Haynsworth, but I shall read into the RECORD at this point a statement from Prof. Charles Wright, of the University of Texas, an expert on the Federal courts, who said:

We are fortunate that federal judges are on the whole men of very high caliber and great ability. Among even so able a group, Clement Haynsworth stands out. Long before I ever met him, I had come to admire him from his writings as I had seen them in the Federal Reporter.

I am sure many Americans are wondering if this man is as qualified as all these people say—and the record abundantly establishes he is—why he is subject to such violent attack on his ability and his ethical standards.

Mr. President, the real issue in this confirmation proceeding is not the ethical standards of Judge Haynsworth, although we will meet and refute every attack that purports to impugn his ethics and discuss the matter at length.

The real issue is not his ability. He is qualified as any nominee the Senate has reviewed in this century and far better qualified than most.

The real issue is President Nixon's attempt to restore some balance to the Supreme Court of the United States. He searched for a well-qualified, experienced man, who believed in the well-defined doctrine of judicial restraint and who would endeavor to examine and apply the law while studiously avoiding the imposition on the American people of his personal views. Judge Haynsworth is such a man. His philosophy of jurisprudence, as found in his written opinions, differs considerably from that of some other recent Supreme Court nominees.

It is his philosophy, and President Nixon's choice of philosophy, that is the real source of controversy. As I will develop more fully later in this presentation, it would be a tragic error for the Senate to reject this nominee because of his philosophy and his previous decisions.

I recognize that some of my colleagues are genuinely concerned by attacks that have been made concerning the nominee's ethics or certain of his decisions. That is why we will deal carefully with these issues. I reiterate, however, that the real issue is his philosophy. It is so made by those who are opposing his confirmation. Much of the energy of the anti-Haynsworth campaign has come from labor and civil rights groups that simply disagree with his decisions. This is the genesis of the attack on his ethics. Philosophy, not ethics, is the real controversy here.

It is important to recognize at the outset of this debate the nature and extent of the investigation that has been made of this nominee. Seldom before has a single nominee for public office received a more searching examination; and never before has the nominee cooperated more fully and more willingly. The hearing record is 762 pages long; the nominee testified over 113 pages. The testimony related primarily to his personal financial and business relations. He submitted statements and facts pertaining to Carolina Vend-A-Matic; he submitted his joint income tax returns; he submitted lists of every stock he owned or had owned since 1957; he compiled exhaustive lists of stock dividends and splits and so forth.

When it was all over, did a single person who had zealously investigated the facts challenge Judge Haynsworth's honesty? The fact is that they did not.

Did anyone charge he was corrupt? The answer is, "No." Did anyone intimate that he had been improperly influenced in the decision of a case? The answer again is, "No." To my knowledge, every Senator who has looked into this matter has concluded that Clement F. Haynsworth, Jr., is an honorable, upright, and sincere jurist. If integrity is the test, Judge Haynsworth has met that test.

I do not object to a fair and impartial examination of nominees to the Supreme Court. This concern is proper. I do not deny any Senator the right to speak his mind and reach his own conclusions on the issues before the Senate. But I do solemnly disagree with those who argue that Judge Haynsworth is antilabor or anticivil rights or ethically insensitive. His opinions show a strong divorcement from any personal bias. His conduct has met the highest standards whether prescribed by statute, canon, court rule, or conscience.

ETHICAL STANDARDS OF JUDGE HAYNSWORTH

A. THE EXISTING STANDARDS

Article I, section 9 of the Constitution of the United States states:

No bill of attainder or ex post facto law shall be passed.

The essential unfairness of an ex post facto law was apparent to the Founding Fathers and it should be apparent to us. If the rules are established and scrupulously observed by a man, that man cannot be faulted because someone decides a new rule should be established and applied to past conduct. Yet that is precisely what is being done regarding Judge Haynsworth's conduct in several important instances.

The Congress, the courts, and the bar establish the rules of conduct for the judiciary through statutes, rules and decisions, and canons, respectively. Congress has the legislative authority and determines the policy standards while the courts and bar interpret and guide in the interpretation of the standards. The canons have no meaningful application except insofar as they are consistent with the positive mandate of the statute.

When Congress recodified what is now title 28, Section 455, United States Code, governing disqualification it made two important changes: first, it made the statutory standards applicable to circuit judges as well as district judges; second, it made the standard of disqualification "any case in which he has a substantial interest." Previously the standard had been disqualification in any suit in which he was "concerned in interest." The clear meaning of the words is that a judge shall disqualify himself only if he has a substantial interest. Paltry or inconsequential reasons will not suffice. The cases have so held and it is the recognized rule in Federal courts that a judge has an affirmative duty to sit in a case if he is not disqualified.

The standard is clear. A judge does not become more moral and more upright the more often he disqualifies himself. On the contrary, a judge who disqualifies himself for insubstantial reasons or for reasons rejected by precedent is violating his duty.

The Federal statute does not set a minimum standard and those who abide by it do not exhibit only a minimum sensitivity to the ethical problems of disqualification. On the contrary, the statute provides an exclusive standard which can be applied only by sensitive consideration of the judge's interest in the case and the public's interest in well-run courts.

The Canons of Judicial Ethics are valuable references to judges who must decide questions of their own ethical conduct. But they are guidelines only, not hard and fast rules. These canons are available to both State and Federal judiciary irrespective of the conditions of the court and the governing statutes. It is important to understand that they are not intended to be the exclusive or binding rules of conduct, at least for the Federal judiciary. If they were binding, there would have been no need to recodify section 455, make it applicable to circuit judges and change the standards. Canon 29 has existed unchanged since the 1920's and ABA Formal Opinion 170 was rendered 30 years ago, section 455 was rewritten 20 years ago, in 1949.

Then, in 1963, the Judicial Conference of the United States adopted a resolution governing the conduct of judges. It provides:

Resolved: No justice or judge appointed under the authority of the United States shall serve in the capacity of an officer, director, or employee of a corporation organized for profit.

It may be observed parenthetically, Mr. President, that when Judge Haynsworth assumed the office of circuit judge, he resigned from several—I think as many as a half a dozen—boards of directors of corporations that had public listing and public ownership, feeling that he could not serve well, even though there was no rule or law against it, if he retained his membership on such boards.

Those are the rules as they existed prior to the nomination of Judge Haynsworth and those are the rules this Senate must apply to this man. As the hearings show, and as the debate will develop, he has abided by those rules and merits our confirmation.

B. CAROLINA VEND-A-MATIC

First. Judge Haynsworth was an original stockholder and Director of Carolina Vend-A-Matic, an automatic food vending company. In 1963, Vend-A-Matic was receiving 3 percent of its gross sales from machines located in Deering-Milliken plants. Deering-Milliken in turn controlled Darlington Manufacturing Co. which was a litigant before the Fourth Circuit. Judge Haynsworth participated in three decisions involving Darlington and the Textile Worker's Union. Two decisions, in 1961 and 1968, were favorable to the union and are not complained about. The 1963 decision was favorable to Darlington.

The heretofore unquestioned rule in the Federal courts is that a business relationship between a litigant and a judge who is a stockholder and director of a third party which did business with a litigant does not require the judge to disqualify himself. In fact, it does not allow him to disqualify himself.

The American Bar Association reviewed the law and the facts involving Vend-A-Matic and so concluded.

John P. Frank, perhaps one of the leading, if not the leading, authority on judicial disqualification, so concluded.

The Fourth Circuit, which had reviewed the relationship, so concluded. The Department of Justice in 1963 and 1969 so concluded.

The present rule is clear. Judge Haynsworth abided by it and cannot now be faulted for following the precedents.

Second. Judge Haynsworth has been attacked also for having a business connection with Vend-A-Matic at all. The argument is that he should have known that third party companies with business relations would be in his court and there would be an appearance of impropriety.

There is no rule that says a judge may not invest his money in a company that buys goods and services from some and sells them to others, but that is what this argument implies. Almost any business investment could fall under this prohibition.

There was no appearance of impropriety when the third party business relationship was not involved in the issues of the case.

The Vend-A-Matic Co. paid money to Deering-Milliken for the right to install vending machines. The right was awarded by legitimate, competitive bidding. Vend-A-Matic earned money by selling vending foods to employees. Where is the appearance of impropriety in a ruling that did not affect the number of cups of coffee sold?

Judge Haynsworth had several cases before him that involved Vend-A-Matic customers. He ruled against Darlington two out of the three times the company was before him. In the case of the Cone Mills Corporation, Judge Haynsworth ruled against this customer of Vend-A-Matic both times it was before the court. He did rule in favor of Homelite, another customer, allowing it to rescind a lease made with Trywilk Realty Company. Twice when the Deering-Milliken Research Corporation was before the court, he affirmed procedural rulings in favor of the company. Where in this record is there any impropriety?

There is no appearance of impropriety in holding a one-seventh stock interest in the company that submits competitive bids to sell coffee and food to the employees of these companies.

Third. It has been charged, as well, that Judge Haynsworth lied about the extent of his participation in Carolina Vend-A-Matic.

Look at the record. Ten days before the hearings began, he sent a letter to the committee outlining the following facts: He served as a director until 1963; he attended weekly luncheon meetings of the board; he discussed financial matters; he handled some of the credit matters; his wife served as secretary and they both received compensation in their respective capacities.

He testified that he orally resigned as an officer in 1957 but was carried on the corporate books as vice president until 1963.

He testified that he did not solicit business. None of this testimony has been

discredited, and there is no evidence to the contrary. There is strong evidence corroborating his narration.

In his candid and cooperative manner, the nominee replied to every question and spelled out his participation in the business. To question his honesty and candor in the face of this record is ludicrous.

How can an honest man lack candor? That is the paradox posed by the arguments of some of my colleagues who oppose this nomination. They agree that Judge Haynsworth is an honest man, but they argue he lacks candor.

The testimony before the Subcommittee on Improvements in Judicial Machinery in June of this year provides a good example of the lengths to which otherwise reasonable men will go to find some "evidence" to support their position.

Judge Haynsworth was a friend, or at least an acquaintance of the subcommittee chairman who had invited him to testify on the need for legislation requiring judicial disclosure of business interests. I am sure the atmosphere of the hearing was relaxed and friendly.

The judge was asked if he favored disclosure of every firm in which a judge was an officer, director, proprietor, or partner. He repiled:

I certainly would have no objection to such a thing as that. I don't believe most judges would.

Then he added a personal reminiscence:

Of course, when I went on the bench I resigned from all such business associations I had.

That statement is now represented to us as an intentional lie because Judge Haynsworth had not resigned all directorships until 6 years earlier, rather than 12 years earlier when appointed to the bench. What directorships did he not mention? Carolina Vend-A-Matic and Main Oak. The first was well known to all judges of the Fourth Circuit and to the Justice Department. The second was a dormant family corporation, also disclosed by him and known to the Fourth Circuit and the Department of Justice. There was nothing wrong with these relationships from 1957 until 1963, and in 1963, in compliance with a resolution of the Judicial Conference, he resigned.

A misstatement, Mr. President, is not a lie. And this argument that Judge Haynsworth misled the Judicial Improvements Subcommittee must be difficult even for the most cynical man to accept.

C. PARENT-SUBSIDIARY CASES

The statute which governs disqualifications of a Federal judge when a party litigant is a subsidiary of a company in which the judge owns stock is 28 U.S.C. 455, the same section previously discussed. A judge should disqualify himself in a case in which he has a substantial interest. Judge Haynsworth did not have a substantial interest in any subsidiary coming before his court. The text of this section is short. It reads:

SECTION 455. INTEREST OF JUSTICE OR JUDGE

Any justice or judge of the United States shall disqualify himself in any case in which he has a substantial interest, has been of counsel, is or has been a material witness, or is so related to or connected with any party or his attorney as to render it improper, in his opinion, for him to sit on the trial, appeal, or other proceeding therein.

Farrow v. *Grace Lines Inc.*, 381 F. 2d 380 (1967) involved a $50 judgment against Grace Lines for overtime pay lost by an injured seaman. The Fourth Circuit affirmed the judgment. The nominee held 300 shares, 1/60,000 of the stock in W. R. Grace Co., the parent of Grace Lines. Assuming the entire $30,000 originally claimed had been assessed against stockholders of W. R. Grace, without reference to insurers or tax treatment of the award, Judge Haynsworth's share would have been $0.48.

Maryland Casualty Co. v. *Baldwin*, 357 F. 2d 338 (1955) and *Donohue* v. *Maryland Casualty Co.*, 363 F. 2d 442 (1966) involved a subsidiary of American General Insurance Company. Judge Haynsworth held 200 preferred shares, 59/1,000,000 of those outstanding, and 67 common shares, 15/1,000,000 of those outstanding. The impact of the cases on his interest cannot be measured.

There is no opinion of the ABA stating that this sort of negligible interest in a parent corporation is grounds for disqualification. Formal Opinion 170 does not reach the point. The California Supreme Court, the only court I know of which has ruled on this issue, held a judge was not disqualified if he owned shares in the parent company. *Central Railway Co.* v. *Superior Court*, 296 Pac. 883 (1931). Again, the Senate would be creating new rules which are contrary to the statute, if it sought to condemn this conduct.

D. BRUNSWICK CORP.

Judge Haynsworth purchased 1,000 shares of Brunswick stock on December 26, 1967. At the time, he was aware that the decision in a Brunswick case in which he had participated had not been issued. He took the position during the hearings that if he had held the stock at the time the case was heard and decided on November 10, he would have been in violation of the Canons. That conclusion is debatable because 18 million shares of Brunswick were outstanding and his 1/18,000 interest in the litigation could amount to no more than $5, certainly not a substantial sum. Nonetheless, because in his opinion, he would have disqualified himself, I will accept Judge Haynsworth's conclusion for the purpose of this debate.

Whether buying the stock before deciding the case would disqualify him is not relevant, however. The question is whether having decided the case and then inadvertently having acquired the stock, should he have disqualified himself? He reasonably concluded the answer was no, and the majority of the Judiciary Committee agrees.

Judge Winter, a distinguished member of the Fourth Circuit bench and author of the Brunswick opinion, testified at length on the propriety of Judge Haynsworth's conduct. Let me repeat some of the pertinent testimony:

Senator HART. Now, would you regard it as proper on your part to have purchased the Brunswick Corp. stock before the release of the opinion?

Judge WINTER. Before the release of the opinion? I think, sir, if I had been in that situation, I would have avoided buying the stock until after the opinion had been filed and the matter disposed of. I do not think, however, that I would have been legally disqualified, since a decision has been reached in the case in my mind, since the nature of the decision was not one which could have affected the value of the stock one way or the other." (Hearings, page 241)

* * * * *

Senator BAYH. Judge Winter, if you had been made aware that Judge Haynsworth had purchased the stock as he did in the latter part of December, what action, if any, would you and Judge Jones have taken?

Judge WINTER. I think I would have called the matter to Judge Haynsworth's attention, that this was a case in which the opinion had not been announced, but I think I would have left the decision of what part he should play in it entirely up to him, because matters of personal disqualification are peculiarly a matter for personal decision. . . ." (Hearings, page 252-253)

* * * * *

Senator ERVIN. Now certainly this 0.0005 proportionate ownership of the Brunswick Corp. by Judge Haynsworth could not have given him any very substantial interest in the outcome of that case, could it?

Judge WINTER. Sir, I think the arithmetic of it would show that it was not certainly a big interest in the absolute sense, and I would not quarrel. I do not know whether Judge Haynsworth was aware that he had this or whether he had not.

Senator ERVIN. Yes.

Judge WINTER. I have not attempted to talk to him or to find out about it. But let me put it this way. If he concluded that that was not a substantial interest I would not have questioned his judgment for a moment, or if he had concluded that it was a substantial interest, but nevertheless it was not improper for him to sit, I would not have quarreled with him for a moment. (Hearings, page 254)

In addition, Judge Winter testified in response to specific questions from Senator TYDINGS that Judge Haynsworth's conduct did not violate Canon 26 or Canon 29.

It was regrettable that Judge Haynsworth was put in the position of making the decision to not disqualify himself. But in view of the nature of the case—it was a clear-cut decision on a limited point of law—he concluded the burden of rehearing the case was unwarranted. We, in the Senate, must keep in mind the real burden, administratively, in setting a case for rehearing, selecting a new panel, rehearing, redeciding the case, and drafting an opinion. Justice was rendered in this case, and delaying the disposition would only have delayed justice and would not have altered the result.

Judge Haynsworth says he wishes he had never heard of the Brunswick Corp. and never purchased the stock. The members of the committee agree. This inadvertent error, however, is no reason for refusing to confirm him. A nominee must be honest, honorable, and sensitive to ethical considerations. He cannot be expected to be infallible.

E. J. P. STEVENS CO.

Judge Haynsworth holds 550 shares of stock in J. P. Stevens Co. This stock ownership has been attacked as a violation of Canon 26. The committee took testimony on this point, reviewed the canon, and concluded that Judge Haynsworth has acted properly.

J. P. Stevens Co. was a very close client when Judge Haynsworth was a practicing

attorney. He concluded that it would not be proper, "in his opinion"—see 28 United States Code section 455—to sit in any case where J. P. Stevens was a litigant, and he has not.

In view of the fact that Judge Haynsworth would never have to disqualify himself in a J. P. Stevens case because of his stock ownership, the committee concluded that Canon 26 was not relevant and there was no reason for him to dispose of his stock.

F. THE AMERICAN BAR ASSOCIATION

Mr. President, for the past 18 years, it has been the custom that nominees for judicial posts be reviewed by the American Bar Association and the ABA recommendation be forwarded to the Judiciary Committee.

The Committee on the Federal Judiciary of the American Bar has been delegated the responsibility for the investigation and recommendation. The committee consists of one member appointed from each of the 12 judicial circuits, and a chairman appointed at large. The purpose of the committee is to review the professional qualifications of a nominee. This includes his ability, experience, and integrity.

The committee interviewed his colleagues on the fourth circuit, a cross section of district judges and practicing attorneys, and the nominee himself. His opinions were surveyed. The committee concluded that Judge Haynsworth was "highly acceptable from the viewpoint of professional qualifications." Judge Walsh testified on Judge Haynsworth's behalf.

At the time of the hearings as well as before, the issue of the Darlington case had been raised. The committee on the Federal judiciary included the issue in their deliberations. It was found that: "Judge Haynsworth had no interest, direct or indirect, in the outcome of the case before his court. There was no basis for any claim of disqualification, and it was his duty to sit as a member of his court."

When subsequent attacks were made against Judge Haynsworth involving Brunswick and the parent-subsidiary cases, the committee met again, and here is what it said:

> The Committee met today and carefully reviewed the matters which have come to its attention since its original report on Judge Haynsworth to the United States Senate Committee on the Judiciary. It has concluded by a substantial majority that such matters do not warrant a change in that report.

Sixteen past presidents of the American Bar Association have affirmed their confidence in the processes and judgment of the ABA committee. In a telegram to Chairman EASTLAND, they concluded:

> Accordingly, we hereby affirm our support of Judge Haynsworth and urge his confirmation as a Justice of the United States Supreme Court.

It is the professional judgment of the American Bar Association, Mr. President, that Judge Haynsworth is fully qualified to take his seat on the Supreme Court of the United States.

HAYNSWORTH'S RECORD AS A CIRCUIT JUDGE

A. AN OVERVIEW

A sitting judge compiles a record on which he himself can be judged for competence and ability. Judge Haynsworth has a 12-year record in which his competence can be measured. It is an illustrious and a proud record.

After reviewing his opinions, the American Bar Association judged the nominee to be highly qualified. Judge Walsh reported that "as far as his professional qualification is concerned, he is spoken of in the highest terms." Mr. Ramsey of the ABA committee testified that "he is eminently well qualified to be a member of the Supreme Court."

Professor Wright's statement before the committee was particularly helpful. He reviewed many of Judge Haynsworth's opinions on many different subjects besides civil rights and labor cases. It was his conclusion that: "(H) is overall record shows him to have the ability, character, temperament, and judiciousness that are needed to be an outstanding Justice of the United States Supreme Court."

In every case which a judge decides, and over a 12-year period that is thousands, there is at least one dissatisfied party: the loser. It is not surprising that Judge Haynsworth's nomination brought forth criticism of his record. Careful analysis, however, shows those criticisms are themselves biased and misleading.

B. CIVIL RIGHTS

In this presentation, I will not undertake to review the many cases cited by opponents and supporters of Judge Haynsworth in an attempt to define his judicial attitudes on racial matters. He has decided cases in favor of litigants claiming deprivation of civil rights and he has decided cases against them. Eminent authorities agree that his approach is fair.

Prof. G. W. Foster served as a consultant on school desegregation to the U.S. Commission on Civil Rights from 1961 until 1963. He served as a consultant to the Office of Education on school desegregation from 1964 to 1967 and participated in the drafting of the original HEW school desegregation guidelines. His statement appears on pages 602–611 of the hearings. He says:

> To sum up: Judge Haynsworth is an intelligent, sensitive, reasoning man. He does not fit among that small handful of front-running judges who have consistently made new law in the racial area. He has earned a place, however, among those who serve in the best tradition of the system as pragmatic, open-minded men, neither dogmatic nor doctrinaire. His decisions, including those in the racial area, have been consistent with those of other sensitive and thoughtful judges who faced the same problems at the same time. And it simply cannot be said that his record in the racial field marks him as out of step with the directions of the Warren Court.

Mr. President, I submit that this is an accurate and fair description of Judge Haynsworth's civil rights record. It certainly justifies the confidence of every Senator concerned with civil rights that Judge Haynsworth will continue to work fairly and pragmatically to insure that all Americans receive their civil rights.

C. LABOR

An objective review of Judge Haynsworth's decisions in labor cases, like those in civil rights cases, establishes that he has taken a balanced, impartial attitude toward labor litigation. Sometimes he will uphold union contentions, sometimes he will not. The determinative issue is not who the parties are but what the law is.

George Meany, AFL–CIO president, testified that he disapproved of any judicial decision against labor. Mr. Meany is an advocate for his point of view, and the bias evident in his statement is not the standard against which to measure the conduct of a judge.

Judge Haynsworth has written and participated in numerous opinions that recognized the legitimate aspirations of workers to organize and engage in collective bargaining. The committee report discussed two such opinions: NLRB against Electro Motive Mfg. which extended the protection of the National Labor Relations Act to a supervisor, and United Steelworkers against Bagwell, which held unconstitutional a city ordinance which sought to regulate distribution of literature by unions.

In the Electro Motive case, Judge Haynsworth gave the following justification of the reinstatement of the supervisor despite the fact that supervisors were not within the statutory definition of protected employees:

> The effect of the discharge, in either event, is to tend to dry up legitimate sources of information to Board agents, to impair the functioning of the machinery provided for the vindication of the employees' rights and, probably to restrain employees in the exercise of their protected rights.

Writing for the court in *NLRB* v. *Webb Furniture Corp.*, 368 F. 2d 314 (1966), Judge Haynsworth discussed good faith bargaining:

> When the union tendered some concessions, the employer might reasonably be required to recognize that negotiating sessions might produce other or more extended concessions. That is the purpose of collective bargaining. By July, it was readily apparent to the union that the impasse could be broken only by concessions on its part, but it would be extraordinary to suppose that it would do so then in terms of an ultimatum, or that in its initial modification of its demands would go to the ultimate limits of its possible agreement.

These quotations from these two cases do not sound as though they came from the pen of an antilabor judge. Indeed, Judge Haynsworth joined in 45 opinions that ruled in favor of the unions. He wrote eight of them.

He also joined in opinions against labor litigants and it is these decisions which are attacked. On balance, however, it is obvious that he had no bias against labor unions.

D. THE ANALYSIS OF JUDGE HAYNSWORTH'S WRITINGS HAS COME FROM MANY SOURCES

The New Republic magazine carried an article by Professor Bickel of Yale Law School concluded:

But Judge Haynsworth is no reactionary. His civil rights record is centrist, although more cautious than some Senators would like. If the Senate demands precisely the ideological profile it would prefer, the appointment process will be in deadlock. Judge Haynsworth should be seen ideologically as falling within the area of tolerance in which the Senate defers to the President's initiative.

Professor Wright summed up his first statement as follows:

History teaches us that it is folly to suppose that anyone can predict in advance what kind of a record a particular person will make as a Justice of the Supreme Court.

All that one can properly undertake, in assessing a nominee to that Court, is to consider whether he has the intelligence, the ability, the character, the temperament, and the judiciousness that are essential in the important work he will be called upon to perform. Clement Haynsworth has shown in 12 years on the circuit court bench that he possesses all of these qualities in great measure.

I hope he will be quickly confirmed.

THE SENATE AND ITS RESPONSIBILITY

The nomination of Judge Haynsworth has unleashed a furious attack unmatched since the nomination of Judge Parker and, prior to that time, the nomination of Louis Brandeis.

In the latter case, Justice Brandeis became one of the greatest men ever to serve on the Supreme Court. In the former case, Judge Parker continued to serve with distinction as an appellate level judge, but his greater potential was never realized.

The distinguished Senator from Florida (Mr. HOLLAND) informed me during colloquy on this subject several weeks ago of what he had been told by the distinguished former senior Senator from Georgia, Mr. George. Senator George, at the end of his career, regretted more than any other vote he had cast in the Senate, his vote against Judge Parker. I hope, Mr. President, that no one serving in this body will be left with such a bitter recollection of this nomination.

Freewheeling charges have been directed at Judge Haynsworth's ethics, charges that will be hard to live down if sustained by this Senate. Yet, it is a battle, not really being fought over ethics but over the philosophy of the man.

Mr. President, what precedent will be set for the future if a man of Judge Haynsworth's reputation and ability can be brought down by often-repeated charge. If President Nixon would attempt to find another nominee to bring balance to the Supreme Court, what man would accept the ordeal of personal vilification?

Organized labor did not apologize for the campaign it waged against Judge Parker although it contributed greatly to his rejection. This is so even though it is admitted that Judge Parker was a good judge. There will be no apology if Judge Haynsworth is rejected, and he too is a good judge. This is what the next nominee will weigh in his mind.

Mr. President, I am confident that the Senate will advise and consent to the nomination of Judge Haynsworth, but I think it important to recognize the seriousness of the decision we will make within the next few days.

This Senator has served for 12 years as a member of the Judiciary Committee. I have never opposed any judicial nominee because I did not like his philosophy, and I assure the Senate I did not agree with the philosophy of some nominees. I will maintain my consistent position and call upon all my colleagues who have deferred to the President on the choice of philosophy in the past to do so in this case.

Choice of philosophy is a political consideration. To bring such considerations to bear in the Senate means to weigh 100 individual views of what is the proper philosophy against the decision made by the President. It does not work as President George Washington learned early in his administration. If 100 persons are allowed to give full sway to their own personal views, then no independent, resourceful man will ever be picked to serve on the Supreme Court.

If Judge Haynsworth is rejected because of the flimsy attacks on his record as a circuit judge, no sitting judge will be able to meet the newly established Senate test. Practicing attorneys might be a source of prospective nominees, but if they are good they will be successful and will have business relationships that will have to be scrutinized and criticized. We could turn to the law schools and find qualified men untarnished by financial dealings, representation of certain clients, or prior court opinions, but it would be difficult indeed to select a balanced court only from among teachers.

If Judge Haynsworth is judged on the merit of his record, he passes with flying colors. He is capable, possessed of judicial temperament, honest, and intelligent. I am confident, Mr. President, that a majority of my colleagues will agree with this conclusion and will in due time confirm this nomination.

Mr. BAYH. Mr. President, I have listened with considerable interest to the remarks of the distinguished chairman of our committee as well as to the remarks of the Senator from Nebraska. I have listened not only to the statements which they made today, but also to the opinions that both these gentlemen have expressed throughout the hearings.

I should like the record to show that although the conclusions that I have reached differ from the conclusions of the Senator from Nebraska and the Senator from Mississippi, I believe that they have cooperated fully to see that this matter was fully aired. They have given me, as a member of the loyal opposition, every courtesy that I could expect, and I thank them for their consideration.

Mr. President, opposing this nomination has not been an easy matter for me. And I do no think that it has been an easy matter for any of us to oppose what, at least I personally feel, is normally a Presidential prerogative: the nomination of individuals to many positions of responsibility.

I have normally been inclined to go along with the Presidential decision. On only one occasion in the past did I feel inclined to oppose a nomination. It was a nomination made by the previous administration and was the nomination of a man that I did not feel was qualified to fill the position. I learned then that opposition to a nomination is different from opposition to other issues.

I have learned from personal experience that when one opposes a man on his qualifications, he is indeed burdening himself with an unpleasant task.

Opposing Judge Haynsworth is an endeavor which I now enter only after great consideration.

Mr. President, it seems to me that when considering an appointment to the judiciary, the Senate is in a different position from that in which it finds itself when considering appointments of other public officials. The President is charged with the duty of executing the laws and making the executive branch run. It is quite reasonable that he be given considerable latitude in selecting his own people to aid him in this great task. For this reason, a Senator might well feel conscientiously bound to go very far in following the President's lead and to confirm without hesitation most of his appointments. These appointees are an integral and working part of the President's administrative team.

Just the opposite is true as to judges, however. The judge is not someone with whom the President has to work in any intimate sense. He is not a member of the administration in any remote sense. When a judge is appointed, it is contemplated that his tenure will long outlast that of the President. A Federal judge is not a part of any administration. He is not an advocate, but rather a member of the judicial branch of our Government—totally removed from either the executive or legislative branches after appointment.

The President's constitutional power to initiate the appointment process for judges is the result of a compromise at the Contitutional Convention. It was initially proposed that the power to appoint judges should lie solely with the Congress. In giving some power to the President—indeed, the initial power to nominate—the Founding Fathers reserved the right of the Senate to advise and consent. Thus the President and the Senate become partners in appointing members of the Judiciary, and the Senate has not hesitated to use the power of rejection which the framers of the Constitution granted it. In fact, the Senate has rejected more nominations to the Supreme Court than to any other office. Between 1800 and 1900, one-quarter of all those named to the High Court failed to receive confirmation. Most were rejected by the Senate; others had their nominations withdrawn because of Senate opposition. They were rejected for a variety of reasons including politics, philosophy, ability, and, indeed, temperament.

It is clear then that the scrutiny we give the nomination of Clement F. Haynsworth, Jr., to the Supreme Court is not unusual. Indeed, it is the traditional, constitutional duty of each Senator to determine in his own mind what qualifications are necessary for a Supreme Court Justice, and then to measure the qualifications of the nominee against those standards.

I believe that among public officials, judges occupy a unique position. We all

know they are addressed as "your honor." They wear solemn robes. And they preside over courtrooms of ceremonial architecture. Unlike legislative or executive officials who are constantly judged by the electorate on their political choices and proposals, Supreme Court Judges are lifetime appointees and are appraised by a test of trust: Are their decisions fair, impartial, and in accordance with the law?

It is therefore imperative that judges conduct themselves in a manner that avoids even the appearance of impropriety or bias. The law and canons of ethics guide a judge along a path that insures justice has the appearance of justice. Though the rules that have been established sometimes appear strict, they are especially important today. The Senate is asked to confirm a Supreme Court nominee to a seat that for the first time in history is a seat vacated by the resignation of a Justice accused of conduct involving the appearance of impropriety. To restore public confidence in the Court, we in the Senate should consent to a nomination only if the nominee has established those ethical standards which inspire confidence.

Mr. President, it is with deep regret and with respect for the contrary opinion that I state my belief that in nominating Judge Haynsworth to the Supreme Court, President Nixon has not presented the Senate with such a man. Though I believe Judge Haynsworth to be honest, he has not shown the proper sensitivity to ethical problems which have arisen during his career. Indeed that career has been blemished by a pattern of insensitivity to the judicial precepts concerning the appearance of impropriety.

Mr. President, I point out to the Senate that I realize the gravity of this type of assessment, but I think the time has come when we have to speak out. Public officials, whether judges or Members of Congress, must live up to high standards of ethical conduct.

In the hearings on the nomination of Judge Haynsworth and in the discussion which has followed, there have been a number of charges and countercharges. Though I recognize the rights of Senators to draw conclusions different from those I have reached, I would like to set out for the record the facts as I see them.

On at least four occasions Judge Haynsworth sat on cases in which he had direct primary interests in one of the parties. By sitting on these cases, Brunswick against Long, Farrow against Grace Lines, Inc., Maryland Casualty Co. against Baldwin, and Donohue against Maryland Casualty Co., the judge violated the disqualification law and the canons of judicial ethics.

Judge Haynsworth purchased 1,000 shares of Brunswick Corp. for $16,230 while Brunswick against Long was pending. At the time of the Grace Lines decision, Judge Haynsworth owned 300 shares of W. R. Grace and Co., which wholly owned Grace Lines. That stock was worth $13,875. Similarly, Judge Haynsworth owned 66⅔ shares of common stock and 200 shares of convertible preferred stock of American General Insurance Co., which owned over 95 percent of Maryland Casualty Co., when the Donohue and Baldwin cases were decided by his court. Maryland Casualty was a major subsidiary of American General Insurance. On the days the Donohue and Baldwin cases were decided, the value of Judge Haynsworth's stock in American General Insurance was $10,201 and $10,734, respectively.

The Federal law of disqualification is found in common law, constitutional law, and statutory law. Each source indicates that a judge should not sit on cases where he holds stock in a litigant.

As John P. Frank, the country's leading authority on disqualification law, has stated:

> The law of disqualification, in the heavy majority and clearly better view, treats a shareholder as though he individually were the concern in which he holds shares. In other words, if a judge holds shares in a corporation which is in fact a party before him, he should disqualify as much as if he himself were a party. As my study shows, every state and federal court reporting agrees that if a judge has a pecuniary interest in the party, he may not sit.

When I questioned Mr. Frank directly about section 455 of title 28 of the United States Code, which is the statute governing disqualification of Federal judges, he repeated that the majority view calls for disqualification when a judge has any financial interest in a litigant.

It is true, as Mr. Frank pointed out, that there is a minority view which allows a judge to sit where his interest in a litigant is small and there is a vast amount of stock outstanding. However, the minority view does not apply to cases involving Judge Haynsworth.

In a letter to the Judiciary Committee, Judge Haynsworth espoused the high ethical standards established by the majority of cases on disqualification law. In his words:

> I have disqualified myself in all cases . . . in which I had a stock interest in a party or in one which would be directly affected by the outcome of the litigation.

Unfortunately, what Judge Haynsworth said and what he did were two different things. As the record shows, he ignored the rules he set for himself by sitting in Brunswick, Grace Lines, and the two Maryland Casualty cases. Indeed, Judge Haynsworth admitted this in a colloquy with Senator MATHIAS. I quote from the record:

> Senator MATHIAS. You consider that your interest [Brunswick] was substantial then?
>
> Judge HAYNSWORTH. Yes, I do, without question, though it is not in the outcome in terms of that, but much more substantial that I think a judge should run the risk of being criticized.

Although Judge Haynsworth set strict standards for himself regarding disqualification, unfortunately, his conduct in these cases falls even below the standards for disqualification of the Fourth Circuit.

The Fourth Circuit accepts the minority view that a judge with very small holdings in a large corporation can sit on cases to the extent that the holdings are disclosed to the parties and the parties do not object. Yet, Judge Haynsworth did not disclose his interests in Brunswick, Grace Lines, or Maryland Casualty to the parties opposing those corporations in the cases which came before him.

There is also a question in my mind, and I think in the minds of many people, whether the minority view on stock ownership is sensible law. To argue that each case must be broken down according to the effect a decision might have on each share of stock which a judge holds is to urge the impossible. There is no way to ascertain a dollar amount for the value of a decision as precedent which may affect future litigation.

Moreover, the concept that disqualification depends on the amount of gain received by a judge as a result of his decisions is flatly contrary to cases decided by the Supreme Court. In *Commonwealth Coating* v. *Continental Casualty Co.*, 393 U.S. 145, at page 148, the Court noted that it was a constitutional principle that judges should not sit on cases in which they had "even the slightest pecuniary interest."

It has been contended that it was not improper for Judge Haynsworth to sit on the Farrow, Donohue, and Baldwin cases because he held stock in the parent companies of the subsidiaries which were before him, and not the subsidiaries themselves. It is obvious that this defense makes no practical sense. It improperly emphasizes a form of corporate structure as opposed to substantial ownership which is the basis of the law. In June 1964, for example, the Judge purchased 200 shares of Maryland Casualty Co. and in August 1964, upon a corporate reorganization, he exchanged that stock for 200 shares of convertible preferred stock and 66⅔ shares of common stock of American General Insurance Co., the parent company of Maryland Casualty. Both before and after the exchange, he had a substantial ownership interest in Maryland Casualty. Thus, there is no reason to apply one rule to the June-to-August period and another to the period after August. The question was, Did he have a substantial interest?

It is true that there is one State court case decided in 1931 which supports the proposition that ownership in the parent of a subsidiary does not require disqualification. However, there is no Federal authority for such a rule of law. As Mr. Frank has pointed out, the California case which supports this distinction, Central Pacific Railway Co. against Superior Court, is based on the theory "that the judge must be capable of being made an actual party to the case" in question. Mr. Frank concluded that "this is not the better view. The proper test is whether the third party has a 'present proprietary interest in the subject matter.' "

It is true that requiring disqualification in cases involving subsidiaries of corporations in which a judge holds stock can at times be a difficult standard to adhere to. Judge Harrison L. Winter, of the fourth circuit, pointed this out to the Judiciary Committee during the hearings on the nomination. He noted that on one or two occasions it was not until the "very 11th hour" that he realized a litigant about to come before the court was the subsidiary of a corporation in which he owned stock.

However, it seems to me that, if we look at the record, it is difficult for Judge Haynsworth to plead ignorance to the parent-subsidiary relationship. His interest in American General Insurance Co. was acquired in 1964 in exchange for 200 shares of Maryland Casualty Co. when the companies merged. He had purchased the Maryland stock a few months earlier for over $12,000, a fact I think he would have remembered. He also should have known W. R. Grace & Co. wholly owned Grace Lines Inc., since W. R. Grace had been a client of Judge Haynsworth's law firm before he assumed the bench. The evidence indicates, therefore, that Judge Haynsworth's disregard for the rule requiring disqualification for interest was either willful or, I would rather suggest, grossly negligent.

Judge Haynsworth defenders protest that his failure to disqualify himself in Brunswick against Long was proper on the ground that he made his investment in Brunswick after the case had been heard and had been decided. The essential facts are these: The case was heard on November 10, 1967, by a panel of circuit judges composed of Judge Haynsworth, Judge Winter, and District Judge Woodrow Wilson Jones. The judges met in conference after hearing the case and arrived at the conclusion that a judgment in favor of Brunswick should be affirmed in an opinion to be written by Judge Winter. On or about December 15, 1967, Judge Haynsworth had his regular year-end meeting with stockbroker, Arthur C. McCall, who recommended that the judge buy Brunswick stock. The judge agreed, and his order for 1,000 shares of Brunswick stock was executed on December 26 at $16 a share. A confirmation notice was sent to Judge Haynsworth on December 26, and on the 27th the judge signed and sent his check in payment to Mr. McCall, who received it on December 28. Judge Haynsworth testified that the Brunswick case did not enter his mind during his discussion with Mr. McCall or at the time he received the confirmation and signed his check as payment for the stock.

On December 27, 1967, Judge Winter circulated his written opinion in Brunswick against Long, to Judge Haynsworth and Judge Jones by mail. During the first full week of January 1968, Judge Haynsworth and Judge Winter discussed that opinion. Judge Haynsworth noted his concurrence in the opinion and also suggested the possible need for changes due to certain points of South Carolina law noticed by his law clerk. Judge Winter accepted these changes and recirculated the amended opinion on January 17, 1968. The amended opinion was finally approved by the other judges of the court, and on February 2, 1968, after a judgment had been prepared, the opinion and judgment were filed.

The Federal rules provide for 30 days in which a party may ask for rehearing. On March 12, 1968, counsel for Long filed a petition to extend the time for filing a petition for rehearing. Counsel argued that the extension should be granted because he had not been furnished a copy of the opinion by the clerk until February 27, 1968. This petition was considered on the merits by Judges Winter, Haynsworth, and Jones who decided to deny it. On April 3, 1968, another petition for rehearing was filed. On August 26, it was denied in an order prepared by Judge Haynsworth.

Judge Haynsworth testified, and I quote:

> The . . . [first] time [after the hearing], of course, that the [Brunswick] case entered my mind was when I received the proposed opinion from Judge Winter. At that stage, I realized it had not been completely disposed of, and at that time I thought what I should do. I had now become a stockholder.
>
> My conclusion was that I should endorse it since Judge Winter had written an opinion precisely as we had agreed, since Judge Jones concurred, since no one had any doubt about it, and nothing else occurred to return the case to the discussion stage . . .
>
> I considered what I should do and I made up my own mind . . .
>
> I did not consult them at the time.

It is plain that the judge performed the following judicial acts while he was a stockholder: reviewing and joining in the judgment and opinion, reviewing and rejecting two petitions for an extension of time to file a petition for rehearing. None of these acts was ministerial—indeed, the reasoned exposition of the result reached by a court is the very essence of the judicial process.

Mr. President, I wish to point out that I have discussed the judicial decision-making process with several appellate court judges in an informal, off-the-record manner, and I have been informed it is not unusual for decisions to be changed after the informal decision has been arrived at. I also would like to note that Judge Winter did not believe final decisions were made when the judges informally voted for one party or the other. At the hearings, he said:

> I think it may be fairly stated that a case is never decided finally or never put to rest until an opinion has been filed, all post opinion motions have been denied, and the Supreme Court has denied certiorari. . .

This being so, Judge Haynsworth's failure to disqualify himself or even to notify the parties or his fellow judges of the situation was, in my judgment, improper.

The Canons of Judicial Ethics, though they do not have the force of law, have established accepted guidelines for the conduct of judges. Like the law on disqualification, the canons hold that a judge should not sit on cases where he has an interest. Canon 29 states:

> A Judge should abstain from performing or taking part in any judicial act in which his personal interests are involved. If he has personal litigation in the court of which he is a judge, he need not resign his judgeship on that account, but he should, of course, refrain from any judicial act in such a controversy.

In interpreting canon 29, the American Bar Association's Committee on Professional Ethics states in opinion 170:

> A Judge should not perform a judicial act, involving the exercise of judicial discretion, in a cause in which one of the parties is a corporation in which the judge is a stockholder.

Judge Winter recognized the significance of this opinion in his testimony before the Judiciary Committee. He stated:

> The American Bar Association Committee at least has taken the position that if you own any stock, that is it. You ought not to sit at all.

Judge Haynsworth's financial interests were involved in the Brunswick, Grace Lines, and Maryland Casualty cases, yet he did not refrain from performing judicial acts in these controversies. To argue that canon 29 does not apply in situations where the litigant is a subsidiary of a corporation in which a judge owns stock is unreasonable. The canon states that a judge should not sit in a case "in which his personal interests are involved," and opinion 170 further indicates that even one share of stock in a corporate litigant is interest. Certainly direct interest in a litigant through ownership in the parent corporation should be treated no differently.

Canon 4 and canon 34 also come into play when a judge sits on cases in which he has personal interests. They state that "a judge's official conduct should be free from impropriety and the appearance of impropriety" and that his conduct "should be beyond reproach."

Judge Haynsworth's conduct, if one looks at the record, was not beyond reproach. He disregarded the precedents on disqualification which have been so carefully established to avoid the appearances of impropriety. While not dishonest, he has callously ignored the ethical rules which the great majority of judges follow meticulously. Perhaps a letter I received from a professor at UCLA who teaches legal ethics to law students explains more clearly why Judge Haynsworth's conduct was improper. Prof. David Mellinkoff observed:

> In a United States district court a jury awards an injured seaman $50.00 on a claim against Grace Lines he thought worth $30,000.00. Saddened, he takes his case to the United States Circuit Court of Appeals. It is not difficult to imagine the bitterness in the heart of the injured seaman when he learns that one of the judges to whom he appealed in vain to right the supposed wrong of the Grace Lines was even a small owner of the company that owns Grace Lines. By the standard of the marketplace Justice Haynsworth's stockholding was trifling. It looms large in the mind of the unhappy litigant searching to discover just what it was that tipped the scales of justice against him.

On several occasions, Judge Haynsworth totally disregarded canon 26. The canon forbids a judge from investing in corporations apt to be subjects of litigation in his court. As I pointed out earlier, Judge Haynsworth purchased Brunswick stock while the case was still pending before his court. No business was more apt to be before his court than a company which was before his court when he purchased its stock.

Judge Winter, for example, said he would not have bought Brunswick stock at such a time. On September 23 he testified:

> I think, sir, if I had been in that situation, I would have avoided buying the stock until after the opinion had been filed and the matter had been disposed of.

Mr. HRUSKA. Mr. President, will the Senator yield at that point?

Mr. BAYH. I yield to the distinguished Senator from Nebraska.

Mr. HRUSKA. Mr. President, would the Senator care to read the remainder

of the answer which Judge Winter gave at that point? It is found on page 241 of the hearings.

Mr. BAYH. The Senator from Nebraska may read it if he wishes.

Mr. HRUSKA. I thank the Senator. The remainder of the answer states:

> I do not think, however, that I would have been legally disqualified, since a decision had been reached in the case in my mind, since the nature of the decision was not one which could have affected the value of the stock one way or the other.

I believe that to make the record complete it would be well that the record contain the rest of the answer.

Mr. BAYH. I am glad the Senator has done that. I think we need to be consistent when we are talking about a standard. What Judge Winter would have done personally is very much a factor.

Mr. HRUSKA. Exactly.

Mr. BAYH. He personally would not have done what Judge Haynsworth did.

Mr. HRUSKA. And Judge Winter said he did not think he would have been legally disqualified, since a decision had been reached in the case in my mind, since the nature of the decision was not one which could have affected the value of the stock one way or the other.

Had the matter been brought to him he did not think he would have been legally disqualified under the canons and of statutes. That is his opinion based on his knowledge of all the facts. As an attorney, that opinion of a judge, being laid parallel with the opinion of a distinguished member of the Indiana bar, would be of some weight.

Mr. BAYH. Mr. President, I trust that we will have the opportunity to debate the points I have raised in my statement as well as the further points which I hope to bring out in debate, but since the hour is late, I should like to conclude my statement.

Mr. President, Judge Haynsworth also admitted his purchase of Brunswick stock at that time was a mistake. He testified:

> As I say, Judge Winter said that he would not have bought this stock and I agree with him completely.

Judge Haynsworth also invested in two casualty companies, Nationwide Corp. and Maryland Casualty Co. It is common knowledge, even among laymen, that casualty companies are continuously involved in litigation. As Judge Winter pointed out at the hearings, "with casualty companies litigation is a part of their business."

Finally, Judge Haynsworth maintained his holding in W. R. Grace & Co. even after Grace Lines had appeared before his court on one occasion. That litigation should have warned Judge Haynsworth that the company was apt to appear again. A sensitive judge would have disposed of his holdings.

The poor judgment of Judge Haynsworth which I have described thus far does not stand alone. There are other commissions and omission of the judge which raise further questions concerning his sensitivity to judicial ethics. Foremost among these is Judge Haynsworth's relationship with Carolina Vend-A-Matic Co. and the textile industry.

Judge Haynsworth was an organizer and founder of Carolina Vend-A-Matic in 1950, with an original investment of $2,400. He sold his interest in 1964 for $450,000. He was a director and vice president of Carolina Vend-A-Matic until 1963. Although the judge stated that he orally resigned from the vice presidency in 1957, the corporation records show he was listed as vice president until 1963. They also show that he regularly attended meetings of the board of directors and voted for slates of officers including himself through the years, 1957–63. He was, in fact, paid director's fees amounting to $12,270—including director's fees of $3,100 in 1960—during the years of 1957 to 1963 and the records show his wife, Dorothy M. Haynsworth, served as secretary of the corporation for 2 years—1962–63—while he was on the Federal bench.

Although the judge claims he was an inactive officer, the only information available from the minutes of the corporation indicates that the directors were active in locating new business. A resolution by the board of directors of Carolina Vend-A-Matic which justifies the paying of fees to directors and which appears in the minute books of the corporation states that:

> It was pointed out that the main sales and promotional work of Carolina Vend-A-Matic had been done by its directors who are also the officers of the corporation and that any new locations were the result of many conversations, trips and various forms of entertainment of potential customers by one or more of the directors or officers over an extended period of time. A review was had of the various locations that had been acquired during the past several years and new locations that were being considered and practically without exception, these were the result of the Board of Directors.

Judge Haynsworth took an active part in directors' meetings, often making motions himself. While he was director of Carolina Vend-A-Matic, he took part in decisions to buy and sell land to himself and other directors and the profit-sharing trust. Judge Haynsworth also endorsed notes for the corporation both before and after his appointment to the Federal bench.

In 1957, after Judge Haynsworth assumed the bench, the gross sales of Carolina Vend-A-Matic and its subsidiaries increased tremendously. Gross sales of Carolina Vend-A-Matic had only increased from $169,355 in 1951 to $296,413 in 1956. But in 1957, the year Judge Haynsworth assumed the Federal bench, sales jumped to $435,110 and continued a precipitous climb, reaching $3,160,665 in 1963, the last full year in which Judge Haynsworth owned a major share of the company. Between the end of 1956 and 1963, Carolina Vend-A-Matic sales increased by 966 percent, while sales of the vending machine industry as a whole increased by only 69 percent.

In 1963, more than three-fourths of Carolina Vend-A-Matic's total business was with textile concerns. Census figures show only 28.9 percent of the Greenville, S.C., working force was employed in textile mills. It is clear Carolina Vend-A-Matic concentrated on developing business with textile concerns.

It is also interesting to note that Judge Haynsworth's investments in stock in textile companies amounted to $49,557.60 in 1963—J. P. Stevens & Co., Burlington Industries, Dan River Mills. Thus, any precedent setting decisions in the Southern textile industry would direclty affect Haynsworth's financial position through Carolina Vend-A-Matic and through his textile stocks.

For some years there has been an exodus of textile concerns from north to south in an effort to take advantage of lower wages as a result of strong regional pressures against collective bargaining in the South. The Darlington Manufacturing Co. against NLRB came before the Fourth Circuit Court of Judge Haynsworth in both 1961 and 1963, while Carolina Vend-A-Matic had vending contracts with plants of Deering Milliken Corp., Darlington's parent company, bringing in $50,000 per year. While the litigation was pending Carolina Vend-A-Matic signed a new contract with a Deering Milliken plant, increasing their vending business with the company to $100,000 per year. The case was eventually decided in favor of Darlington in a 3 to 2 decision with Judge Haynsworth casting the deciding vote, thus establishing an important legal precedent for the textile industry. The decision was later substantially modified by the Supreme Court.

Between 1958 and 1963 Judge Haynsworth sat on at least five other cases invloving customers of Carolina Vend-A-Matic.

Judge Haynsworth's failure to disqualify himself in cases involving customers of Carolina Vend-A-Matic, particularly from the Darlington case, and his failure even to disclose his interests in CVAM again violates the strong precedents of disqualification law and the Canons of Judicial Ethics on this subject.

I do not suggest that Judge Haynsworth intentionally decided cases in a manner designed to enhance his personal financial interests. Such a charge would be unreasonable. However, such a commingling of his judicial responsibility and his financial interests gives the appearance of impropriety and leaves Judge Haynsworth open to legitimate criticism.

John Frank has testified that he believes Judge Haynsworth's interest in the litigation was too remote to require disqualification, but Supreme Court cases indicate that the law of disqualification extends to cases of considerably more remote financial relationships.

The basic standard a judge is required to follow in deciding whether or not to hear a case is set out in In Re Murchison, where the Supreme Court reversed contempt convictions handed out by a Michigan State judge who had investigated the underlying offense as a one-man grand jury. The Court stated:

> This Court has said, however, that "every procedure which would offer a possible temptation to the average man as a judge . . . not to hold the balance nice, clear and true between the State and the accused, denies the latter due process of law. *Tumey* v. *Ohio*, 273 U.S. 510, 532. Such a stringent rule may sometimes bar trial by judges who have no actual bias and who would do their very best to weigh the scales of justice equally between contending parties. But to perform its high function in the best way

"justice must satisfy the appearance of justice".

This standard was clarified in Commonwealth Coatings Corp. against Continental Casualty Co. In that case, one of the parties to an arbitration proceeding had done business with one of three arbitrators, a consulting engineer. The relationship between the party and the arbitrator had been sporadic over the years and amounted to less than 1 percent of the arbitartor's business. In fact, there had been no business dealings between the two for over a year. The financial relationships in Commonwealth Coatings, obviously, was far more remote than Carolina Vend-A-Matic's relationship with Darlington. There, the relationship was current, and the business amounted to 3 percent of Carolina Vend-A-Matic sales. Yet, the Court set aside the judgment of the arbitrators and applied the constitutional rules of judicial disqualification. Justice Black stated:

It is true that petitioner does not charge before us that the third arbitrator was actually guilty of fraud or bias in deciding this case, and we have no reason, apart from the undisclosed *business* relationship, to suspect him of any improper motives. But neither this arbitrator nor the prime contractor gave to petitioner even an intimation of the close *fiancial* relations that had existed between them for a period of years. *We have no doubt that if a litigant could show that a foreman of a jury or a judge in a court of justice had, unknown to the litigant, any such relationship, the judgment would be subject to challenge.*

This is shown beyond doubt by *Tumey* v. *Ohio*, 273 U.S. 510 (1947), where this Court held that a conviction could not stand because a small part of the Judge's income consisted of court fees collected from convicted defendants. Although in *Tumey* it appeared the amount of the judge's compensation actually depended on whether he decided for one side or the other, that is too small a distinction to allow this manifest violation of the strict morality and fairness Congress would have expected on the part of the arbitrator and the other party in this case. *Nor should it be at all relevant, as the Court of Appeals apparently thought it was here, that [t]he payments received were a very small part of [the arbitrator's] income . . . .* For in *Tumey* the Court held that a decision should be set aside where there is 'the slightest pecuniary interest' on the part of the judge, and specifically rejected the State's contention that the compensation involved there was 'so small that it is not to be regarded as likely to influence improperly a judicial officer in the discharge of his duty . . .'"

The opinion concluded by noting the similarity in rule 18 of the American Arbitration Association and the pertinent section of the 33d Canon of Judicial Ethics which stated:

Canon 33. Social Relations . . . A judge should, however, in pending or prospective litigation before him be particularly careful to avoid such action as may reasonably tend to awaken the suspicion that his social or business relations or friendships, constitute an element in influencing his judicial conduct.

The Court went even further by suggesting that the standard required for ethical conduct rested on a broader and more fundamental constitutional concept. In the words of Justice Black:

This rule of arbitration and this canon of judicial ethics rest on the premise that any tribunal permitted by law to try cases and controversies must not only be unbiased, but must avoid even the appearance of bias.

By sitting in the litigation when Carolina Vend-A-Matic was doing business with a litigant, Judge Haynsworth breached the standards established by the Supreme Court. His testimony before the Judiciary Committee indicated his disregard for ethical standards would continue in the future. When I asked him a question concerning the propriety of his relationship with Carolina Vend-A-Matic, Judge Haynsworth admitted he would act in the same manner were the situation to arise again. I quote from the record:

Senator BAYH. Now, you have been quoted, and I wonder if it is accurate, that if you had that *Darlington-Deering Milliken* case to do over again, that you would still feel that you did not have a sufficient conflict of interest.

Judge HAYNSWORTH. Even if I knew at the time all that I know about it now, I would feel compelled to sit.

Similarly, in answer to Senator TYDINGS' question of whether Judge Haynsworth disclosed his interests to the parties, the judge stated:

No, sir; because I did not regard myself as having any financial interest in the outcome, and I still do not.

It is unfortunate, but Judge Haynsworth either refuses or is incapable of grasping the principle that the appearance of bias is as important as actual bias.

As in the cases where Judge Haynsworth owned stock in a corporate litigant, the canons of ethics apply to the judge's conduct in deciding cases involving customers of Carolina Vend-A-Matic. The canons were clearly stated throughout Judge Haynsworth's term on the bench. Their central theme is that judges must act in a way to avoid even the appearance of impropriety or bias. Reading a few sentences from the canons make this point very clear. Canon 13 states that a judge "should not suffer his conduct to justify the impression" that any person can improperly influence him. Canon 24 states that a judge should not accept inconsistent duties which might "appear to interfere with his devotion" to the proper administration of his official functions. Canon 25 states a judge should not give grounds for the "reasonable suspicion" that he is utilizing the prestige of his office to promote his business ventures. I could continue and read from several other applicable canons, but it would be repetitious. I will simply cite them for reference. They are Canons 4, 29, 33, and 34.

Judge Haynsworth violated the canons by maintaining his relationship with Carolina Vend-A-Matic. The size of the judge's interest in the company, his investments in textiles, the existence of customer relationships with parties appearing before his court, the dependence of Vend-A-Matic upon textiles, all give an appearance that the judge could have been biased.

Judge Simon Sobeloff recognized the dangers of a judge taking an active part in a business, and stated that a judge must disqualify himself even when a customer of his business concern is before his court. I quote his words in an article in the Federal Bar Journal:

One can readily see that if a judge serves as an officer or director of a commercial enterprise, not only is he disqualified in cases involving that enterprise, but his impartiality may also be consciously or unconsciously affected when persons having business relations with his company come before him.

Another matter also deserves notice. Judge Haynsworth was a trustee of the Carolina Vend-A-Matic Co. profit sharing and retirement plan from 1961 until 1964 and qualified as an administrator by law. The Welfare and Pension Plan Disclosure Act provides that an administrator of a pension fund must file with the Secretary of Labor an initial description of the plan and annual reports thereafter. Willful violation of the act can lead to 6 months imprisonment or a fine of $1,000 or both. On September 17, 1969, the director of the Office of Labor-Management and Welfare-Pension Reports of the U.S. Department of Labor advised my office by letter:

Our records do not show that any reports have been received under the name of Carolina Vend-A-Matic Company, Inc., for a Profit Sharing and Retirement Plan.

The omission by the judge was in all probability an oversight and not an intentional violation. However, I cite the facts to reinforce the obvious conclusion that complicated financial relationships and judicial responsibility can become a dangerous mixture.

Finally, the statements made by Judge Haynsworth to the Judiciary Committee and the Subcommittee on Improvements in Judicial Machinery have shown an amazing lack of candor. The judge stated that he never sat on cases where a corporation in which he held stock was a party to the litigation or would be affected by the decision. This, as I have detailed to you, simply is not true. Before Senator TYDINGS' subcommittee, the judge testified that he resigned all his directorships in 1957, when he assumed the bench. The record shows he was a director of Carolina Vend-A-Matic Co. and the Main-Oak Corp. well into 1963. Similarly Judge Haynsworth claimed his role in Vend-A-Matic was inactive. Yet the record shows he regularly attended and took active part in board meetings, that he accepted director's fees, that board members were instrumental in procurring new business, and that the judge helped Vend-A-Matic obtain bank loans. The role Judge Haynsworth played in the affairs of the company does not, in short, appear to be passive.

In closing, I repeat once again that the basis of the canons of judicial ethics and the law of disqualification is that judges must be extremely careful to avoid bias or even the appearance of bias in administering their judicial functions. Judge Haynsworth entered into and maintained numerous relationships which, in view of the fact that he continued to perform judicial acts affecting other parties to those relationships, give the appearances of bias and thus constitute breaches of the Canons of Ethics and violations of the disqualification law.

He sat on cases involving litigants in which he had a financial interest; he

purchased stock in corporations apt to appear before his court; he sat on cases involving customers of a corporation in which he was a major stockholder and for which he served as a director and vice president. Moreover, he failed to comply with Federal law in administering a profit-sharing trust, and he displayed a lack of candor in testimony before our committee.

This is not acceptable conduct for a nominee to the Supreme Court.

The Supreme Court is the final determinant of the standard of judicial conduct not only for itself but also for every court in the land. The Court requires men sensitive to the many ethical problems which often arise. I reluctantly suggest that the Senate must await such a nominee before exercising its power to consent.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement which was given to the Committee on the Judiciary by Judge Haynsworth before the committee but which, for some reason or other, was not included in the record of the hearings.

It is a statement presented formally to the committee on the opening day of the hearings explaining the judge's business associations. Although the statement has been referred to widely in the hearings and elsewhere, it has never been made a part of the RECORD and I would like to do so at this time.

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

STATEMENT OF THE HONORABLE CLEMENT F. HAYNSWORTH, JR. BEFORE THE SENATE JUDICIARY COMMITTEE

At the request of Senator James O. Eastland, Chairman of the Senate Judiciary Committee, I am happy to submit the following statement regarding my participation in the decision of the Court of Appeals for the Fourth Circuit in the case of *Darlington Manufacturing Company* v. *NLRB*, 325 F. 2d 682. That case was orally argued before our Court on June 13, 1963, and was decided on November 15, 1963. Shortly thereafter the attorney for the Textile Workers Union of America, one of the litigants, wrote a letter to Judge Sobeloff, who was then Chief Judge of the Court. The letter charged, on the basis of information anonymously furnished to the writer, that Deering-Milliken, Inc., one of the prevailing parties in that litigation, had immediately before the decision in that case deliberately conferred benefits upon Carolina Vend-A-Matic Company, a corporation in which I had an interest. This charge was fully investigated under the direction of Chief Judge Sobeloff, and was determined to the apparent satisfaction of all concerned to be totally without foundation. However, recently the charge has been revived in a somewhat different form; it has been suggested that I ought to have disqualified myself from participation in the Darlington Manufacturing Company case, because Deering-Milliken was a party to that case and because Carolina Vend-A-Matic at the time had business dealings with Deering-Milliken. The other members of my Court, when they recorded their approval of my sitting, were fully informed of all of the facts including my stock interest in Carolina Vend-A-Matic, but I welcome this opportunity to submit a full statement as to the factual background of the matter, in order that this Committee and the Senate as a whole may judge for themselves.

I became a judge of the Court of Appeals in 1957. Seven years previously, I had joined with several of my partners in the practice of law and a businessman in my hometown of Greenville, South Carolina, in incorporating Carolina Vend-A-Matic Company. The initial stock was subscribed for on April 5, 1950 and paid for. The first stock certificates were issued on June 15, 1950. Some of the initial subscribers soon dropped out, and after resulting stock adjustments and until the first part of 1957, each of the five principal stockholders—of whom I was one—owned 24 shares, for which he had paid $2,400. William Mullins, who was the General Manager of the company and in active charge of its business, owned one share. In addition, I made a capital contribution to the corporation of $600 during this period.

During the period from 1950 to 1957, the business of the company grew—slowly, at first, but then at an accelerating pace. Capital requirements for its expansion exceeded the comparatively small amount of money that had been paid in by its stockholders, and were therefore financed principally by bank loans. During this time such loans were obtainable only upon the personal endorsement of each individual stockholder. The company's accelerating growth produced a steady rise in the total amount of outstanding bank loans, and two of the original stockholders became disturbed about their individual exposure to financial loss by reason of their endorsements. In 1957, these two stockholders sold their stock to other parties, and in order that all shareholders should be on an equal basis, the three principal original stockholders each sold to the new stockholders four of their original shares for a price of $1,250 per share. As a result of this transaction, each of the six principal stockholders was then the owner of 20 shares of stock.

In 1958, Carolina Vend-A-Matic employed a new General Manager, and in 1960 the six principal stockholders each sold him sufficient of their stock so that, with stock he purchased directly from the corporation, he was on an equal basis with them. At this time, there were seven principal shareholders, each owning 18 shares, and one shareholder who owned one share.

In 1952, Carolina Vend-A-Matic placed two coffee machines in Gayley Mill at Marietta, South Carolina, which was either owned by or affiliated with *Deering-Milliken*. Other food and beverages at this plant were dispensed through a canteen operated in the plant on a part-time basis by a storekeeper until 1958, when Carolina Vend-A-Matic was requested to provide vending service. It then placed in the Gayley Mill Plant six machines to dispense coffee, cold drinks, candy, cigarettes, hot soups, and sandwiches.

Prior to 1958, Carolina Vend-A-Matic had coffee machines in Judson Mills, a relatively large plant owned by or affiliated with Deering-Milliken. At that time, foods and tobaccos were dispensed from "dope wagons" operated by a Mr. Spearman, who had been conducting that operation in Judson Mills for many years. In 1958, the management of Judson Mills decided to go to a full vending service and invited proposals from Carolina Vend-A-Matic and Mr. Spearman. Judson Mills awarded the business to Mr. Spearman, whose operation in its plant was his livelihood, and Carolina Vend-A-Matic's coffee machines were removed from the plant.

In 1958, Carolina Vend-A-Matic placed one coffee machine and one candy machine in a plant operating under the name of Jonesville Products, in Jonesville, South Carolina, which was either owned by or affiliated with Deering-Milliken. Approximately 50 people were employed in this very small plant.

In 1963, Deering-Milliken constructed a new plant known as Magnolia Finishing Plant near Blacksburg, South Carolina. The purchasing agent for Deering Milliken Service Corporation invited bids from eight established companies in the vending business and received eight proposals, among which was that of Carolina Vend-A-Matic. After an appraisal of the proposals, Magnolia awarded the business to Carolina Vend-A-Matic. Presumably this determination was influenced by the ten per cent commissions which Carolina Vend-A-Matic had proposed to pay to the plant, by the fact that Carolina Vend-A-Matic had a service installation in Gaffney, South Carolina, which was quite nearby, by the fact that it prepared its own food in its own commissaries, and by the quality of its service as demonstrated at Gayley Mill. The award of this contract to Carolina Vend-A-Matic was made upon certain conditions, relating to the furnishing of facilities, and Carolina Vend-A-Matic complied with these conditions.

In June 1963, Carolina Vend-A-Matic was invited to make a proposal for full vending service in the Laurens Mills, a larger plant owned by or affiliated with Deering-Milliken. Personnel of the Laurens Mills complimented the Carolina Vend-A-Matic proposal, but in late August or early September 1963 awarded the contract in question to a Mr. Jones, who for many years had been operating "dope wagons" in the plant.

In November 1963, the plant manager of Drayton Mill, an affiliate of Deering-Milliken, invited proposals for full vending service. At the time Automatic Food Service of Spartanburg, South Carolina, was dispensing coffee in the plant from vending machines while other food services were being supplied from "dope wagons". In inviting the proposals, management suggested employment of two people who had been engaged in the operation of the "dope wagons". Carolina Vend-A-Matic submitted such a proposal, but was notified on November 16, 1963, that the contract had been awarded to Automatic Food Services of Spartanburg which had the prior experience in operation of coffee machines in that plant.

By the end of 1963, therefore, Carolina Vend-A-Matic had placed vending machines in three of the plants affiliated with Deering-Milliken, one of which had been placed initially in 1952 and supplemented in 1958, one of which had been placed in 1958, and one of which had been placed in 1963. Earlier, it had coffee-vending machines in another larger part, but had been required to remove them in 1958. While in 1963 it sought to obtain locations in two larger Deering-Milliken plants on the basis of competitive bidding, it failed to obtain either.

The facts developed as a result of the inquiry conducted by Judge Sobeloff indicate that the approximate projected annual gross sales made by the Carolina Vend-A-Matic machines installed in the three Deering-Milliken plants for 1963 were slightly more than $100,000. The total gross income from sales realized by Carolina Vend-A-Matic during that year was $3,155,102. Sales through Deering-Milliken affiliated plants thus represented slightly more than three per cent of Carolina Vend-A-Matic's gross sales. The number of Deering-Milliken employees served by Carolina Vend-A-Matic installations was slightly less than 700, out of a total stated to be more than 19,000 in Judge Bell's dissenting opinion in the *Darlington* case.

In 1957, when I was appointed to the Court of Appeals, I promptly resigned from the directorships I held in all corporations except two: Carolina Vend-A-Matic Company and Main-Oak Company. The latter is a corporation the shares of which are owned by members of three families, and which owns fee title to two commercial properties in Greenville. At that time I refrained from resigning my directorships in these two corporations, since to the best of my knowledge the names of their directors and officers were not publicized in any way. Both were small, closely held corporations whose shareholders consisted largely of persons who were either friends or relatives of mine. Thus it was unlikely, I felt, that my continuing as a director could possibly influence anyone.

Not only were the names of the directors of Carolina Vend-A-Matic not a matter of public knowledge, but the reports submitted

to Chief Judge Sobeloff indicated that none of the individuals in Deering-Milliken affiliated plants with whom Carolina Vend-A-Matic dealt, or who had in any way influenced the decisions as to whether a concession would or would not be awarded to Carolina Vend-A-Matic, had ever heard anything of my connection with Carolina Vend-A-Matic. Indeed, at least one had never heard of me at all.

I continued to hold stock in both Carolina Vend-A-Matic and Main-Oak after 1957. I presently own thirty out of 5,000 issued and outstanding shares of Main-Oak Corporation, whose income consists entirely of income from long-term leases on the commercial properties which it owns. I was a stockholder in Carolina Vend-A-Matic from its inception until the spring of 1964. At no time, however, did I play any active part in Carolina Vend-A-Matic's site locations. The information regarding site locations contained in the preceding part of this statement was largely unfamiliar to me until the matter was investigated following the decision in the *Darlington* case.

I took no active part in the conduct of any of Carolina Vend-A-Matic's business except that, until 1957, I assisted it in obtaining financing, and exerted some restraint in an effort to see that the amount of its indebtedness guaranteed by its stockholders did not reach proportions which I thought intolerable.

From the time of its organization, each of the principal stockholders of Carolina Vend-A-Matic held some titular office, and I was one of several vice presidents. I never performed any function in that capacity, unless what I did in connection with the bank loans could be regarded as appropriate to the office of a vice president. For at least two years, my wife served as secretary of the corporation, giving way at the end of that period to the wife of another director. Her activities as secretary were confined to routine office procedure.

It is my belief that I had resigned as vice president of Carolina Vend-A-Matic at the time I took office as a judge of the Court of Appeals in 1957. Other directors recall my informal submission of my resignation as Vice President at that time. However, a check of the company's minute book within the last few days indicates that on that record, at least, I was carried as a vice president until 1964.

In the fall of 1963 the Judicial Conference of the United States, moved by reports that some judges were serving as directors of corporations whose roster of directors was a matter of public information, adopted a resolution expressing the opinion that no judge should serve as an officer or director of any business corporation organized for profit. Promptly after the adoption of this resolution, I resigned as director of both Carolina Vend-A-Matic and of Main-Oak Corporation on October 15, 1963. If on that date I had had the slightest inkling that I was shown in the minute book of Carolina Vend-A-Matic as a vice president, I would of course have resigned that office at the same time.

Notwithstanding the fact that the particular anonymous accusation made in 1963 had proven untrue, I was naturally disturbed by the incident and determined to take steps to avoid questions, however, unfounded, of the propriety of my conduct in the future. Feeling as I did, and as I believe most judges who have considered the matter do, that a judge is every bit as obligated to sit in a case in which he is not disqualified by statute or by the Canons of Ethics as he is to disqualify himself where required to do so by these standards, an extremely broad interpretation of the standards for disqualification offered no satisfactory solution. By then it was clear that Deering-Milliken knew of my interest in Carolina Vend-A-Matic, and if they knew, other employers might be informed by them. While I had earlier resigned as a director of the corporation, I had retained a 1/7 stock interest which was too substantial to be treated as negligible. Feeling that it would be unfair to the remaining stockholders of Carolina Vend-A-Matic to insist that it forego future opportunities for further expansion into new locations, I offered to sell my stock to them.

Carolina had received a number of overtures for discussions about merger possibilities. My wish to sell my stock led to discussion with two companies which had grown to national proportions, the stock of each of which was listed on the New York Stock Exchange. Proposals were submitted by both of those concerns, Automatic Retailers of America and Servomation. On the basis of earnings and net worth, the two proposals were reasonably comparable, but the stock of Automatic Retailers of America was selling at a far higher ratio to earnings and net worth than was the stock of Servomation. Because the market value of the Automatic Retailers stock was so much greater than that of Servomation, the stockholders agreed to exchange all of the stock of Carolina Vend-A-Matic for stock of Automatic Retailers of America.

Automatic Retailers of America did not wish to acquire certain assets owned by Carolina Vend-A-Matic. Prior to the stock exchange, therefore, certain real estate and other assets were removed from the corporation's assets by the payment of a dividend in kind, and the stockholders received them as tenants in common.

In connection with the stock exchange, Automatic Retailers requested and obtained from the Securities and Exchange Commission permission for me immediately to sell the Automatic Retailers stock I would receive. As soon as the stock exchange was effected and I had received stock certificates which I could deliver, I sold the 14,173 shares of Automatic Retailers of America I had received in exchange for my eighteen shares of Carolina Vend-A-Matic. The gross sales price for the Automatic Retailers stock was $455,307.63, from which commissions, stamps, and other costs aggregating $17,597.47 were deducted, so that the net sales price was $437,710.16.

Mr. BAYH. Mr. President, I also ask unanimous consent to have other material printed in the RECORD.

Judge Haynsworth's stock and real estate holdings have also been made available and referred to widely. For the consideration of the Members of the Senate I offer these lists received by me as a member of the Judiciary Committee which were made public at various times during the hearings.

I realize the records are voluminous but I suggest that my colleagues attempt to correlate the lists, one with another. These lists are described as complete lists. No two lists correspond with each other. All were prepared by the Justice Department and forwarded to the committee as complete documents.

In order to analyze the transactions, I have had prepared a summary of the purchases and sales of Judge Haynsworth from April 17, 1964, when he sold his largest holding to date. This summary many be helpful to many in reviewing the very active dealings of Judge Haynsworth.

Finally there are summaries of real estate transactions of the judge and of the Carolina Vend-A-Matic Co. Again these transactions have been widely discussed and reported but do not appear in the RECORD.

All of these documents were supplied to me with the exception of the stock transaction summary which I prepared. As I previously suggested, there are a a number of discrepancies between the lists. Stocks are shown as held, not sold and no longer held.

I point this out to demonstrate some of the difficult problems faced in trying to carefully examine the judge's record. When these separate lists are supplied, each purporting to be a complete record and each different from the other, it is difficult to examine the pertinent case material, and one can never be sure of the facts because of the variances between the lists.

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

Investments owned by Clement Furman Haynsworth, Jr., September 1969

[Number of shares of stock]

Allied Chemical Corp	108
American General Insurance Co	201
Brunswick Corp	1,000
Burlington Industries, Inc	400
Business Development Corporation of South Carolina	10
Chrysler Corp	119
Cole Drug Co., Inc	600
Computer Servicenters, Inc	500
Dan River Mills	1,575
Fairchild Camera & Instrument Corp	100
Georgia-Pacific Corp	5,238
Government Employees Financial Corp	106
Government Employees Life Insurance Co	110
W. R. Grace & Co	300
Greenville Memorial Gardens	72
G & W Land & Development Corp	18
Gulf & Western Industries	346
Insurance Securities Inc	100
International Telephone & Telegraph Corp	200
The Investment Life & Trust Co	321
Ivest Fund, Inc	809.925
Jefferson-Pilot Corp	250
Leverage Fund of Boston, Inc. (capital)	350
The Liberty Corp. (common)	9,523
The Liberty Corp. (voting preferred stock 40 cents convertible series)	337
Main-Oak Corp	31
Monsanto Chemical Co	219
MGIC Investment Corp	630
Multimedia, Inc. (common)	11,728
Multimedia, Inc. (5 percent convertible cumulative preferred stock)	2,932
Mutual Savings Life Insurance Co	240
Nationwide Corp	500
Nationwide Life Insurance Co	20
Owens-Corning Fiberglas Corp	100
Peoples National Bank	330
Piedmont Natural Gas Co., Inc	60
The Rank Organisation Ltd	500
Scope Inc	120
Sonoco Products Co	284
South Carolina National Bank	768
Southern Weaving Co	287
Sperry Rand Corp	400
J. P. Stevens & Co	550
Synalloy Corp	52
Tenneco Inc	200
United Nuclear Corp	104

DEBENTURES

Company:	
Government Employees Financial Corp. (Convertible Subordinated 5½ percent)	$350
Government Employees Financial Corp. (Convertible Subordinated 5¼ percent)	550
W. R. Grace & Co. (Subordinate debenture 4¼ percent)	1,700

Investments owned by Clement Furman Haynsworth, Jr., September 1969—Con.

[Number of shares of stock]

BONDS

Company:	*Amount*
Calhoun-Charleston, Tenn., Utility district	$4,000
Clemson, S.C., general obligation sewer	5,000
Greenville County, S.C., Hospital	5,000
Piedmont Park F/D Gv. Co	20,000
Greater Greenville sewer district	4,000
Town of Williston, S.C	4,000
Pickens, S.C., Waterworks System, improvement revenue	4,000
Greenville Waterworks System	10,000

LIST OF SECURITIES OWNED BY CLEMENT F. HAYNSWORTH, JR., JANUARY 1, 1957, TO DATE

Allied Chemical Corp.
American General Insurance Co.
Automotive Retailers of America.
Aztec Oil.
Bailey-Selburn, Ltd.
Broadcasting Co. of the South.
Brunswick Corp.
Burlington Industries, Inc.
Business Development Corp. of South Carolina.
Calhoun-Charleston Tennessee Utility District.
Carolina Capital Corp.
Carolina Natural Gas Corp.
Carolina Vend-A-Matic.
Carpenter Steel.
Central Bank & Trust.
Chrysler Corp.
Clemson, S.C., general obligation sewer.
Cole Drug Co., Inc.
Commerce Bank of North America.
Commonwealth Life Insurance Co. of Kentucky.
Communications Satellite Corp.
Computer Servicenters, Inc.
Consolidated Oil & Gas, Inc.
Cosmos Broadcasting Corp.
Criteron Insurance.
Dan River Mills.
Fairchild Camera and Instrument Corp.
Ford Motor Corp.
Georgia-Pacific Corp.
Government Employees Financial Corp.
Government Employees Life Insurance Co.
Grace, W. R. & Co.
Greater Greenville Sewer District.
Greenville Community Hotel Corp.
Greenville County, S.C., Hospital.
Greenville Hotel Co.
Greenville Memorial Gardens.
Greenville Waterworks System.
Gulf & Western Industries.
G & W Land and Development Corp.
Hollyridge Development Corp.
Insurance Securities, Inc.
International Tel. & Tel. Corp.
Invest Fund, Inc.
The Investment Life and Trust Co.
Jefferson-Pilot Corp.
Leverage Fund of Boston, Inc.
The Liberty Corp.
Liberty Life Insurance Co.
Main-Oak Corp.
Martel Mills Corp.
Maryland Casualty Co.
MGIC Investment Corp.
Monsanto Chemical Co.
Multimedia, Inc.
Mutual Savings Life Ins. Co.
Nationwide Corp.
Nationwide Life Insurance Co.
North Star Oil Corp.
Owens-Corning Fiberglas Corp.
Peoples National Bank.
Pickens, S.C., Waterworks System Improvement Revenue.
Piedmont Natural Gas Co., Inc.
Piedmont Park F/D Gv. Co.
The Rank Organization Ltd.
Richmond Newspapers, Inc.
Sabre-Pinon Corp.
Scope Inc.
Sonoco Products Co.
South Carolina National Bank.
Southeastern Broadcasting.
Southern Weaving Co.
Sperry Rand Corp.
Spur Oil.
Stevens, J. P. & Co.
Supervised Investors Service, Inc.
Surety Investment.
Synalloy Corp.
Tekoil.
Television Shares Management Corp.
Tenneco, Inc.
Texize Chemical.
Town of Williston, S.C.
Union Texas Natural Gas.
United Nuclear Corp.
United States Pipe & Foundry Co.
Valfour Corp.
The Warner Bros. Co.
White Staf Manufact. Co.
WMRC, Inc.
Woodside Mills.
Guaranty Ins. Trust (merged into MGIC Invest. Corp.).
Federal Intermediate Credit Bank Debentures.

[Memorandum]

LIST OF SECURITIES OWNED BY CLEMENT F. HAYNSWORTH, JR., FROM JANUARY 1, 1957, TO DATE

As previously supplied to you, a company by the name of Communications Satellite Corporation was listed as a stock owned by Judge Haynsworth. Subsequent checking indicates that Judge Haynsworth never purchased this particular stock and that the broker in question made an error in listing this particular stock as being sold to him. This error was not discovered until the new chronological list was prepared.

Stocks owned by Clement F. Haynsworth, Jr., beginning Apr. 1, 1957, subsequent purchases, sales, stock dividends, etc., through Oct. 1, 1969

STOCK SHARES AS OF APR. 1, 1957

Carolina Natural Gas Corp	75
Carolina Vend-A-Matic Co	24
Ford Motor Co	25
Martel Mills Corp., now Valfour Corp	125
Woodside Mills	350
Chrysler Corp	14
Cup O'Life Corp	100
Georgia Pacific Plywood Co., now Georgia-Pacific Corp	239
W. R. Grace & Co	100
Liberty Life Insurance Co., now The Liberty Corp	116
Greenville Hotel Co., now Main-Oak Corp	3.1
Monsanto Chemical Co	157
The Peoples National Bank	50
Sonoco Products Co	110
The South Carolina National Bank	144
The First National Bank	60
Southern Weaving Co	14
J. P. Stevens & Co., Inc	741
United Nuclear Corp., formerly Sabre-Pinon Corp., formerly Sabre Uranium Corp	50
Owens-Corning Fiberglas Corp	20
Tekoil Corp	100
WMRC, Inc., now Multimedia	990
Buckhorn Sanctuary	1
Greenville Country Club	1

APRIL 1, 1957 TO DECEMBER 31, 1957

Sales:

Martel Mills (partial liquidating dividend)	$4,375.00
Ford Motor Co. (25 shares)	922.90
Carolina Vend-A-Matic (4 shares)	5,000.00
Buckhorn Sanctuary (1 share)	1,289.01
Peoples National Bank (10 shares)	460.00
Georgia-Pacific Corp. (15/50 shares)	8.15

Sales:

Carolina Natural Gas Corp. (18 shares)	36.00
Sonoco Products Co. (7 shares)	180.25
Georgia-Pacific Corp. (10/50 shares)	7.28
Georgia-Pacific Corp. (5/50 shares)	2.84
Hollyridge Development Co	3,000.00
Hollyridge Development Co	500.00

APRIL 1, 1957 TO DECEMBER 31, 1957

Stock dividends

Georgia-Pacific Corp., 35/50 shares.
Georgia-Pacific Corp., 4 & 40/50 shares.
Georgia-Pacific Corp., 4 & 45/50 shares.
Georgia-Pacific Corp., 5 shares.
Liberty Life Insurance Co., 58 shares.
Monsanto Chemical Co., 3 shares.
Westwater Corp. later North Star Oil Corp., 50 shares.
(Board of Directors of Sabre-Pinon voted their shareholders of record 9–27–57 a share for share distribution of Westwater stock).

Stock exchanges and gifts

The South Carolina National Bank received for 60 shares 1st Natl. Bank stock on basis of 1.3 shares of SCNB for each share of 1st NB, 78 shares.
Liberty Life Insurance Company—Christmas present—Mother, 137 shares. *This stock was given to me by my Mother.*

1958

Sales:

Hollyridge Development Co. (3% bentures)	$2,902.50
Greenville Country Club (certificate)	500.00
Valfour Corp. (Martel Mills) (Liquidating dividend)	3,484.38

Payable in part by $3125 face amount Burlington Industries, Inc. 5.4% subordinated debentures).
Purchases:

Hollyridge Development Co. (balance on subscription)	$1,000.00
Monsanto Chemical Co. (86/100 shares)	30.01
Georgia-Pacific Corp. (45/50 shares)	29.57
Georgia-Pacific Corp. (39/50 shares)	29.06
Georgia-Pacific Corp. (33/50 shares)	29.63
Georgia-Pacific Corp. (27/50 shares)	26.60

Stock dividends

Monsanto Chemical Co., 1 & 14/100 shares.
Georgia-Pacific Corp., 5 shares.
Georgia-Pacific Corp., 5/50 shares.
Georgia-Pacific Corp., 5 & 11/50 shares.
Georgia-Pacific Corp., 5 & 17/50 shares.
Georgia-Pacific Corp., 5 & 23/50 shares.

Stock Splits

Southern Weaving Company, 56 shares (Par value of stock changed to $10 share. New stock certificates issued which would give stockholders 5 shares of $10 par value stock for each share of no par value stock formerly held.)

1959

Conversion and/or sales

Burlington debentures (face amt. $3125) sent in for conversion into common stock of Burlington Industries, Inc. 12–22–59.
156 shares common stock Burlington Industries+check for $5.78 rec'd. 12–28–59 and is shown on 1960 income tax ret.
Valfour Corp. (Martel Mills) liquidating dividend, $625.
Purchases:

Georgia-Pacific Corp. (21/50 share)	$28.57
Georgia-Pacific Corp. (3/4 share)	34.27
Georgia-Pacific Corp. (43/100 share)	21.47
The South Carolina National Bank (23 shares and 8/10 right)	1,158.00

Stocks owned by Clement F. Haynsworth, Jr., beginning Apr. 1, 1957, subsequent purchases, sales, stock dividends, etc., through Oct. 1, 1969—Continued

1959

Purchases—Continued

White Stag Mfg. Co (now part The Warner Brothers Co. 107½ Cum. Conv. Sink. Fund P/d) (100 shares)	1,600.00
Business Development Corp. of South Carolina (10 shares)	100.00
Greenville Memorial Gardens (72 shares)	4,000.00
The Investment Life and Trust Co. (200 shares)	800.00
Voting stock Liberty Life Insurance Co. (1/6 share)	3.08
Nonvoting stock Liberty Life Insurance Co. (1/6 share)	3.08

CHANGE IN PAR VALUE

Georgia-Pacific Corp. (dividend), 5 & 29/50 shares.

Georgia-Pacific Corp. (dividend), 3 & 57/100 shares.

Georgia-Pacific Corp. issued to take care of par value change from $1 to 80¢, 71 & 1/4 shares.

W. R. Grace & Co. (dividend), 2 shares.

Liberty Life Insurance Co. (nonvoting stock). All old certificates, 1,296 shares.

Liberty Life Insurance Co. (voting stock), sent in with checks for $6.16 for effectuation of this change, 1,296 shares.

Monsanto Chemical Co. (dividend), 3 & 22/100 shares.

The Peoples National Bank (dividend), 15 shares.

Sonoco Products Co. (dividend), 11 & 7/10 shares.

The South Carolina National Bank (change of par value from $10 to $5 par share), 245 shares.

Gifts (donor)

J. P. Stevens & Co., Inc. to Christ Church (given to broker on Sept 17, 1959 for transfer to Christ Church), 141 shares.

1960

Sales:

Valfour Corp. (Martel Mills liquidating dividend)	$1,388.75
Sabre-Pinon Corp. (½ share received as part of a 5-percent stock dividend)	2.88
Carolina Vend-A-Matic Co. (2 shares)	2,500.00

Purchases:

Sonoco Products Co. (3/10 share)	$9.30
Monsanto Chemical Co. (78/100 share)	42.78
W. R. Grace & Co. (96/100 share)	38.02
Georgia-Pacific Corp. (39/100 shares)	975.00
Georgia-Pacific Corp. (35/100 share)	19.73
Georgia-Pacific Corp. (31/100 share)	14.60
Texize Chemicals, Inc. (100 shares)	$975.00
Monsanto Chemical Co. (70/100 share)	31.46
Georgia-Pacific (43/100 share)	21.47

Stock dividends

Monsanto Chemical Co. (3 and 30/100 shares).

W. R. Grace & Co. (2 and 4/100 shares).

Georgia-Pacific Corp. (3 and 61/100 shares).

Georgia-Pacific Corp. (3 and 65/100 shares).

Georgia-Pacific Corp. (3 and 69/100 shares).

Georgia-Pacific Corp. (3 and 73/100 shares).

The Peoples National Bank (25 shares).

Sabre-Pinon Corp. (2 shares) (fractional share sold) (Now United Nuclear).

Gifts (donor)

Furman University was given 333 shares Liberty Life Insurance Co. nonvoting stock on May 11, 1960.

1961

Sales of fractional shares:

Sabre-Pinon Corp. (now United Nuclear) 6/10 share	$3.83
W. R. Grace & Co. 10/100 share	5.82
Liberty Life Insurance Co.—(2/10 V and 6/10 NV)	25.21
Sale of Rights, Criterion Insurance (15)	31.30

Purchases:

Monsanto Chem. Corp., January 3, 1961 (71/100 shs.)	$31.46
Television Shares Management Corp. (Later became Supervised Investors Service, Inc. (100 shs.)	1,475.00
Government Employees Life Insurance Co. (15 shs.)	1,402.50
Government Employees Life Insurance Co. (1/2 sh.)	52.50
Class B Union Texas Natural Gas Corp. (Merged into Allied Chemical) (100 shs.)	2,775.00
Georgia-Pacific Corporation (27/100 sh.)	14.73
Georgia-Pacific Corporation (23/100 sh.)	16.37
Georgia-Pacific Corporation (19/100 sh.)	12.70
Georgia-Pacific Corporation (15/100 sh.)	8.68

Gifts (donor)

On December 20, 1961 gave Furman University 150 NV Liberty Life Insuarnce Co. shs.

Stock dividends

Georgia-Pacific Corp. shares (3 and 77/100).

Georgia-Pacific Corp. shares (3 and 81/100).

Georgia-Pacific Corp. shares (3 and 85/100).

Georgia-Pacific Corp. shares (3 and 89/100).

Government Employees Life Insurance Co. (7½ shares).

W. R. Grace & Co. (2 shares).

Liberty Life Insurance Co. V stock (259 shares).

Liberty Life Insurance Co. NV stock (192 shares).

Monsanto Chemical Co. (3 and 38/100 shares).

Sabre-Pinon Corp. (Now United Nuclear) (2 shares).

Gifts (receipt)

Liberty Life Insurance Co., Christmas present from Mother, 200 shares V.

Sales:

Dan River Mills (½ share), $4.89.

Purchases:

Monsanto Chemical Co. (62/100 share)	$31.91
Georgia-Pacific Corp. (11/100 share)	5.75
Georgia-Pacific Corp. (7/100 share)	3.60
Georgia-Pacific Corp. (3/100 share)	1.06
Georgia-Pacific Corp. 99/100 share)	37.50
Georgia-Pacific Corp. (94/100 share)	35.13
Allied Chemical Corp (4/8 share)	25.36
W. R. Grace & Co. (86/100 share)	71.68
Governmental Employees Financial Corp. $15, 7 rts. 4.81 (2 shares)	19.81
Carolinas Capital Corp. (Liquidated 1967) (200 shares)	2,000.00

Stock dividends, exchanges, stock splits

Allied Chemical Corp. acquired by merger with Union Texas Natural Gas—Basis: ⅞ths share Allied Chemical for each share Union Texas, 88 shares.

Dan River Mills were obtained in exchange for 350 shares Woodside, 1,312 shares.

Georgia-Pacific Corp. (dividend), 3 & 93/100 shares.

Georgia-Pacific Corp. (dividend), 3 & 97/100 shares.

Georgia-Pacific Corp. (dividend), 4 & 1/100 shares.

Georgia-Pacific Corp. (dividend), 4 & 6/100 shares.

W. R. Grace & Co. (dividend), 2 & 14/100 shares.

Monsanto Chemical Co. (dividend), 3 & 46/100 shares.

The South Carolina National Bank (dividend), 49 shares.

J. P. Stevens & Co., Inc. (dividend), 60 shares.

Consolidated Oil & Gas, Inc. were obtained by the surrender of 100 shares of Tekoil Corp., 40 shares.

W. R. Grace & Co. (two for one stock split), 110 shares.

Gifts (receipt)

Liberty Life Insurance Co., Christmas present from Mother, 100 shares.

Gifts (donor)

J. P. Stevens & Co., Inc., given Furman University, 200 shares.

1963

Sales: Consolidated Oil & Gas rights	$0.40

Purchases:

Aztec Oil & Gas (500 shares)	10,187.50
Mutual Savings Life Insurance Co. (200 shares)	2,725.00
Liberty Life Insurance Co. (3 NV & 1 V.) (4 shares)	160.00
Monsanto Chemical (54/100 share)	26.95
Monsanto Chemical (46/100 share	25.76
Georgia Pacific Corp. (89/100 share)	41.83
Georgia Pacific Corp. (84/100 share)	44.10
Georgia Pacific Corp. (79/100 share)	39.50
Georgia Pacific Corp. (74/100 share)	39.87
W. R. Grace & Co. (60/100 share)	24.03

Stock dividends

W. R. Grace & Co. (dividend), 4 & 40/100 shares.

Chrysler Corporation (2 for 1 stock split), 14 shares.

Chrysler Corporation (2 for 1 stock split), 28 shares.

Georgia-Pacific Corp. (dividend), 4 & 11/100 shares.

Georgia-Pacific Corp. (dividend), 4 & 16/100 shares.

Georgia-Pacific Corp. (dividend), 4 & 21/100 shares.

Georgia-Pacific Corp. (dividend), 4 & 26/100 shares.

Government Employees Life Insurance Co. (100% stock dividend), 23 shares.

The Investment Life and Trust Co. (10% stock dividend), 10 shares.

Liberty Life Insurance Co. (V, 25% stock dividend), 464 shares.

Liberty Life Insurance (NV, 25% stock dividend), 252 shares.

Monsanto Chemical Co. (stock dividend), 3 & 54/100 shares.

Sonoco Products Co. (stock dividend), 12 & 9/10 shares.

The South Carolina National Bank (stock dividend), 32 shares.

White Stag Manufacturing Co. (50% stock dividend—later merged into the Warner Brothers Co.), 50 shares.

Gifts (receiver)

Liberty Life Insurance Co. V stock given to me by my Mother, 704 shares.

	Number of shares or face amount of bonds	Dollars
1964		
SALES		
Consolidated Oil & Gas, Inc.	40	$118.55.
North Star Oil Corporation	50	$11.46.
Supervised Investors Services, Inc. (Formerly Television Shares Management Corp.)	100	$611.51.
U.S. Treasury bills	$40,000	$39,067.22.
Do	5,000	$4,887.50.
Do	5,000	$4,893.01.
Do	30,000	$29,385.19.
Do	7,000	$6,862.10.
Do	20,000	$19,611.27.
Do	50,000	$49,178.47.
Do	81,000	$79,760.09.
Do	21,000	$20,740.16.
Do	11,000	$10,989.00.
Automatic Retailers of America (exchanged for Carolina Vend-A-Matic)	14,173	$455,307.63.
Investment Life & Trust ½ share	2.65	
Broadcasting Co. of South—fractional share.	12.63	
PURCHASES		
Federal Int. Credit Bonds	130,000	$130,025.00.
U.S. Treasury	270,000	$262,948.55.
Do	130,000	$129,875.72.
Piedmont Park F/D	20,000	$20,387.61.
Liberty Life Insurance Co. (now The Liberty Corp.)	185	$6,521.25.
J. P. Stevens & Co., Inc.	40	$1,499.80.
Monsanto Chemical Corp	19	$1,453.85.
Government Employees Life Insurance Co.	54	$3,510.00.
Government Employees Financial	98	$2,989.00.
Carolina Natural Gas	407	$2,856.54.
Allied Chemical Corp	12	$674.63.
United Nuclear Corp	46	$1,183.92.
W. R. Grace & Co	70	$3,851.08.
Dan River Mills, Inc	188	$3,464.69.
Chrysler Corp	44	$2,277.00.
Burlington Industries, Inc	44	$2,071.46.
The South Carolina National Bank	29	$1,595.00.
Texize Chemical, Inc	400	$1,800.00.
Owens-Corning Fiberglas Corp	80	$5,782.74.
Surety Investment Co. (now part of The Liberty Corp.)	102	$5,712.00.
Surety Investment Co. (now part The Liberty Corp.)	112	$6,272.00.
Insurance Securities, Inc.	100	$2,556.63.
Do	500	$12,783.15.
Do	400	$10,276.76.
Surety Investment Co. (now part The Liberty Corp.)	165	$9,240.00.
Greater Greenville Sewer District Bonds.	4,000	$3,630.96.
Nationwide Corp., class A	500	$7,375.00.
Southeastern Broadcasting Co. (formerly WMRC, Inc. now part of Multimedia Corp.).	300	$9,200.00.
Insurance Securities	1,000	$28,229.52.
Town of Williston SC Waterworks & Sewer Bonds.	20,000	$20,420.36.
Broadcasting Co. of the South (now part of The Liberty Corp.).	105	$5,250.00.
Georgia Pacific Corp	1,200	$69,374.37.
Broadcasting Co. of the South, now Liberty Corp.	120	$6,000.00.
Guaranty Insurance Trust (now part of MGIC).	3,000	$7,500.00.
Greenville Waterworks System Revenue Bonds.	10,000	$10,366.54.
Maryland Casualty Co. (Purchased in June—in August exchanged for 200 shares convertible preferred stock and 66⅔ shares common stock of American General Casualty Co.).	200	$12,690.64.
Georgia-Pacific Corp	69/100 shares	$38.12.
Do	55/100 shares	$31.49.
Do	37/100 shares	$21.00.
W. R. Grace & Co	1/2 share	$26.40.
Sonoco Products Co	1/10 share	$4.50.
STOCK DIVIDENDS: STOCK SPLITS		
Chrysler Corp	4 shares	4 percent stock dividend.
The Broadcasting Co. of the South (now part of The Liberty Corp., but for a time it was known as Cosmos Broadcasting Corp.).	56 shares	25 percent stock dividends.
Georgia-Pacific Corp. (shares)	4 and 31/100	Stock dividend.
Do	109	25 percent stock split.
Do	17 and 45/100	Stock Dividend.
Do	17 and 63/100	Do.
W. R. Grace & Co. (shares)	3 and 50/100	Do.
The Investment Life & Trust Co. (shares).	10	Do.
Main-Oak Corp. formerly Greenville Hotel Co. (shares) (Old certificate turned in).	31—2 for 1, 4 for 1	Stock split and stock dividend.
Monsanto Chemical Co. (shares)	4	Stock dividend.
Southeastern Broadcasting Corp., now part of Multimedia Inc. (shares).	990 shares	100 percent stock dividend.
The Peoples National Bank	50 shares	50 percent stock dividend.
J. P. Stevens & Co., Inc.	50 shares	10 percent stock dividend.
Aztec Oil & Gas Co	30 shares	6 percent stock dividend.

	Number of shares or face amount of bonds	Dollars
1964		
SALE OF FRACTIONAL SHARES		
The Investment Life & Trust Co	½ share	$2.65.
Consolidated Oil & Gas, proceeds of ⅗ fractional warrant		$0.90.
Consolidated Oil & Gas, proceeds of 1 right		$0.21.
The Broadcasting Co. of the South, proceeds of fractional share of stock		$12.63.
GIFTS (RECEIVER)		
Liberty Life Insurance Co	531 shares	Gift from mother.
Do	100 shares	Gift from mother, Christmas.
1965		
SALES		
Aztec Oil & Gas Co	562 shares	$9,975.50.
PURCHASES		
Sperry Rand	400 shares	$9,067.50.
Cost of additional rights to buy W. R. Grace debentures below:		$3.94.
W. R. Grace & Co. 4¼ percent subbordinate debenture.	$1,700	$1,700.00.
Monsanto Chemical Co	92/100 shares	$73.44.
Aztec Oil & Gas Co	20/100 shares	$3.75.
U.S. Treasury bills	$134,000	$133,110.80.
Texize Chemicals, Inc	1,300 shares	$6,984.25.
Do	400 shares	$2,199.52.
Do	300 shares	$1,573.89.
Southeastern Broadcasting Co. (now part of Multimedia, Inc.).	100 shares	$6,550.00.
Chrysler Corp	1 right and 15 shares	$720.75.
Georgia-Pacific Corp	19/100 share	$11.92.
Do	1/100 share	$0.64.
Do	83/100 share	$49.07.
Do	64/100 share	$38.88.
STOCK DIVIDENDS: STOCK SPLITS		
Allied Chemical Corp	2 shares	Stock dividend.
Burlington Industries, Inc	200 shares	Stock split.
Georgia-Pacific Corp	17.81 shares	Stock dividend.
Do	17.99 shares	Do.
Do	18.17 shares	Do.
Do	18.36 shares	Do.
Government Employees Life Insurance Co.	2 shares	Do.
The Investment Life & Trust Co	22 shares	Do.
Liberty Life Insurance Co., now the Liberty Corp.	510 shares	Do.
Monsanto Chemical Co	4.08 shares	Do.
Nationwide Life Insurance Co	10 shares	2 percent stock dividends or 1 share for each 50 owned of Nationwide Corp.
Sonoco Products Co	142 shares	Stock split.
The South Carolina National Bank	36 shares	Stock dividend.
Aztec Oil & Gas Co	31.80 shares	Do.
GIFTS (RECEIVER)		
Liberty Life Insurance Co	100 shares	Christmas present from mother.
1966		
SALES		
Insurance Securities	100 shares	$500.37.
The Investment Life & Trust Co	20/100 share	$1.41.
PURCHASES		
Calhoun-Charleston Tennessee Utilities District bonds.	$4,000	$4,231.79.
Richmond Newspapers, Inc	200 shares	$4,400.00.
Insurance Securities, Inc	100 shares	$726.63.
Allied Chemical Corp	96/100 share	$44.74.
Warner Bros. Co., formerly White Stag.	6/7 share	$33.06.
Warner Brothers Company formerly White Stag, 107 1/7 shares received in exchange for 150 shares White Stag Mfg. Co.		
Cole Drug Co	300 shares	$4,050.00.
Government Employees Financial Corp. (7 $50 5½ percent convertible subordinated debentures)	$350	$350.00.
For the above debenture purchase it was necessary to purchase 7 rights for.		$1.35.
Monsanto Co	82/100 share	$32.85.
Georgia-Pacific Corp	45/100 share	$28.74.
Do	½ share	$22.40.
Do	57/100 share	$22.80.
Do	33/100 share	$11.43.
STOCK DIVIDENDS: STOCK SPLITS—EXCHANGES		
Allied Chemical Corp	2.4 shares	Stock dividend.
Dan River Mills	75 shares	Do.

	Number of shares or face amount of bonds	Dollars
1966		
STOCK DIVIDENDS: STOCK SPLITS—EXCHANGES—Continued		
Georgia-Pacific Corp	18.55 shares	Stock dividends.
Do	468.50 shares	5-for-4 stock split.
Do	23.43 shares	Stock dividend.
Do	23.67 shares	Do.
The Investment Life & Trust Co	24 shares	Do.
Monsanto Chemical Co	4.18 shares	Do.
Mutual Savings Life Insurance Co	40 shares	Do.
Nationwide Life Insurance Co. (or 1 share for each 50 owned of Nationwide Corp.)	10 shares	2 percent stock dividend.
The Peoples National Bank. (On Aug. 2, 1966, old certificates totaling 150 shares sent into bank—a stock certificate for 300 shares was then received in 2-for-1 split.)		
1967		
SALES		
Texize Chemicals, Inc	200 shares	$3,648.92.
Do	100 shares	$1,886.33.
Do	200 shares	$3,723.16.
Do	100 shares	$1,799.71.
Do	400 shares	$7,396.84.
Richmond Newspapers, class A	200 shares	$3,488.12.
Warner Bros. conv. P/d	108 shares	$3,206.96.
Insurance Securities	400 shares	$2,447.00.
Do	1,500 shares	$8,990.55.
Texize Chemicals, Inc	1,000 shares	$18,739.60.
Do	500 shares	$9,246.05.
Carolinas Capital Corp. liquid distribution: Received: $1,000 cash; 120 shares Scope, Inc., 40 shares Synalloy.	200 shares owned	
American General Insurance Co. conv. P/d.	200 shares	$6,777.74.
PURCHASES		
Greenville County, S.C. Hospital bonds	$5,000	$4,907.99.
Southeastern Broadcasting Co. (now part of Multimedia, Inc.)	66 shares	$5,313.00.
Rank Organisation, Ltd	500	$4,176.00.
International Telephone & Telegraph	100	$10,849.80.
Fairchild Camera & Instrument Corp	100	$10,199.15.
Brunswick Corp	1,000	$16,230.00.
Allied Chemical Corp	90/100 share	$36.12.
Ivest Fund, Inc	728	$10,002.72.
Georgia-Pacific Corp	9/100 share	$4.21.
Leverage Fund of Boston, Inc	350 shares	$5,250.00.
Southern Weaving Co	200 shares	$5,400.00.
Liberty Life Insurance Co	.7879480 share	$14.77.
Government Employees Life Insurance Corp.	94/100 share	$45.12.
Georgia-Pacific Corp	85/100 shares	$51.21.
Gulf & Western	325 shares	$19,901.62.
Georgia-Pacific Corp	60/100 share	$36.60.
Do	35/100 share	$19.86.
Monsanto Chemical Co	72/100 share	$30.69.
STOCK DIVIDENDS		
Allied Chemical Corp	2.10 shares	
American General Insurance Co	134 shares, common	200 percent stock dividend.
Georgia-Pacific Corp	23.91 shares	
Do	24.15 shares	
Do	24.40 shares	
Do	24.65 shares	
Government Employees Financial Corp.	3 shares	
Government Employees Life Insurance Co.	3.06 shares	
The Investment Life & Trust Co	26 shares	
Ivest Fund, Inc	1.309 shares	Dividend.
Do	31.406 shares	Capital gain.
Liberty Life Insurance Co	1211.2120520 shares	Stock dividend.
Monsanto Chemical Co	4.28 shares	Do.
Southeastern Broadcasting Corp., now Multimedia, Inc	586 shares	Do.
The South Carolina National Bank	63 shares	Do.
Southern Weaving Co	17 shares	Do.
The Broadcasting Co. of the South later Cosmos Broadcasting and in 1969 became part of The Liberty Corp.	56 shares	Do.
Gulf & Western Industries	9.75 shares	Do.
GIFTS (RECEIVER)		
Liberty Life Insurance Co	100 shares	Christmas gift from mother.
1968		
SALES		
Fairchild Camera & Instrument Corp	100 shares	$6,104.72.
U.S. Pipe & Foundry	200 shares	$6,232.80.
Carolinas Capital Corp., final distribution, liquidation.	Cash	$325.37.
PURCHASES		
Clemson, S. C. General obligation sewer bonds.	$5,000	$5,055.00.
Tenneco, Inc	$200	$5,289.12.

	Number of shares or face amount of bonds	Dollars
1966		
PURCHASES—Continued		
Fairchild Camera & Instrument Corp	$100	$6,858.31.
Computer Servicenter, Inc	$500	$3,000.00.
U.S. Pipe & Foundry	$200	$5,867.00.
Government Employees Financial	7 rights	$3.50.
Jefferson-Pilot Corp	$200	$8,580.50.
Gulf & Western Industries, Inc	25/100ths share	$15.16.
Georgia-Pacific Corp	10/100ths share	$5.85.
Do	85/100ths share	$62.90.
Do	59/100ths share	$49.63.
Do	33/100ths share	$28.92.
Government Employees Financial Corp., 11 $50 5¼ percent convertible subordinate debentures	$550	$550.00.
Government Employees Financial Corp	94/100ths share	$31.02.
STOCK DIVIDENDS: SPLITS		
Cole Drug Co., Inc	300 shares	1 additional share for each share held May 7, 1968.
Georgia-Pacific Corp	24.90 shares	Stock dividend.
Do	25.15 shares	Do.
Do	25.41 shares	Do.
Do	25.67 shares	Do.
Government Employees Financial Corp.	2.06 shares	Do.
Gulf & Western Industries	10.05 shares	Do.
International Telephone & Telegraph Corp.	100 shares	2-for-1 stock dividend.
Ivest Fund, Inc	4.129 shares	Dividend.
	38.081 shares	Capital gains.
Synalloy Corp	10 shares	5-for-4 split.
EXCHANGES		
Guaranty Insurance Trust: Exchanged on Jan. 2, 1968	3,000 shares	
Mortgage Guaranty Insurance Corp.	210 shares	
MGIC Investment Corp., exchanged on Aug. 21, 1968.	630 shares	
Southeastern Broadcasting Corp., 2,932 shares exchanged for: Multimedia, Inc	2,932 5 percent convertible cumulative preferred.	
Do	11,728 common	
Carolina Natural Gas Corp., 500 shares exchanged for Piedmont Natural Gas Co., Inc., 60 shares, $6 cumulative convertible 2d P/d.		
Liberty Life Insurance Co., 7,022 shares exchanged with The Liberty Corp., 7,022 shares, 1 for 1 basis.		
GIFTS, RECEIVER		
The Liberty Corp	100 shares	Christmas present from mother.
1969		
SALES		
Synalloy Corp	1/2 share [1]	$6.59.
The Investment Life & Trust Co	2/10 share [1]	$0.65.
The South Carolina National Bank	9/10 share [1]	$32.67.
PURCHASES		
The Liberty Corp	1/3 share	$8.34.
Georgia-Pacific Corp	7/100 share	$6.60.
Do	62/100 share	$29.76.
Gulf & Western Industries	95/100 share	$38.57.
Government Employees Life Insurance Co.	82/100 share	$42.03.
G & W Land & Development Corp	7/10 share	$7.00.
STOCK DIVIDENDS		
Georgia-Pacific Corp	25.93 shares	Stock dividend.
Do	2,619 shares	2-for-1 stock split.
Do	52.38 shares	Stock dividend.
Government Employees Life Insurance Co.	3.18 shares	Do.
G & W Land and Development Corp	17.3 shares	1 share for each 20 shares Gulf & Western owned July 18, 1969.
The Investment Life & Trust Co	29 shares	Stock dividend.
Jefferson-Pilot Corp	50 shares	Do.
The Peoples National Bank	30 shares	Do.
Synalloy Corp	2 shares	Do.
The South Carolina National Bank	69 shares	Do.
United Nuclear Corp	4 shares	Do.
EXCHANGES		
The Broadcasting Co. of the South later Cosmos Broadcasting, 337 shares exchanged with The Liberty Corp., 1,011 shares common and 337 shares $0.40 voting preferred convertible series.		
Surety Investment Co., 379 shares exchanged with The Liberty Corp., 1,389⅓ shares.		

[1] These were occasioned by stock dividends.

STOCKS OWNED BY CLEMENT F. HAYNSWORTH, JR., BEGINNING APR. 1, 1957, SUBSEQUENT PURCHASES, SALES, STOCK DIVIDENDS, ETC. THROUGH OCT. 1, 1969

[Stock Owned as of Apr. 1, 1957 (shares)]

Carolina Natural Gas Corp	75	The Peoples National Bank	50
Carolina Vend-A-Matic Co. ($30,000)	24	Sonoco Products Co	110
Ford Motor Co	25	The South Carolina National Bank	144
Martel Mills Corp., now Valfour Corp	125	The First National Bank	60
Woodside Mills	350	Southern Weaving Co	14
Chrysler Corp	14	J. P. Stevens & Co., Inc	741
Cup O'Life Corp	100	United Nuclear Corp., formerly Sabre-Pinon Corp., formerly Sabre Uranium Corp	50
Georgia Pacific Plywood Co., now Georgia-Pacific Corp	239	Owens-Corning Fiberglas Corp	20
W. R. Grace & Co	100	Tekoil Corp	100
Liberty Life Insurance Co., now the Liberty Corp	116	WMRC, Inc. now Multimedia	990
Greenville Hotel Co., now Main-Oak Corp	3.1	Buckhorn Sanctuary	1
Monsanto Chemical Co	157	Greenville Country Club	1

Date	Name of corporation	Number of shares or face amount of bonds	Dollars
	APR. 1, 1957 TO DEC. 31, 1957		
	Purchases:		
Apr. 19, 1957	Peoples National Bank	10	$460.00.
Apr. 22, 1957	Georgia-Pacific Corp	15/50	$8.15.
May 25, 1957	Carolina Natural Gas Corp	18	$36.00.
July 5, 1957	Sonoco Products Co	7	$180.25.
Do	Georgia-Pacific Corp	10/50	$7.28.
Sept. 30, 1957	do	5/50	$2.84.
Nov. 1, 1957	Hollyridge Development Co		$3,000.00.
Dec. 14, 1957	do		$500.00.
	Sales:		
Aug. 7, 1957	Buckhorn Sanctuary	1	$1,289.01.
Sept. 26, 1957	Martel Mills (partial liquidating dividend).		$1,500.00.
Dec. 26, 1957	Ford Motor Co	25	$922.90.
Dec. 27, 1957	Martel Mills (partial liquidating dividend).		$2,875.00.
	Carolina Vend-A-Matic	4	$5,000.00.
	Stock dividends:		
Apr. 15, 1957	Liberty Life Ins. Co	58	
June 27, 1957	Georgia-Pacific Corp	4 40/50	
Sept. 26, 1957	Georgia-Pacific Corp	4 45/50	
Oct. 15, 1957	Westwater Corporation later North Star oil Corp.) Board of Directors of Sabre-Pinon voted their shareholders of record Sept. 27, 1957 a share for share distribution of Westwater stock).	50	
Dec. 16, 1957	Georgia-Pacific Corp	5	
Do	Monsanto Chemical Co	3.14	
	Stock exchanges and gifts (receiver):		
May 15, 1957	South Carolina National Bank received for 60 shares First Nat. Bank stock on basis of 1.3 shares of SCNB for each share of First National.	78	
Dec. , 1957	Liberty Life Insurance Co. Christmas present from Mother.	137	
	1958		
	Purchases:		
Jan. 6, 1958	Monsanto Chemical Co	86/100	$30.01.
Jan. 17, 1958	Hollyridge Development Co. balance on subscription.		$1,000.00.
Mar. 31, 1958	Georgia-Pacific Corp	45/50	$29.57.
July 9, 1958	do	39/50	$29.06.
Oct. 3, 1958	do	33/50	$29.63.
Dec. 22, 1958	do	27/50	$26.60.
	Stock dividends:		
Mar. 26, 1958	Georgia-Pacific Corp	5 5/50	
June 27, 1958	do	5 11/50	
Sept. 26, 1958	do	5 17/50	
Dec. 16, 1958	do	5 23/50	
	Stock splits:		
May 26, 1958	Southern Weaving Co. (Par value of stock changed to $10 share. New stock certificates issued which would give stockholders 5 shares of $10 par value stock for each share of no par value stock formerly held).	56	
	Sales:		
Mar. 26, 1958	Hollyridge Development Co. 3 percent debentures.		2,902.50.
Sept. 30, 1958	Greenville Country Club	1	500.00.
Oct. 27, 1958	Val-four Corp (liquidating dividend) debentures in Burlington.		3,484.38.
	1959		
	Purchases:		
Feb. 26, 1959	The S. C. National Bank	23 shares and 8/10ths right.	$1,158.00.
Mar. 17, 1959	White Stag Mfg. Co. (now part Warner Bros.—rec'd. cum. conv. sinking fund P/d.)	100 shares 107-1/7 shares	$1,600.00.
Mar. 25, 1959	Georgia-Pacific Corp	21/50ths	$28.57.
July 2, 1959	Greenville Memorial Gardens	72	$4,000.00.
July 6, 1959	Georgia-Pacific Corp	3/4	$34.27.
Aug. 21, 1959	The Investment Life and Tr. Co	200	$800.00.
Oct. 31, 1959	Liberty Life Insurance Co	1/6 V	$3.08.
Do	do	1/6 NV	$3.08.
Nov. 24, 1959	Business Development Corp. of SC	10	$100.00.
	Conversion and/or sales:		
Dec. 22, 1959	Burlington debentures—face amount $3,125—sent in for conversion into common stock of Burlington Industries, Inc.:		
Dec. 28, 1959	Burlington Industries	156+ck. for $5.78.	
Dec. 31, 1959	Valfour Corp. (Martel Mills)	Liquidating dividend.	$625.00.

Date	Name of corporation	Number of shares or face amount of bonds	Dollars
	1959		
	Stock dividends—Change in par value—stock splits:		
Jan. 20, 1959	The Peoples Natl. Bank	15	
Feb. 20, 1959	W. R. Grace & Co	2	
Feb. 26, 1959	The S. C. Natl. Bank	245	Par value change from $10 to $5 per share.
Mar. 20, 1959	Georgia-Pacific Corp	5 and 29/50ths	
June 4, 1959	do	71 and ¼	Par value change from $1 to 80 cents.
Oct. 31, 1959	Liberty Life Insurance Co., 311 sent in to company for which there were received:		
Nov. 10, 1959	1295⅝ sh. NV Liberty Life Insurance Co., stock.		
Do	1295⅝ sh. V Liberty Life Insurance Co., stock. Basis of exchange: 4⅛ sh. V stock for each share owned and 4⅛ sh. NV stock for each share owned.		
Dec. 6, 1959	Georgia-Pacific Corp	3 and 57/100ths	
Dec. 23, 1959	Monsanto Chemical Co	3 and 22/100ths	
Dec. 31, 1959	Sonoco Products Co	11 and 7/10ths	
	Gifts—Donor:		
Sept. 17, 1959	J. P. Stevens & Co., Inc. (given to broker at this time for transfer to Church).	141 shares	To Christ Church.
	1960		
	Purchases:		
Jan. 8, 1960	Sonoco Products Co	3/10ths	$9.30.
Jan. 9, 1960	Monsanto Chemical Co	78/100ths	$42.78.
Jan. 18, 1960	Georgia-Pacific Corp	43/100ths	$21.47.
Apr. 1, 1960	W. R. Grace & Co	96/100ths	$38.02.
Apr. 29, 1960	Georgia-Pacific Corp	39/100ths	$21.82.
July 29, 1960	do	35/100ths	$19.73.
Nov. 4, 1960	do	31/100ths	$14.60.
Dec. 21, 1960	Texize Chemicals, Inc	100	$975.00.
	Sales:		
Jan. , 1960	Carolina Vend-A-Matic Co	2	$2,500.00.
May 6, 1960	Valfour Corp. (Martel Mills liq. div.).		$1,338.75.
July 18, 1960	Sabre-Pinon Corp. (now United Nuclear).	1/2	$2.88.
	Stock dividends:		
Mar. 10, 1960	W. R. Grace & Co	2.04 shares	
Mar. 25, 1960	Georgia-Pacific Corp	3.61 shares	
June 25, 1960	do	3.65 shares	
July 29, 1960	Sabre-Pinon Corp. (now United Nuclear).	2 shares	
Sept. 24, 1960	Georgia-Pacific Corp	3.69 shares	
Oct. 31, 1960	The Peoples National Bank	25 shares	
Dec. 15, 1960	Monsanto Chemical Co	3.30 shares	
Dec. 16, 1960	Georgia-Pacific Corp	3.73 shares	
	GIFTS—Donor:		
May 11, 1960	Liberty Life Insurance Co	333 NV	Given Furman University.
	1961		
	Purchases:		
Jan. 3, 1961	Monsanto Chemical Co	71/100ths	$31.56.
Jan. 31, 1961	Georgia-Pacific Corp	27/100ths	$14.73.
Apr. 21, 1961	Government Employees Life Ins Co	15	$1,402.50.
Do	Television Shares Management Corp. (later became Supervised Investors Service, Inc.)	100	$1,475.00.
May 5, 1961	Georgia-Pacific Corp	23/100ths	$16.37.
July 26, 1961	Union Texas Natural Gas Corp	100 class B	$2,775.00.
Aug. 3, 1961	Georgia-Pacific Corp	19/100ths	$12.70.
Oct. 2, 1961	Government Employees Life Ins Co	1/2	$2.50.
Nov. 8, 1961	Georgia-Pacific Corp	15/100ths	$8.68.
	Sales:		
Apr. 1, 1961	Sabre-Pinon Corp. (now United Nuclear).	6/10ths	$3.83.
Apr. 4, 1961	W. R. Grace & Co	10/100ths	$5.82.
June 19, 1961	Criterion Insurance	15 rights	$31.30.
Oct. 23, 1961	Liberty Life Insurance Co	2/10ths V and 6/10ths NV.	$25.21.
	Stock dividends:		
Mar. 17, 1961	W. R. Grace & Co	2	
Mar. 25, 1961	Georgia-Pacific Corp	3.77	
Mar. 29, 1961	Sabre-Pinon Corp. (now United Nuclear).	2	
June 24, 1961	Georgia-Pacific Corp	3.81	
Sept. 23, 1961	do	3.85	
Oct. 5, 1961	Liberty Life Insurance Co	259.2 V	
Do	do	192 6 NV	

Date	Name of corporation	Number of shares or face amount of bonds	Dollars
	1961		
	Stock Dividends—Continued		
Oct. 12, 1961	Government Employees Life Insurance Co.	7½	
Dec. 15, 1961	Monsanto Chemical Co	3.38	
Dec. 16, 1961	Georgia-Pacific Corp	3.89	
	Gifts: Donor:		
Dec. 20, 1951	Liberty Life Insurance Co	150 NV	Given Furman University.
	Receiver:		
Dec. , 1961	Liberty Life Insurance Co	200 V†	Christmas present from mother.
	1962		
	Purchases:		
Jan. 5, 1962	Monsanto Chemical Co	62/100	$31.91.
Jan. 31, 1962	Georgia-Pacific Corp	11/100	$5.75.
Mar. 7, 1962	Allied Chemical Corp	4/8	$25.36.
Apr. 12, 1962	W. R. Grace & Co	86/100	$71.68.
Apr. 27, 1962	Georgia-Pacific Corp	7/100	$3.60.
May 8, 1962	Carolinas Capital Corp. (liquidated 1967).	200	$2,000.
June 29, 1962	Govt. Employees Financial Corp	2 shares and 7 rts	$19.81.
July 30, 1962	Georgia-Pacific Corp	3/100	$1.06.
Sept. 15, 1962	Georgia-Pacific Corp	99/100	$37.50.
Dec. 18, 1962	Georgia-Pacific Corp	94/100	$35.13.
	Sales:		
Nov. 1, 1962	Dan River Mills	1/2 share	$4.89.
	Stock Dividends—Exchanges—Stock splits:		
Jan. 26, 1962	The South Carolina National Bank	49	Dividend.
Mar. 7, 1962	Allied Chemical Corp. (acquired by merger with Union Texas Natural Gas) (⅞ shares Allied for each share Union Texas).	87	
Mar. 17, 1962	W. R. Grace & Co	2.14	Dividend.
Mar. 24, 1962	Georgia-Pacific Corp	3.93	Do.
Apr. 12, 1962	Consolidated Oil & Gas, Inc. of 100 shares of Tekoil Corp.	40	Acquired by surrender.
June 1, 1962	W. R. Grace & Co	110	2-for-1 stock split.
June 23, 1962	Georgia-Pacific Corp	3.97	Dividend
Sept. 24, 1962	do	4.01	Do.
Oct. 12, 1962	Dan River Mills	1312.50	Obtained in exchange for 350 shares Woodside Mills.
Nov. 24, 1962	J. P. Stevens & Co., Inc	60	Dividend.
Dec. 18, 1962	Georgia-Pacific Corp	4.06	Do.
Dec. 26, 1962	Monsanto Chemical Co	3.46	Do.
	Gifts: Donor:		
Dec. , 1962	J. P. Stevens & Co., Inc	200	Given Furman University.
	Receiver:		
Dec. , 1962	Liberty Life Insurance Company	100 V	Christmas present from mother.
	1963		
	Purchases:		
Jan. 3, 1963	Monsanto Chemical	54/100ths	$26.95.
Feb. 23, 1963	Georgia-Pacific Corp	89/100ths	$41.83.
Mar. 29, 1963	W. R. Grace & Co	60/100ths	$24.03.
Apr. 10, 1963	Liberty Life Insurance Co	3 NV and 1 V	$160.00.
May 17, 1963	Georgia-Pacific Corp	84/100ths	$44.10.
Aug. 19, 1963	do	79/100ths	$39.50.
Aug. 29, 1963	Mutual Savings Life Insurance Co	200	$2,725.00.
Oct. 30, 1963	Aztec Oil & Gas	500	$10,187.50.
Nov. 18, 1963	Georgia-Pacific Corp	74/100ths	$39.87.
Dec. 27, 1963	Monsanto Chemical	46/100ths	$25.76.
	Sales:		
July 1, 1963	Consolidated Oil & Gas	Rights	$0.40.
	Stock dividends—Stock splits:		
Mar. 1, 1963	The South Carolina National Bank	32	Dividend.
Mar. 18, 1963	W. R. Grace & Co	4.40	Do.
Mar. 23, 1963	Georgia-Pacific Corp	4.11	Do.
Apr. 1, 1963	White Stag Mfg. Co. (merged into Warner Bros.).	50	Do.
Apr. 15, 1963	Liberty Life Insurance Co V	464V	Do.
Do	Liberty Life Insurance Co	252NV	Do.
Apr. 19, 1963	Chrysler Corp	14	2-for-1 stock split.
May 1, 1963	The Investment Life & Tr. Co	10	Dividend.
May 10, 1963	Govt. Employees Life Ins. Co	23	Do.
June 22, 1963	Georgia-Pacific Corp	4.16	Do.
Sept. 24, 1963	do	4.21	Do.
Dec. 20, 1963	do	4.26	Do.
Do	Chrysler Corp	28	2-for-1 stock split.
Dec. 23, 1963	Monsanto Chemical Co	3.54	Dividend.
Dec. 31, 1963	Sonoco Products Co	12.9	Do.
	GIFTS—Receiver:		
May 16, 1963	Liberty Life Insurance Co	704V	Given to me by my mother.
	1964		
	Purchases:		
Jan. 31, 1964	Sonoco Products Co	1/10 shares	$4.50.
Mar. 21, 1964	Georgia-Pacific Corp	69/100 share	$38.12.
Mar. 28, 1964	W. R. Grace & Co	½ share	$26.40.
Apr. 17, 1964	Fed. Int. Credit Bonds	130,000	$130,025.00.
Do	U.S. Treasury	270,000	$262,948.44.
Do	do	[1] 130,000	$129,875.72.
	Total		$522,879.27.
May 7, 1964	Piedmont Park F/D	0,000	$20,387.61.

Date	Name of corporation	Number of shares or face amount of bonds	Dollars
	1964		
	Purchases—Continued		
May 8, 1964	Liberty Life Ins. Co. (Now the Liberty Corp.).	185	$6,521.25.
Do	J. P. Stevens & Co., Inc	40	$1,499.80.
Do	Monsanto Chemical Co	19	$1,453.85.
Do	Government Employees Life Ins. Co	54	$3,510.00.
Do	Government Employees Financial	98	$2,989.00.
Do	Carolina Natural Gas	407	$2,856.54.
Do	Allied Chemical Corp	12	$674.63.
Do	United Nuclear Corp	46	$1,183.92.
Do	W. R. Grace & Co	70	3,851.08.
Do	Dan River Mills, Inc	188	3,464.69.
Do	Chrysler Corp	44	2,277.00.
Do	Burlington Industries	44	2,071.46.
Do	The South Carolina National Bank	29	1,595.00.
Do	Texize Chemical, Inc	400	1,800.00.
Do	Owens-Corning Fiberglas	80	5,782.74.
May 19, 1964	Surety Investment Co. (now part of The Liberty Corp.).	102	5,712.00.
May 26, 1964	do	112	6,272.00.
June 1, 1964	Insurance Securities, Inc	100	2,556.63.
June 2, 1964	do	500	12,783.15.
Do	do	400	10,276.76.
June 8, 1964	Maryland Casualty Co	200	12,690.64.
June 15, 1964	Surety Investment Co	165	$9,240.00.
July 6, 1964	Greater Greenville Sewer	4,000	$3,630.96.
July 8, 1964	Nationwide Corp., class A	500	$7,375.00.
Do	Southeastern Broadcasting (formerly WMRC, Inc., now part of Multimedia Corp.).	200	$9,200.00.
Do	Insurance Securities	1,000	$28,229.52.
Do	Town of Williston, S.C. waterworks and sewer bonds.	20,000	$20,420.36.
July 17, 1964	Broadcasting Co. of the South (now part of Liberty Corp.).	105	$5,250.00.
July 20, 1964	Georgia-Pacific Corp	1,200	$69,374.37.
Do	Broadcasting Co. of South (now Lib. Corp.).	120	$6,000.00.
Aug. 13, 1964	Guaranty Ins. Trust (now MGIC)	3,000	$7,500.00.
Aug. 17, 1964	American General Casualty Co (exchange).	200 convertible preferred 66⅔ common.	
Sept. 25, 1964	Georgia-Pacific Corp	55/100 share	$31.49.
Dec. 15, 1964	G'ville Waterwks. Sys. Rev. Bonds	10,000	$10,636.64.
Dec. 19, 1964	Georgia-Pacific Corp	37/100	$21.00.
	Sales:		
May 10, 1964	Automatic Retailers of America (exchanged for Carolina Vend-A-Matic).	14,173	$438,255.86.
May 5, 1964	The Investment Life & Trust Co	½ share	$2.65.
May 8, 1964	Consolidated Oil & Gas, Inc	40	$118.55.
Do	North Star Oil Corp	50	$511.46.
Do	Supervised Investors Services, Inc. (formerly Television Shares Management Corp.)	100	$611.51.
May 14, 1964	U.S. Treasury bills	40,000	$39,067.22.
May 20, 1964	do	5,000	$4,887.50.
May 28, 1964	do	5,000	$4,893.01.
June 5, 1964	do	30,000	$29,385.19.
June 17, 1964	do	7,000	$6,862.10.
June 18, 1964	do	20,000	$19,611.27.
July 14, 1964	Consolidated Oil & Gas, proceeds of 3/5 fractional warrant.		$0.90.
July 15, 1968	U.S. Treasury bills	50,000	$49,178.47.
July 27, 1964	Consolidated Oil & Gas, proceeds of 1 right.		$0.21.
Do	U.S. Treasury bills	81,000	$79,760.09.
Aug. 24, 1964	do	21,000	$20,740.16.
Dec. 7, 1964	The Broadcasting Co. of the South, proceeds of fractional share of stock.		$12.63.
Dec. 23, 1964	U.S. Treasury bills	11,000	$10,989.00.
	Stock dividends: Stock splits:		
Mar. 17, 1964	W. R. Grace & Co	3 and 50/100 shares.	Stock dividend.
Mar. 18, 1964	Main-Oak Corp., formerly Greenville Hotel Co.	31	2-for-1 stock split and 4-for-1 stock dividend.
Mar. 21, 1964	Georgia Pacific	4 and 31/100	Stock dividend.
Mar. 25, 1964	Southeastern Broadcasting, now part of Multimedia.	990 shares	100 percent stock dividend.
May 1, 1964	The Investment Life & Trust Co	10	Stock dividend.
May 8, 1964	Georgia-Pacific Corp	109 shares	25 percent stock split.
June 12, 1964	Aztec Oil & Gas Co	30 shares	6 percent stock dividend.
Aug. 24, 1964	The Peoples National Bank	50 shares	50 percent stock dividend.
Sept. 25, 1964	Georgia-Pacific Corp	17 45/100	Stock dividend.
Nov. 18, 1964	J. P. Stevens & Co., Inc	50 shares	10 percent stock dividend.
Nov. 20, 1964	The Broadcasting Co. of the South, now part of Liberty Corp. for a time known as Cosmos Broadcasting Co.	56 shares	25 percent stock dividend.
Dec. 15, 1964	Chrysler Corp	4 shares	4 percent stock dividend.
Dec. 12, 1964	Georgia-Pacific Corp	17 & 63/100	Stock dividend.

Footnote at end of tables.

Date	Name of corporation	Number of shares or face amount of bonds	Dollars
	1964		
	Stock dividends: Stock splits—Continued		
Dec. 22, 1964	Monsanto Chemical Co	4	Stock dividend.
	Gifts (receiver):		
Feb. 3, 1964	Liberty Life Insurance Co	531 shares	Gift from mother.
Dec. 1964	do	100 shares	Gift from mother (Christmas).
	Purchases:		
Feb. 1, 1965	U.S. Treasury Bills	$34,000	$133,110.80.
Feb. 25, 1965	Georgia-Pacific Corp	19/100	$11.92.
Feb. 26, 1965	W. R. Grace & Co. 4¼ percent sub. deb.	$1,700	$1,700.00
Mar. 29, 1965	Rights for the above debentures (additional).		$3.94.
Apr. 26 and May 3, 1965	Chrysler Corp	1 right and 15 shares.	$720.75.
May 17, 1965	Georgia-Pacific Corp	1/100	$.64.
May 24, 1965	Aztec Oil & Gas Co	20/100	$.75.
June 1, 1965	Texize Chemicals, Inc	1,300	$6,984.25.
June 8, 1965	do	400	$2,199.52.
Do	do	300	$1,573.89.
Aug. 16, 1965	Georgia-Pacific Corp	83/100	$49.07.
Oct. 12, 1965	Southeastern Broadcasting Co. (now part of Multimedia, Inc.).	100	$6,550.00.
Nov. 15, 1965	Georgia-Pacific Corp	64/100	$38.88.
Dec. 27, 1965	Monsanto Chemical Co	92/100	$73.44.
Dec. 30, 1965	Sperry Rand	400	$9,067.50.
	Sales:		
Dec. 30, 1965	Aztec Oil & Gas Co	562	$9,975.50.
	Stock dividends—Stock splits:		
Jan. 19, 1965	Nationwide Life Insurance Co	10	2 percent stock dividend or 1 share for each 50 owned of Nationwide Corp.
Jan. 22, 1965	The South Carolina National Bank	36	Dividend.
Mar. 26, 1965	Georgia-Pacific Corp	17.81	Do.
Mar. 29, 1965	Allied Chemical Corp	2	Do.
Apr. 30, 1965	Liberty Life Insurance Co. (now the Liberty Corp.)	510	Do.
May 1, 1965	The Investment Life and Trust Co	22	Do.
May 26, 1965	Government Employees Life Insurance Co.	2	Do.
June 7, 1965	Aztec Oil & Gas Co	31.80	Do.
June 25, 1965	Georgia-Pacific Corp	17.99	Do.
July 23, 1965	Burlington Industries, Inc	200	Stock split.
Sept. 25, 1965	Georgia-Pacific Corp	18.17	Dividend.
Nov. 15, 1965	Sonoco Products Co	142	Stock split.
Dec. 17, 1965	Georgia-Pacific Corp	18.36	Dividend.
Dec. 23, 1965	Monsanto Chemical Co	4.08	Do.
	Gifts: Receiver:		
Dec. 1965	Liberty Life Insurance Co	100 V	Christmas present from mother.
	Purchases:		
Jan. 11, 1966	Calhoun-Charleston Tenn. utility district bonds.	$4,000	$4,231.79.
Mar. 11, 1966	Allied Chemical Corp	96/100	$44.74.
Mar. 21, 1966	Warner Bros. Co., formerly White Stag.	6/7	$33.06.
Mar. 25, 1966	Georgia-Pacific Corp	45/100	$28.74.
May 22, 1966	Richmond Newspapers, Inc	200	$4,400.00.
June 24, 1966	Georgia-Pacific Corp	1/2	$22.40.
July 6, 1966	Cole Drug Co	300	$4,050.00.
Sep. 24, 1966	Georgia-Pacific Corp	57/100	$22.80.
Oct. 27, 1966	Government Employees Financial Corp. (7 $50 5½ percent convertible subscriber debentures).	$350	$350.00.
Nov. 7, 1966	Government Employees Financial Corp.	7 rights	$1.35.
Nov. 17, 1966	Insurance Securities, Inc	100	$726.63.
Dec. 17, 1966	Georgia-Pacific Corp	33/100ths	$11.43.
Dec. 27, 1966	Monsanto Co	82/100ths	$32.85.
	Sales:		
July 15, 1966	The Investment Life & Trust Co	20/100ths	$1.41.
Dec. 21, 1966	Insurance securities	100	$500.37.
	Stock dividends—Stock splits—Exchanges:		
Feb. 1, 1966	Dan River Mills	75	Dividend.
Feb. 10, 1966	Nationwide Life Insurance Co	10	2 percent stock dividend or 1 share for each 50 owned of Nationwide Corp.
Mar. 9, 1966	The Warner Bros. Co., formerly White Stag Manufacturing Co. (merger).	107 1/7 shares	In exchange.
Mar. 25, 1966	Georgia-Pacific Corp	18.55	Dividend.
Mar. 28, 1966	Allied Chem.ca. Corp	2.4	Do.
Apr. 30, 1966	Mutual Savings Life Insurance Co	40	Do.
June 24, 1966	Georgia-Pacific Corp	468.50	5 for 4 split.
July 15, 1966	The Investment Life & Trust Co	24	Dividend.
Aug. 3, 1966	The Peoples National Bank (old certificate for 150 shares turned in to bank).	300	2-for-1 split.
Sept. 24, 1966	Georgia-Pacific Corp	23.43	Dividend.
Dec. 17, 1966	Georgia-Pacific Corp	23.67	Do.
Dec. 23, 1966	Monsanto Chemical Co	4.18	Do.

Date	Name of corporation	Number of shares or face amount of bonds	Dollars
	1967		
	Purchases:		
Jan. 5, 1967	Greenville County, S.C., hospital bonds.	$5,000	$4,907.99.
Do	Ivest Fund, Inc	728	$10,002.72.
Feb. 13, 1967	Southeastern Broadcasting Co. (now part of Multimedia, Inc.).	66	$5,313.00.
Mar. 16, 1967	Allied Chemical Corp	90/100	$36.12.
Mar. 25, 1967	Georgia-Pacific Corp	9/100	$4.21.
Mar. 27, 1967	Leverage Fund of Boston, Inc	350	$5,250.00.
Apr. 12, 1967	Southern Weaving Co	200	$5,400.00.
Apr. 19, 1967	Liberty Life Insurance Co	7,879,480 shares	$14.77.
Apr. 27, 1967	Government Employees Life Insurance Co.	94/100	$45.12.
June 15, 1967	Rank Organisation, Ltd	500	$4,176.00.
June 23, 1967	Georgia-Pacific Corp	85/100	$51.21.
July 31, 1967	Gulf & Western	325	$19,091.62.
Aug. 4, 1967	International Telephone & Telegraph.	100	$10,849.80.
Sept. 23, 1967	Georgia-Pacific Corp	60/100 shares	$36.60.
Nov. 27, 1967	Fairchild Camera & Instrument Corp.	100	$10,199.15.
Dec. 19, 1967	Georgia-Pacific Corp	35/100	$19.86.
Dec. 26, 1967	Brunswick Corp	1,000	$16,230.00.
Dec. 29, 1967	Monsanto Chemical Co	72/100	$30.69.
	Sales:		
Jan. 5, 1967	American General Insurance Co. conv. P/d.	200	$6,777.74.
	Carolinas Capital Corp. liquid distribution, 200 shares owned:		
July 18, 1967	Received		$1,000.00.
Aug. 11, 1967	Scope, Inc	120 shares	
Aug. 17, 1967	Synalloy	40 shares	
July 19, 1967	Texize Chemicals, Inc	200	$3,648.92.
July 20, 1967	do	100	$1,886.33.
Do	do	200	$3,723.16.
Do	do	1,000	$18,739.60.
Aug. 17, 1967	do	100	$1,799.71.
Aug. 22, 1967	do	500	$9,246.05.
Do	do	400	$7,396.84.
Sept. 18, 1967	Richmond Newspapers, class A	200	$3,488.12.
Sept. 20, 1967	Warner Bros. conv. P/d	108	$3,206.96.
Nov. 29, 1967	Insurance Securities	400	$2,447.00.
Dec. 15, 1967	do	1,500	$8,990.55.
	Stock dividends:		
Feb. 24, 1967	Southern Weaving Co	17 shares	
Mar. 10, 1967	The South Carolina National Bank	63 shares	
Mar. 15, 1967	Southeastern Broadcasting Corp. (now Multimedia, Inc.)	586 shares	
Mar. 24, 1967	American General Insurance Co	134 shares	200 percent stock division.
Mar. 25, 1967	Georgia-Pacific Corp	23.91 shares	
Mar. 26, 1967	Allied Chemical Corp	2.10 shares	
Apr. 24, 1967	Liberty Life Insurance Co	1,211.2120520 shares.	
May 15, 1967	The Investment Life & Trust Co	26 shares	
May 16, 1967	The Broadcasting Co. of the South (later Cosmos Broadcasting and in 1969 it became part of the Liberty Corp.,	56 shares	
May 24, 1967	Government Employees Life Insurance Co.	3.06 shares	
June 23, 1967	Georgia-Pacific Corp	24.15 shares	
Sept. 23, 1967	Georgia-Pacific Corp	24.40 shares	
Sept. 25, 1967	Government Employees Financial Corp.	3 shares	
Oct. 31, 1967	Ivest Fund, Inc	1,309 shares	Dividend.
Oct. 31, 1967	Ivest Fund, Inc	31.406 shares	Capital gain.
Dec. 19, 1967	Georgia-Pacific Corp	24.65 shares	
Dec. 26, 1967	Monsanto Chemical Co	4.28 shares	
Dec. 27, 1967	Gulf & Western Industries	9.75 shares	
	Gifts: Receiver:		
Dec. 1967	Liberty Life Insurance Co	100 shares, Christmas gift from mother.	
	1968		
	Purchases:		
Jan. 4, 1968	Clemson S.C., general obligation sewer bonds.	$5,000	$5,055.00.
Jan. 15, 1968	Gulf & Western Industries, Inc	25/100 shares	$15.16.
Feb. 16, 1968	Tenneco, Inc	200	$5,289.12.
Feb. 20, 1968	Georgia-Pacific Corp	10/100 shares	$5.85.
Feb. 23, 1968	Fairchild Camera & Instrument Corp.	100	$6,858.31.
Apr 26, 1968	Computer Servicenter, Inc	500	$3,000.00.
May 16, 1968	Georgia-Pacific Corp	85/100 shares	$62.90.
July 22, 1968	U.S. Pipe & Foundry	200	$5,867.00.
Aug. 19, 1968	Georgia-Pacific Corp	59/100 shares	$49.63.
Sept. 19, 1968	Government Employees Financial	7 rights	$3.50.
Sept. 23, 1968	Government Employees Financial Corp.*	$550	$550.00.
Nov. 1, 1968	Jefferson Pilot Corp	200	$8,580.50.
Nov. 4, 1968	Government Employees Financial Corp.	94/100 shares	$31.02.
Nov. 14, 1968	Georgia Pacific Corp	33/100 shares	$28.92.
Nov. 1968	$50 5¼-percent Convertible Sub. Debentures.		

Date	Name of corporation	Number of shares or face amount of bonds	Dollars
	1968		
	Sales:		
July 22, 1968	Fairchild Camera & Instrument Corp.	100 shares	$6,104.72.
Sept. 26, 1968	U.S. Pipe & Foundry	200 shares	$6,232.80.
Dec. 31, 1968	Carolinas Capital Corp	cash	$325.37.
	FINAL DISTRIBUTION—LIQUIDATION		
	Stock Dividends: Splits:		
Jan. 26, 1969	International Telephone & Telegraph Corp.	100 shares	2 for 1 div.
Feb. 17, 1968	Gulf & Western Industries	10.05	Stock div.
Mar. 26, 1968	Georgia-Pacific Corp	24.90	Stock div.
Mar. 29, 1968	Synalloy Corp	10 shares	5 for 4 split.
May 7, 1968	Cole Drug Co., Inc	300 shares	1 additional share for each share held May 7, 1968.
June 25, 1968	Georgia-Pacific Corp	25.15	Stock dividend.
Sept. 24, 1968	Georgia-Pacific Corp	25.41	Do.
Nov. 15, 1968	Ivest Fund, Inc	4.129 shares	Dividend.
Nov. 15, 1968	Ivest Fund, Inc	38.081 shares	Capital gains.
Nov. 22, 1968	Government Employees Financial Corp	2.06 shares	Stock dividend.
Dec. 19, 1968	Georgia-Pacific Corp	25.67 shares	Do.
	Exchanges:		
Jan. 2, 1968	Guaranty Insurance Trust	3,000 shares	Exchanged for 210 shares. Mortgage Guaranty Insurance Corp.
Jan. 1, 1968	Southeastern Broadcasting Corp	2,932 shares	Exchanged for:
	Multimedia, Inc	2,932 shares	5 percent convertible cumulative preferred and 11,728 common.
Mar. 22, 1968	Liberty Life Insurance Co	7,022 shares	Exchanged for 1 for 1 basis.
	The Liberty Corp	7,022 shares	
Aug. 21, 1968	Mortgage Guaranty Insurance Corp	(210 shares)	Exchanged for 630 shares of MGIC Investment Corp.
Aug. 28, 1968	Carolina Natural Gas Corp	500 shares	Exchanged for 60 shares.
	Piedmont Natural Gas Co., Inc	60 shares	$6 cumulative convertible 2d P/d.
	Gifts (receiver):		
Dec. 1968	The Liberty Corp	100 shares	Christmas present from mother.

Date	Name of corporation	Number of shares or face amount of bonds	Dollars
	1969		
	Purchases:		
Jan. 20, 1969	Liberty Corp	1/3 share	$8.34.
Feb. 24, 1969	Georgia-Pacific Corp	7/100 share	$6.60.
Mar. 27, 1969	Gulf & Western Industries	95/100 share	$38.57.
Apr. 28, 1969	Government Employees Life Ins. Co.	82/100 share	$42.03.
Aug. 20, 1969	Georgia Pacific Corp	62/100	$29.76.
Aug. 27, 1969	G & W Land & Development Corp	7/10 share	$7.00.
	Sales:		
Apr. 16, 1969	Synalloy Corp	1/2 share (stock dividend).	$6.59.
May 23, 1969	Investment Life & Trust Co	2/10 share (stock dividend).	$.65.
Aug. 17, 1969	South Carolina National Bank	9/10 share (stock dividend).	$32.67.
	Stock dividends:		
Jan. 10, 1969	The Peoples National Bank	30 shares	Stock dividend.
Mar. 14, 1969	Jefferson-Pilot Corp	50 shares	Do.
Mar. 28, 1969	Georgia-Pacific Corp	25.93 shares	Do.
Apr. 15, 1969	Synalloy Corp	2 shares	Do.
May 5, 1969	Georgia-Pacific Corp	2,619 shares	2 for 1 stodk split.
May 15, 1969	The Investment Life & Trust Co	29 shares	Stock dividend.
May 23, 1969	Government Employees Life Ins. Co.	3.18 shares	Do.
Aug. 8, 1969	United Nuclear Corp	4 shares	Do.
Sept. 10, 1969	G & W Land and Development Corp.	17.3 shares	1 share for each 20 shares Gulf & Western owned July 18, 1969.
July 15, 1969	South Carolina National Bank	69	
Sept. 24, 1969	Georgia-Pacific Corp	52.38 shares	Stock dividend.
	Exchanges:		
Jan. 17, 1969	The Broadcasting Co of the South, later Cosmos Broadcasting	337 shares	Exchanged for:
	The Liberty Corporation	1,011 shares common and 337 shares $0.40 voting preferred convertible.	
Jan. 18, 1969	Surety Investment Co	379 shares exchanged for	
	The Liberty Corp	1,389 2/3 shares	

[1] The settlement date for the purchase of the Fed. Int. Credit Bonds bought Apr. 17, 1964, was May 4, 1964. These funds were invested for the interim period on Apr. 17, 1964 in, U.S. Treasury bills maturing Apr. 30, 1964, and those bills were used to pay for the Fed. Int. Credit Bonds.

Changes to Financial Statement as directed by Harriet Wright:

The first part she says has already been given to WHR by the Judge, but she repeated it.

On page 1 under Sales, he sold in 1957 4 shares of Carolina Vend-A-Matic for $5,000. She doesn't have date, but if necessary will make an effort to find it. Sale was some time between April and December 31.

On page 2 there were three sales that were left off. Under 1958 sales they left off all sales. Add 3/26/58 Hollyridge Development Co.—3% debentures—sale amount $2,902.50.

Add Greenville Country Club—certificate—$500 sold on 9/30/58.

10/27/58 Val-Four Corp. (Martel Mills) (Liquidating dividend) (Payable in part by $3,125 face amount Burlington Industries, Inc. 5.4% subordinated debentures).

New changes follow:

12/22/58 purchase of Georgia Pacific Corp. 27/50 of a share. They listed that they paid $29.60 for it, but it was only $26.60.

On page 4—1961 under purchases.

The first purchase was left off—1/3/61 Monsanto Chemical Company—71/100 of a share $31.46.

On page 5 under Stock Dividends on 3/25/61 he received 3.77 shares of Georgia Pacific Corporation rather than 3.25 as listed.

Also on page 5 under purchases in 1962: at 6/29/62 you'll see Government Employees Financial Corporation,—2 shares and 15 rights. Correct to show 2 shares and 7 rights.

On page 13 under Exchanges. The first exchange on 1/2/68 shows Mortgage Guaranty Insurance Co. Correct to Mortgage Guaranty Insurance *Corp.*

On 1/1/68 she shows Multi Media Ins. It should be Multi Media *Inc.*

On page 14, the biggest error is the one on stock dividends in 1969: Mark out 7/15 Synalloy duplication of two shares and put in its place South Carolina National Bank—69 shares. (Synalloy is a duplicate entry. You will see it also shown at 4/15 and the typist picked it up in error on 7/15. Just x out and add instead the 69 shares of S.C. National Bank.)

She said that they would correct the pages and send them to us but in the meantime the above corrections should be made.

Purchases						Sales					
Date	Name of corporation	Number of shares or face amount of bonds	Dollar amount	Monthly amount purchased	Total amount purchased	Date	Name of corporation	Number of shares or face amount of bonds	Dollar amount	Monthly amount sold	Balance invested
Apr. 17, 1964	Fed. Inter, Credit Banks	$130,000	$130,025.00								
Do	U.S. Treasury	$270,000	262,948.55								
Do	do	$130,000	129,875.72								
	Balance April 30, 1964			$522,849.27							$522,849.27
May 7, 1964	Piedmont Park F/D	$20,000	20,387.61			May 8, 1964	Consolidated Oil & Gas Inc.	40	$118.55		
May 8, 1964	Liberty Life Ins. Co	185	6,521.25			do	North Star Oil Corp	50	11.46		
Do	J. P. Stevens Co	40	1,499.80			do	Supervised Investors Services, Inc	100	611.51		
Do	Monsanto Chemical Corp	19	1,453.85			May 14, 1964	U.S. Treasury bills	$40,000	39,067.22		
Do	Gov't. Emply. Life Ins	54	3,510.00			May 20, 1964	do	$5,000	4,887.50		
Do	Gov't Emply. Financial	98	2,989.00			May 28, 1964	do	$5,000	4,893.01		
Do	Carolina Natural Gas	407	285,654								
Do	Allied-Chemical Corp	12	67,463								
Do	United Nuclear Corp	46	118,392								
Do	W. R. Grace & Co	70	385,108								
Do	Dan River Mills Inc	118	346,469								
Do	Chrysler Corp	44	227,700								
Do	Burlington Industries Inc	44	207,146								
Do	S. C. National Bank	29	159,500								
Do	Texize Chemical, Inc	400	180,000								
Do	Owens-Corning Fiberglas	80	578,274								

Purchases						Sales					
Date	Name of corporation	Number of shares or face amount of bonds	Dollar amount	Monthly amount purchased	Total amount purchased	Date	Name of corporation	Number of shares or face amount of bonds	Dollar amount	Monthly amount sold	Balance invested
May 19, 1964	Surety Investment Co. (now part of the Liberty Corp.).	102	$5,712.00								
May 26, 1964	do	112	6,272.00								
	Balance May 31, 1964.			$73,902.57	$596,751.84					$49,589.25	$547,162.59
June 1, 1964	Insurance Securities Inc.	100	2,556.63			June 5, 1964	U.S. Treasury bills	$30,000	$29,385.19		
June 2, 1964	do	500	12,783.15			June 17, 1964	do	7,000	6,862.10		
Do	do	400	10,276.76			June 18, 1964	do	20,000	19,611.27		
June 15, 1964	Surety Investment Co. (now part of the Liberty Corp.).	165	9,240.00								
	Balance June 30, 1964.			34,856.54	631,608.38					55,858.56	526,160.57
July 6, 1964	Greater Greenville Sewer District bonds.	$4,000	3,630.96			July 15, 1964	U.S. Treasury bills	$50,000	49,178.47		
						July 27, 1964	do	$81,000	79,760.09		
July 8, 1964	Nationwide Corp., class A	500	7,375.00								
Do	Southeastern Broadcasting Co. (now part of Multimedia, Corp.)	200	9,200.00								
Do	Insurance Securities Inc.	1,000	28,229.52								
Do	Town of Williston, S.C., Waterworks & Sewer System bonds.	20,000	20,420.36								
July 17, 1964	Broadcasting Co. of the South (now part of Liberty Corp.)	105	5,250.00								
July 20, 1964	Georgia Pacific Corp.	1,200	69,374.37								
Do	Broadcasting Co. of the South.	120	6,000.00								
	Balance, July 31, 1964.			149,480.21	781,088.59					128,938.56	546,702.22
Aug. 13, 1964	Guaranty Insurance Trust (now part of MGIC).	3,000	7,500.00			Aug. 24, 1964	U.S. Treasury bills	21,000	20,740.16		
	Balance, Aug. 31, 1964.			7,500.00	788,588.59					20,740.16	533,462.06
Dec. 15, 1964	Greenville Waterworks System revenue bonds.	10,000	10,636.54			Dec. 23, 1964	U.S. Treasury bills	11,000	10,989.00		
	Balance Dec. 31, 1964.			10,636.54	799,225.13					10,989.00	533,109.60
Feb. 1, 1965	U.S. Treasury bills	$134,000	133,110.80								
	Balance, Feb. 28, 1965.			133,110.80	932,335.93						666,220.40
June 1, 1965	Texize Chemicals, Inc.	1,300	6,984.25								
June 8, 1965	do	400	2,199.52								
June 11, 1965	do	300	1,573.89								
	Balance, June 30, 1965.			10,757.66	943,093.59						676,978.06
Oct. 12, 1965	Southeastern Broadcasting Co., (now part of Multimedia, Inc.)	100	6,550.00								
	Balance, Oct. 31, 1965.			6,550.00	949,643.59						683,528.06
Jan. 11, 1966	Calhoun-Charleston, Tenn., Utility District bonds.	$4,000	4,231.79								
	Balance Jan. 31, 1966			4,231.79	953,875.38						687,759.85
May 26, 1966	Richmond Newspapers, Inc.	200	4,400.00								
	Balance May 31, 1966			4,400.00	958,275.38						692,159.85
Nov. 17, 1966	Insurance Securities, Inc.	100	726.63								
	Balance Nov. 30, 1966			726.63	959,002.01						692,886.48
						Dec. 21, 1966	Insurance Securities	100	500.37		
	Balance Dec. 31, 1966				959,002.01					500.37	602,386.11
Jan. 5, 1967	Greenville County, S.C., Hospital bonds.	$5,000	4,907.99								
	Balance Jan. 31, 1967.			4,907.99	963,910.00						697,294.10
Feb. 13, 1967	Southeastern Broadcasting Co. (now part of Multimedia Inc.)	66	5,313.00								
	Balance Feb. 28, 1967.			5,313.00	969,223.00						702,607.10
June 15, 1967	Rank Organization Ltd.	500	4,176.00								
	Balance June 30, 1967			4,176.00	973,399.00						706,783.10
						July 19, 1967	Texize Chemicals, Inc.	200	3,648.92		
						July 20, 1967	do	100	1,886.33		
						do	do	200	3,723.16		
	Balance July 31, 1967.				973,399.00					9,258.41	697,524.69
Aug. 4, 1967	Intl. Tel. & Tel.	100	10,849.80			Aug. 17, 1967	Texize Chemicals, Inc.	100	1,799.71		
						Aug. 22, 1967	do	400	7,396.84		
	Balance Aug. 31, 1967.			10,849.80	984,248.80					9,196.55	699,177.94
						Sept. 18, 1967	Richmond Newspapers, class A.	200	3,488.12		
						Sept. 20, 1967	Warner Bros. conv. P/D	108	3,206.96		
	Balance, Sept. 30, 1967.				984,248.80					6,695.08	692,482.86
Nov. 17, 1967	Fairchild Camera & Instrument Corp.	100	10,199.15			Nov. 29, 1967	Insurance Securities	400	2,447.00		
	Balance, Nov. 30, 1967.			10,199.15	994,447.95					2,447.00	700,235.01
Dec. 26, 1967	Brunswick Corp.	1,000	16,230.00			Dec. 15, 1967	Insurance Securities	1,500	8,990.55		
	Balance, Dec. 31, 1967.			16,230.00	1,010,677.95					8,990.55	707,474.46
Jan. 4, 1968	Clemson, S.C., general obligation sewer bonds.	5,000	5,055.00								
	Balance, Jan. 31, 1968.			5,055.00	1,015,732.95						712,529.46
Feb. 16, 1968	Tenneco, Inc.	200	5,289.12								
Feb. 23, 1968	Fairchild Camera & Instrument Corp.	100	6,858.31								
	Balance, Feb. 29, 1968.			12,147.43	1,027,880.38						724,676.89

Purchases						Sales					
Date	Name of corporation	Number of shares or face amount of bonds	Dollar amount	Monthly amount purchased	Total amount purchased	Date	Name of corporation	Number of shares or face amount of bonds	Dollar amount	Monthly amount sold	Balance invested
Apr. 26, 1968	Computer Servicenter, Inc.	500	$300,000								
	Balance Apr. 30, 1968.			$300,000	$1,030,880.38						$727,676.89
July 22, 1968	U.S. Pipe & Foundry	200	586,700			July 22, 1968	Fairchild Camera & Instrument Corp.	100	$6,104.72		
	Balance July 31, 1968.			5,867.00	1,036,747.38					$6,104.72	727,439.11
Sept. 19, 1968	Gov't Emplys. Financial	(1)	3.50			Sept. 26, 1968	U.S. Pipe & Foundry	200	6,232.80		
	Balance Sept. 30, 1968.			3.50	1,036,750.88					6,232.80	721,209.87
Nov. 1, 1968	Jefferson Pilot Corp	200	8,580.50								
	Balance Nov. 30, 1968.			8,580.50	1,045,331.38						729,790.37
Jan. 1, 1969	Pickeris, S.C., Waterworks System improvement revenue bonds.	4,000	3,781.76								
	Balance Jan. 31, 1969.			3,781.76	1,049,113.14						733,572.13

[1] 7 rights.

REAL ESTATE OWNED BY CLEMENT F. HAYNSWORTH, JR., AS OF APRIL 1. 1957, AND SUBSEQUENT PURCHASES AND SALES OF REAL ESTATE THROUGH OCTOBER 1, 1969

Real estated owned as of April 1, 1957

1. Personal residence located on McDaniel Avenue in the City of Greenville, South Carolina, acquired by deed dated May 1, 1947.

2. Summer home known as Point Farm, Wadmalow Island, Charleston County, South Carolina, acquired by deed dated February 29, 1956.

3. A 1/5 interest in a lot on the corner of Lowndes Hill Road and Watson Road in Greenville County, South Carolina, purchased by deed dated September 20, 1956. This land was sold to Judge Haynsworth and four other individuals for $1,000 by Carolina Vend-A-Matic Company. The land in question was not needed by Carolina Vend-A-Matic for its operations. The grantees under this deed subsequently built a small warehouse on this property which they originally leased to Burlington Industries, Inc., under a recorded lease dated March 15, 1958. Over the years, this property has been leased to various other tenants. Judge Haynsworth's interest in this property is included in the list of the Judge's current assets filed with the Committee.

April 1, 1957 through December 31, 1957

Purchases: None.
Sales: None.

1958

Purchases: 1. Building and lot on Rutherford Street in Greenville, South Carolina, acquired by deed dated January 13, 1958, from Law Building, Inc. This was part of the distribution to Judge Haynsworth of his share in his law firm's assets. Although the transfer was made subsequent to the time Judge Haynsworth became a United States Circuit Court Judge, the agreement to make the transfer was made prior to the time he became a Judge as part of the overall settlement with Judge Haynsworth, who in no way participated in the profits or fees of the firm subsequent to the time he was confirmed as a United States Circuit Court Judge. Over the years, this property was leased to a succession of tenants until it was sold in 1967.

2. A 4/157 interest in a tract of land subsequently developed as Greenville Memorial Gardens, acquired by deed dated December 12, 1958, from Grace Pepper Rhodes.
Sales: None.

1959

Purchases: None.
Sales: Sale of the 4/157 interest in the tract of land described above to Greenville Memorial Gardens, a South Carolina corporation, by deed dated July 2, 1959.

1960

Purchases: A ½ interest in personal residence on Crescent Avenue, in the City of Greenville, South Carolina, acquired by deed dated May 5, 1960. The other ½ interest was purchased by Judge Haynsworth's wife.

Sales: 1. Sale of personal residence on McDaniel Avenue, Greenville, South Carolina, by deed dated May 5, 1960.

2. Sale of summer home near Charleston, South Carolina, by deed dated June 21, 1960.

1961

Purchases: A 1/5 interest in a small tract of land on Watson Road in Greenville County, South Carolina, adjacent to the tract of land on which Judge Haynsworth and four others had previously built a warehouse (see above). This tract was acquired by deed dated November 13, 1961 and was purchased by the grantees from Carolina Vend-A-Matic for $750 to provide additional parking space for use in connection with their warehouse. Judge Haynsworth's interest in this property is included in the list of the Judge's current assets filed with the Committee.
Sales: None.

1962

Purchases: None.
Sales: None.

1963

Purchases: None.[1]
Sales: None.

1964

Purchases: A 1/7 interest in a tract of land on Lowndes Hill Road and Watson Road upon which the business of Carolina Vend-A-Matic had been conducted, acquired by deed dated April 8, 1964 from Carolina Vend-A-Matic Co. and a deed dated April 11, 1964 from W. S. Mullens. The consideration for this property was a partial liquidating dividend to the stockholders of Carolina Vend-A-Matic and assumption of a mortgage on this property with a balance of $20,341.80. Judge Haynsworth testified at the hearings that this was done at the request of ARA, Inc. which purchased Carolina Vend-A-Matic Co., effective April 8, 1964, as ARA did not want to purchase any of the real estate owned by Carolina Vend-A-Matic. This property is now under lease to ARA, Inc. Judge Haynsworth's interest in this property is included in the list of the Judge's current assets filed with the Committee.
Sales: None.

1965

Purchases: None.
Sales: None.

1966

Purchases: None.
Sales: None.

1967

Purchases: None.
Sales: Sale of lot on Rutherford Road, acquired January 13, 1958 to Orders Realty Co., Inc., by deed dated March 22, 1967.

1968

Purchases: None.
Sales: [2] Gift of ½ undivided remainder interest in personal residence on Crescent Avenue, Greenville, South Carolina, to Furman University. This gift was made in connection with a major capital gifts campaign conducted by Furman University, of which Judge Haynsworth is an alumnus. This property was acquired by deed dated May 5, 1960. Judge Haynsworth and his wife retained life estates in this property.

(NOTE.—Certified copies of all of the deeds have previously been supplied to the Committee. All of the leases, with the exception of the Burlington lease, a copy of which has been supplied to the Committee, were unrecorded. Copies of all these unrecorded leases will be supplied upon request.)

FOOTNOTES

[1] By deed dated May 6, 1963, Christie C. Provost, Clement F. Haynsworth, Jr., and W. S. Mullens, as Trustees of the Carolina Vend-A-Matic Co. Profit-Sharing and Retirement Plan, acquired a farm containing approximately 90 acres. Since this farm was not acquired by Judge Haynsworth individually but as Trustee for the Profit-Sharing and Retirement Plan, this transaction is not properly includible in a listing of his individual transactions. This same tract was conveyed by the same three Trustees to W. Francis Marion by deed dated April 8, 1964, in connection with the liquidation of the Carolina Vend-A-Matic Profit-Sharing and Retirement Plan.

[2] By deed dated April 5, 1968, Clement F. Haynsworth, Jr., as trustee, conveyed a small strip of land to the trustees of Leawood Baptist Church in Greenville, South Carolina. Judge Haynsworth was acting as a substituted-trustee pursuant to an Order of Court dated March 13, 1946, and since this property was never owned by Judge Haynsworth individually, this transaction is not properly includible in this chronological listing.

CHRONOLOGICAL SUMMARY OF REAL ESTATE TRANACTIONS OF CAROLINA VEND-A-MATIC COMPANY

(1) *Deeds into Carolina Vend-A-Matic Company.* Carolina Vend-A-Matic Co. acquired three pieces of real estate during its existence. One, a lot at the intersection of Lowndes Hill Road and Watson Road in Greenville County, South Carolina, by deed from Specialty Hardwoods, Inc. dated October 8, 1955, a copy of which is attached as Exhibit 1. The second was an adjoining piece of property acquired from the South Carolina National Bank, as Trustee under the Will of Fred W. Symmes, by deed dated Oc-

tober 11, 1961, a copy of which is attached as Exhibit 2. The third was acquired by deed dated May 31, 1961, but this tract was conveyed by Carolina Vend-A-Matic Company to the South Carolina National Bank as Trustee under the Will of Fred W. Symmes, deceased, in connection with the second transaction described above. Copies of these deeds are attached as Exhibits 3(a) and 3(b).

(2) *Deeds out of Carolina Vend-A-Matic Company.* Other than the deed set forth in Exhibit 3(b), Carolina Vend-A-Matic conveyed the following parcels of property:

(a) By deed dated September 20, 1956, Carolina Vend-A-Matic Company transferred for $1,000.00 a small parcel of land at the intersection of Lowndes Hill Road and Watson Road, which was not needed for its operations, to Eugene Bryant, Clement F. Haynsworth, Jr., R. E. Houston, Jr., W. Francis Marion, and Christie C. Prevost. A copy of this deed, which was a portion of the property conveyed to Carolina Vend-A-Matic Company by Specialty Hardwoods, Inc., is attached as Exhibit 4. The grantees under this deed subsequently built a small warehouse on this property which they originally leased to Burlington Industries, Inc. A copy of this lease is attached as Exhibit 5. This property has been leased to various other tenants over the years. This property was conveyed to Judge Haynsworth and the other grantees prior to the time that Judge Haynsworth became a United States Circuit Court Judge.

(b) By deed dated November 13, 1961, Carolina Vend-A-Matic Company, in consideration of $750.00, conveyed a small tract of land adjoining tract (a) above to the same grantees, who purchased it for the purpose of providing additional parking area for the use of their warehouse. A copy of this deed is attached as Exhibit 6. Judge Haynsworth's interest in the property described in (a) and (b) was reported in the list of assets filed with the Committee.

(c) By deed dated April 8, 1964, Carolina Vend-A-Matic Company, in consideration of distribution to stockholders and an assumption of a mortgage with a balance of $20,341.80, conveyed to all of the stockholders of Carolina Vend-A-Matic Company the remaining property owned by Carolina Vend-A-Matic Company at the time. Judge Haynsworth testified at the hearings that this was done at the request of ARA, Inc., which purchased Carolina Vend-A-Matic Company, as it did not want to purchase any of the real estate owned by Carolina Vend-A-Matic Company. A copy of this deed is attached as Exhibit 7. Subsequently, on April 11, 1964, one of the stockholders, W. S. Mullins, conveyed his interest in this real estate to the remaining shareholders. A copy of this deed is attached as Exhibit 8. Judge Haynsworth's interest in this property was reported in the list of assets filed with the Committee.

(3) *Real estate transactions involving Carolina Vend-A-Matic Company's Profit Sharing and Retirement Plan.* The only real estate ever acquired by the Carolina Vend-A-Matic profit sharing and retirement plan was a farm containing approximately ninety acres near Fountain Inn in Greenville County, South Carolina, which was acquired on May 6, 1963, in the name of the trustees of the plan. A copy of this deed is attached as Exhibit 9. The minutes of Carolina Vend-A-Matic Company, which have been made available to the Committee, indicate that the primary motivation for purchasing this farm was to raise beef cattle for use for Carolina Vend-A-Matic's business. It was determined that this would be a sound investment for the pension and profit sharing plan which had sufficient cash to purchase this property, and title for the property was therefore taken in the name of the profit sharing and retirement plan, which in turn leased it to Carolina Vend-A-Matic Company. Subsequently, in connection with the ARA, Inc., purchase of Carolina Vend-A-Matic, the Vend-A-Matic profit sharing and retirement plan was terminated and the assets liquidated, which required the sale of this farm.

By deed dated April 8, 1968, the date when the transaction between Carolina Vend-A-Matic Company and ARA, Inc. was consummated, the trustees of the profit sharing and retirement plan conveyed this property to W. Francis Marion, one of the stockholders of the company, at a price in excess of the original purchase price. A copy of this is attached as Exhibit 10. Mr. Marion, at the time, already owned an adjoining tract of land, which he had previously acquired (See Exhibit 11), and he has continuously used this tract for a cattle farm since the date of the purchase.

EXHIBIT 1

TITLE TO REAL ESTATE BY A CORPORATION

(Prepared by Haynsworth & Haynsworth, Attorneys at Law, Greenville, S.C.)

(Book 536, p. 289)

STATE OF SOUTH CAROLINA,
County of Greenville.

Know all men by these presents that Specialty Hardwoods, a corporation chartered under the laws of the State of South Carolina and having its principal place of business at Greenville, in the State of South Carolina, for and in consideration of the sum of Seven Thousand and No/100ths ($7,000.00) dollars, to it in hand duly paid at and before the sealing and delivery of these presents by the grantee(s) hereinafter named, (the receipt whereof is hereby acknowledged), has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto Carolina Vend-A-Matic Co., a corporation chartered under the laws of the State of South Carolina, All that piece, parcel or lot of land, situate, lying and being in the City of Greenville, Greenville County, State of South Carolina, being known and designated as Lot No. 42 and part of Lot No. 41 on a plat thereof, entitled "Property of Symmes and Houston, Greenville, S.C.", prepared by Dalton & Neves, Engineers, dated June, 1950, and having, according to said plat, the following metes and bounds, to-wit:

Beginning at an iron pin at the intersection of the Watson Road and the Lowndes Hill Road and running thence along said Lowndes Hill Road S. 85–00 E. 409 feet to an iron pin; thence continuing along said Lowndes Hill Road S. 87–00 E. 135 feet to an iron pin; thence along the remaining portion of Lot No. 41 S. 3–00 W. 200 feet to an iron pin on Watson Road; thence N. 65–31 W. 584.7 feet to the beginning point.

This is the identical property conveyed to the grantor herein by deed of J. P. Coleman dated September 21, 1950 and recorded in the R. M. C. Office for Greenville County in Deed Book 420, at page 41.

This deed is made pursuant to resolution duly adopted by the Board of Directors of the grantor by a meeting thereof on October 8, 1955.

Together with all and singular the Rights, Members, Hereditaments and Appurtenances to the said premises belonging or in anywise incident or appertaining.

To have and to hold all and singular the premises before mentioned unto the grantee(s) hereinabove named, successors, heirs and assigns forever.

And the said granting corporation does hereby bind itself and its successors to warrant and forever defend all and singular the said premises unto the grantee(s) hereinabove named, and their successors, heirs and assigns, against itself and its successors, and against every person whomsoever lawfully claiming or to claim the same or any part thereof.

In witness whereof the said granting corporation has caused its corporate seal to be hereunto affixed and these presents to be subscribed by its duly authorized officers, on this the 8th day of October in the year of our Lord one thousand, nine hundred and fifty-five, and in the one hundred and eightieth year of the Sovereignty and Independence of the United States of America.

SPECIALTY HARDWOODS, INC.,
By JAMES P. COLEMAN,
President.

G. P. STANLEY,
Secretary.

Signed, sealed and delivered in the presence of:

FLORA K. HAYES.
MARTHA ELLEN LEATHERS.

STATE OF SOUTH CAROLINA, *County of Greenville.*

Personally appeared before me Martha Ellen Leathers and made oath that she saw J. P. Coleman as President and G. P. Stanley as Secretary of Specialty Hardwoods, Inc., a corporation chartered under the laws of the State of South Carolina sign, seal with its corporate seal and as the act and deed of said corporation deliver the within written deed, and that she, with Flora K. Hayes, witnessed the execution thereof.

Sworn to before me this 8th day of October, A.D., 1955.

E. HOUSTON, Jr.,
Notary Public for South Carolina.

Attest:
MARTHA ELLEN LEATHERS.

Recorded October 10th, 1955 at 4:57 P.M. #26398.

EXHIBIT NO. 2

TITLE TO REAL ESTATE BY A CORPORATION

(Prepared by Haynsworth, Perry, Bryant, Marion & Johnstone, Attorneys at Law, Greenville, S.C.)

(Book 680, page 541)

STATE OF SOUTH CAROLINA,
County of Greenville.

Know all men by these presents that the South Carolina National Bank of Charleston (Greenville, South Carolina), as trustee under the will of Fred W. Symmes, deceased, banking association, organized and existing under the laws of the United States of America, for and in consideration of the exchange of real estate valued at Eight Thousand and No/100ths ($8,000.00) dollars, to it in hand duly paid at and before the sealing and delivery of these presents by the grantee(s) hereinafter named, (the receipt whereof is hereby acknowledged), has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto Carolina Vend-A-Matic Company, a South Carolina corporation:

All that certain piece, parcel or tract of land situate, lying and being on the Northern side of Watson Road and the Southern side of Lowndes Hill Road in the City of Greenville, County of Greenville, State of South Carolina, and having according to a plat prepared by Piedmont Engineering Service, dated May 29, 1961, entitled "Survey for Carolina Vend-A-Matic Company", the following metes and bounds:

Beginning at an iron pin on the Northern side of Watson Road at the joint corner of the premises herein conveyed and property of the grantee herein, and running thence with the line of said property of the grantee herein N. 3–00 E. 185 feet to an iron pin on the Southern side of Lowndes Hill Road; thence with the Southern side of Lowndes Hill Road S. 85–00 E. 325 feet to an iron pin at the joint corner of the premises herein conveyed and other property of the grantor herein; thence with the line of said

property of the grantor herein S. 3–00 W. 309.1 feet to an iron pin on the Northern side of Watson Road; thence with the Northern side of Watson Road N. 64–20 W. 351.2 feet to the point of beginning.

This is a portion of the property conveyed to the grantor herein by deed of Lowndes Hill Realty Company, dated March 8, 1960, and recorded in the R.M.C. Office for Greenville County, South Carolina, in Deed Book 645 at page 519.

This conveyance is executed pursuant to the power of sale contained in the Will of the late Fred W. Symmes of record in the Office of the Probate Judge for Greenville County, South Carolina (Apartment 664, File 18).

The plat referred to hereinabove is recorded in the R.M.C. Office for Greenville County, South Carolina, in Plat Book zz at page 15.

Together with all and singular the Rights, Members, Hereditaments and Appurtenances to the said premises belonging or in anywise incident or appertaining.

To have and to hold all and singular the premises before mentioned unto the grantee(s) hereinabove named, its successors, and assigns forever.

And the said granting corporation does hereby bind itself and its successors to warrant and forever defend all and singular the said premises unto the grantee(s) hereinabove named, and its successors and assigns, against itself and its succeossr, and against every person whomsoever lawfully claiming or to claim the same or any part thereof.

In witness whereof the said granting corporation has caused its corporate seal to be hereunto affixed and these presents to be subscribed by its duly authorized officers on this the 11th day of August in the year of our Lord one thousand, nine hundred and sixty-one and in the one hundred and eighty-sixth year of the Sovereignty and Independence of the United States of America.

THE SOUTH CAROLINA NATIONAL BANK OF CHARLESTON (GREENVILLE, SOUTH CAROLINA), AS TRUSTEE UNDER THE WILL OF FRED W. SYMMES, DECEASED.

Signed, sealed and delivered in the presence of:

EDWARD S. HOWLE.
MARITA C. KELLY.

By JAMES R. GRAHAM,
Vice President and Trust Officer.
JAMES D. SHEPPARD,
Assistant Cashier.

STATE OF SOUTH CAROLINA, *County of Greenville.*

Personally appeared before me, Marita C. Kelly and made oath that she saw James R. Graham, as Vice President and Trust Officer, James D. Sheppard as Assistant Cashier of The South Carolina National Bank of Charleston (Greenville, South Carolina, as Trustee under the Will of Fred W. Symmes, Deceased, a banking association organized and existing under the laws of the United States sign, seal with its corporate seal and as the act and deed of said corporation deliver the within written deed, and that she, with above named, witnessed the execution thereof.

Sworn to before me this 11th day of August, 1961.

MARITA C. KELLY.

Recorded August 20, 1961 at 4:17 p.m. No. 5532.

EXHIBIT 3a

(Book 675, page 71)

TITLE TO REAL ESTATE

STATE OF SOUTH CAROLINA,
County of Greenville:

Know all men by these presents that R. F. Watson, Jr., same as Richard F. Watson, Jr., and Evelyn P. Watson in the State aforesaid, in consideration of the sum of Eight thousand and No/100ths (8,000.00) dollars, to the grantor(s) in hand paid at and before the sealing of these presents by the grantee(s) (the receipt whereof is hereby acknowledged), have granted, bargained, sold and released, and by these presents do grant, bargain, sell and release unto Carolina Vend-A-Matic Company:

All that certain piece, parcel or tract of land situate, lying and being in the City of Greenville, County of Greenville, State of North Carolina, and having according to a plat prepared by Piedmont Engineering Service, dated May 29, 1961, the following metes and bounds:

Beginning at a point in Watson, the joint corner with the Greenville Airport property, and running thence in Watson Road N. 62–20 W. 242.8 feet to a point; thence with the line of property now or formerly of The South Carolina National Bank, as Trustees under the Will of Fred W. Symmes, Deceased, N. 2–15 E. 549.7 feet to a point in or near the Southern edge of Lowndes Hill Road; thence N. 3–55 E. 25 feet to a point in the said Lowndes Hill Road; thence with the center line of the said Lowndes Hill Road S. 84–00 E. 216 feet to a point in the line of the Greenville Airport property; thence with the line of said Greenville Airport property S. 2–100 W. 671 feet to the point of beginning.

This is a portion of the property conveyed to the grantors herein by deed of R. F. Watson, dated February 1, 1952, and recorded in the R.M.C. Office for Greenville County, South Carolina, in Deed Book 450 at page 392, and subsequently conveyed to the grantors herein by deeds dated October 23, 1953, and February 20, 1956, and recorded in the R.M.C. Office for Greenville County, South Carolina, in Deed Book 488 at page 37, and in Deed Book 545 at page 479.

This conveyance is subject to the rights of way for the highways or roads as shown on said plat.

Together with all and Singular the Rights, Members, Hereditaments and Appurtenances to the said premises belonging or in anywise incident or appertaining.

To have and to hold all and singular the said Premises before mentioned unto the grantee(s) herein above named its Successor and Assigns forever. And the grantor(s) do(es) hereby bind the grantor(s) and the grantor's(s') Heirs, Executors and Administrators to warrant and forever defend all and singular the said premises unto the grantee(s) hereinabove named, and the grantee's(s') Successors and Assigns against the grantor(s) and grantor's(s') Heirs and against every person whomsoever lawfully claiming or to claim the same or any part thereof.

Witness the grantor's(s') hands and seals this 31st day of May in the year of our Lord One Thousand Nine Hundred and Sixty-one.

R. F. WATSON, Jr.
RICHARD F. WATSON, Jr.
(Same as Richard F. Watson, Jr.)
EVELYN P. WATSON.

Signed, Sealed and Delivered in the Presence of

W. FRANCIS MARION.
FRED D. COX, Jr.

STATE OF SOUTH CAROLINA,
County of Greenville.

Personally appeared before me W. Francis Marion and made oath that he saw the within named grantor(s) sign, seal and as their act and deed deliver the within written deed, and that he, with Fred D. Cox, Jr. witnessed the execution thereof.

Sworn to before me this 31st day of May, A.D. 1961.

FRED D. COX, Jr.,
Notary Public for South Carolina.

Attest:

W. FRANCIS MARION.

RENUNCIATION OF DOWER

STATE OF SOUTH CAROLINA,
County of Greenville.

I, W. Francis Marion, a Notary Public for S.C., do hereby certify unto all whom it may concern, that Mrs. Lee Howard Watson, wife of the within named R. F. Watson, Jr., same as Richard F. Watson, Jr. did this day appear before me, and upon being privately and separately examined by me, did declare that she does freely, voluntarily, and without compulsion, dread or fear of any person or persons whomsoever, renounce, release, and forever relinquish unto the grantee(s), its Successors and Assigns, all her interest and estate, and also all her right and claim of Dower of, in or to all and singular the premises within mentioned and released.

Given under my hand and seal this 31st day of May, A.D. 1961.

W. FRANCIS MARION,
Notary Public for South Carolina.

Attest:

LEE HOWARD WATSON.

Recorded May 31st, 1961 at 4:45 P.M. #29687

EXHIBIT 3B

TITLE TO REAL ESTATE BY A CORPORATION

(Book 680—Page 542)

STATE OF SOUTH CAROLINA,
County of Greenville.

Know all men by these presents that Carolina Venda-A-Matic Company a corporation chartered under the Laws of the State of South Carolina and having its principal place of business at Greenville, in the State of South Carolina, for and in consideration of the exchange of real estate valued at Eight Thousand and No/100ths ($8,000.00) dollars, to it in hand duly paid at and before the sealing and delivery of these presents by the grantee(s) hereinafter named, (the receipt whereof is hereby acknowledged), has granted, bargained, sold and released, and by these presents does grant, bargain, sell and release unto the South Carolina National Bank of Charleston (Greenville, South Carolina), as trustee under the will of Fred W. Symmes, deceased:

All that certain piece, parcel or tract of land situate, lying and being in the City of Greenville, County of Greenville, State of South Carolina, and having according to a plat prepared by Piedmont Engineering Service, dated July, 1961, entitled "Property of F. W. Symmes Est.", the following metes and bounds:

Beginning at a point in Watson Road at the Southeastern corner of the premises herein described at the joint corner with property now or formerly of Greenville Airport, and running thence in Watson Road N. 62–20 W. 242.8 feet to a point; thence with the line of other property of the grantee herein N. 2–15 E. 549.1 feet to a point on or near the Southern edge of Lowndes Hill Road; thence N. 3–55 E. 25 feet to a point in Lowndes Hill Road; thence with the center line of said Lowndes Hill Road S. 85–50 E. 216 feet to a point in the line of property now or formerly of Greenville Airport; thence with the line of the said Airport property S. 2–00 W. 671 feet to the point of beginning.

This is the identical property conveyed to the grantor herein by deed of R. F. Watson, Jr., et al., dated May 31, 1961, and recorded in the R.M.C. Office for Greenville County, South Carolina, in Deed Book 675 at page 71.

This conveyance is subject to the rights of way for the highways or roads as shown on said plat.

The plat referred to hereinabove is recorded in the R.M.C Office for Greenville County, South Carolina, in Plat Book ZZ at page 15.

Together with all and singular the Rights, Members, Hereditaments and Appurtenances to the said premises belonging or in anywise incident or appertaining.

To have and to hold all and singular the premises before mentioned unto the grantee(s) hereinabove named, its successors in office and assigns forever.

And the said granting corporation does

hereby bind itself and its successors to warrant and forever defend all and singular the said premises unto the grantee(s) hereinabcve named, and its successors in office and assigns, against itself and its successors, and against every person whomsoever lawfully claiming or to claim the same or any part thereof.

In witness whereof the said granting corporation has caused its corporate seal to be hereunto affixed and these presents to be subscribed by its duly authorized officers, on this the 11th day of August in the year of our Lord one thousand, nine hundred and sixty-one and in the one hundred and eighty-sixth year of the Sovereignty and Independence of the United States of America.

CAROLINA VEND-A-MATIC COMPANY,
W. FRANCIS MARION,
President.
GEORGE E. MCDOUGALL,
Secretary.

Signed, sealed and delivered in the presence of:

ROBT. S. GALLOWAY, Jr.
FRED D. COX, Jr.

STATE OF SOUTH CAROLINA,
County of Greenville.

Personally appeared before me, Robt. S. Galloway, Jr. and made oath that he saw W. Francis Marion as President and George E. McDougall as Secretary of Carolina Vend-A-Matic Company, a corporation chartered under the laws of the State of South Carolina sign, seal with its corporate seal and as the act and deed of said corporation deliver the within written deed, and that he, with Fred D. Cox, Jr., witnessed the execution thereof.

Sworn to before me this 11th day of August A.D. 1961.

FRED D. COX, Jr.
Notary Public for South Carolina.

Attest:

ROBT. S. GALLOWAY, Jr.

Recorded August ----------

Mr. BAYH. Mr. President, I particularly thank my good friend from Nebraska at this time for his courtesy.

Mr. BAKER. Mr. President, the Senate has begun debate on the confirmation of Circuit Judge Clement Haynsworth to be an Associate Justice of the Supreme Court of the United States. It may seem odd that the debate has just begun since it has been raging for several weeks, virtually since the President's announcement of the nomination. But formal debate began on November 13.

The Committee on the Judiciary, by a vote of 10 to 7, has recommended the confirmation of Judge Haynsworth's nomination. It is now the duty of the full Senate to advise and consent or to withhold its advice and consent to the nomination. The vote will be very close, in all likelihood. The outcome may turn on one or two votes.

I hope, and I think, that Judge Haynsworth's nomination will be confirmed. He is an outstanding jurist and will bring balance and judgment to the Court.

MESSAGE FROM THE HOUSE

As in legislative session, a message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 474) to establish a Commission on Government Procurement.

The message also announced that the House had agreed to the amendment of the Senate to the joint resolution (H.J. Res. 966) making further continuing appropriations for the fiscal year 1970, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled joint resolution (H.J. Res. 966) making further continuing appropriations for the fiscal year 1970, and for other purposes, and it was signed by the Acting President pro tempore.

(By order of the Senate, the following proceedings were conducted as in legislative session:)

APPOINTMENT OF ELLIS L. ARMSTRONG AS COMMISSIONER OF RECLAMATION

Mr. HRUSKA. Mr. President, the Bureau of Reclamation now has on the job a new Commissioner, Ellis L. Armstrong, who was appointed by President Nixon to succeed my fellow Nebraskan, Floyd E. Dominy, who retired from the Federal service on October 31, after 36 years of service.

Mr. Armstrong is a native of Utah but he has worked for the Bureau of Reclamation in Nebraska, and I have noted an editorial from the people who know him best, down in the southwest corner of the State. The McCook Daily Gazette, whose editor is Allen D. Strunk, is the voice of the Republican River Valley and it was particularly gratifying to me to read an editorial in the paper's edition of October 24.

The headline is, "Ellis L. Armstrong Appointment Pleasing," and I want to say it is pleasing to me as well. I have full confidence that he will carry on in the best tradition of the Bureau of Reclamation in developing the water resources of Nebraska and all of the West.

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

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

ELLIS L. ARMSTRONG APPOINTMENT PLEASING

Southwest Nebraska and Northwest Kansas is pleased and fortunate in the appointment of Ellis L. Armstrong as Commissioner of the Bureau of Reclamation.

The appointment of this man is gratifying to this part of the country because of his fine character and ability but particularly because we consider him a Nebraskan even though his native state is Utah.

From 1948 to 1954 Mr. Armstrong was project engineer at Trenton Dam. During that time many persons in the McCook and Trenton areas grew to know, respect and admire Mr. Armstrong and his family.

With the completion of the Trenton project, he went on to other accomplishments and became Deputy Project Manager for consultants working for the Power Authority of New York State on the St. Lawrence Power and Seaway project. He returned to Utah in 1957 to become director of highways, Utah State Road Commission, and held this position until he was named Commissioner of Public Roads, U.S. Department of Commerce.

Since May 1968 he has been assistant regional director of Region IV including parts of Utah, Nevada, Wyoming, Colorado and Arizona with headquarters in Salt Lake City.

Among his honors is being the 29th person ever elected and elevated to national honorary membership in Chi Epsilon, national civil engineering fraternity.

Mr. Armstrong fills the seat held by Floyd E. Dominy, formerly of Hastings, who like Armstrong has had a warm spot in his heart for the reclamation interests of Nebraska and Kansas.

Mr. Armstrong's appointment is indeed pleasing to this area and puts two former Nebraskans in key positions, the other being former University of Nebraska Chancellor Clifford Hardin now Secretary of Agriculture.

We are confident both will continue doing outstanding jobs in serving the nation and this area.

COMMITTEE MEETINGS DURING SENATE SESSION TOMORROW

Mr. BYRD of West Virginia. Mr. President, as in legislative session, I ask unanimous consent that all committees be permitted to meet during the session of the Senate tomorrow.

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

THE PROSPECT FOR VIOLENCE IN THE ANTIWAR DEMONSTRATIONS

Mr. BYRD of West Virginia. Mr. President, there have been persistent rumors that violence will accompany the 3 days of antiwar demonstrations which are scheduled to begin here this evening.

These rumors were attributed by Dr. Benjamin Spock on November 8 to an effort by the Government to scare people away from Washington. Spock was quoted in the Washington Post on November 9, 1969, as saying:

> The government is trying in every way to intimidate people who are coming here to protest against the war.

Dr. Spock is totally wrong. The rumors have persisted, not because the Government is trying to scare anyone, but because of the extremely violent nature of some of the groups which are planning to participate in the moratorium.

These groups run the gamut of left-wing extremism, and the well organized and disciplined to fairly new brands of revolutionaries who have hastily gathered together and assumed catchy names for the convenience of identification in the press.

They are all planning to come, Mr. President—the Trotskyite Young Socialist Alliance, Weathermen, the Crazies, the Mad Dogs, the Yippies, the Anarchists, the W. E. Dubois Clubs, and Youth Against War and Facism.

I am not talking about earnest young people or older persons who believe that, by their participation, they are fulfilling their constitutional obligation as citizens. I have reference, instead, to those for whom the politics of confrontation is an end in itself and for whom violence is an instrument to be used in reaching their goal—a goal nothing less than the destruction of an orderly society and constitutional government.

These factions and certain others seek only to exploit the emotional issue of

the war. While their ideological beliefs may differ, they are united in the cause of destroying our established institutions and replacing them with anarchy or a totalitarian regime.

They are, of course, going, as it were, after an elephant with a peashooter. And they will not, of course, succeed in their effort. But, as these radicals of the lunatic fringe go about their business, they may succeed in causing innocent people to be hurt.

I note that the so-called "respectable" elements behind the moratorium are already trying to disassocate themselves from any violence which may break out here either during or after the main demonstration. Pontius Pilate set a precedent for this kind of hand washing, Mr. President, and as we all know, he was not absolved for his actions. The New Mobe and anyone else who played a part in organizing the demonstration should be held to account for attracting and supporting these dregs of the New Left.

Spokesmen for Weathermen and the Yippes are being quoted now as saying that they intend to refrain from violence during the moratorium. But neither of these groups has displayed one iota of sanity or sincere conviction over any issue in the past and all of their activities heretofore have been marked by irrationality and violence. So, I think it will be quite out of character if neither organization is capable of containing itself during the 3 or more days of demonstrations which lie ahead.

I would like to call attention to the widely circulated Evans-Novak newspaper column which appeared locally yesterday in the Washington Post. In the column, Messrs. Novak and Evans warned:

> The tens of thousands of well-meaning war protesters set to converge on Washington Saturday will be joining a demonstration planned since last summer by advocates of violent revolution in the U.S. who openly support Communist forces in Vietnam.
>
> Accordingly, whatever happens here Saturday, the Nov. 15 march on Washington will mark a postwar highwater mark for the American *far* left.
>
> Responsible liberals have been enlisted as foot soldiers in an operation mapped out mainly by extremists—testimony to the present ineffectiveness of nonviolent, liberal elements in the peace movement.

After explaining the planning role for the moratorium which has been played by the Communist Party, U.S.A., and by the newly invigorated Communist Trotskyite movement, Evans and Novak stated that extremists in the antiwar movement have prepared "wild scenarios for storming the White House, the Justice Department, and the South Vietnamese Embassy."

As best I have been able to learn, Mr. President, the Justice Department and the South Vietnamese Embassy are still likely targets of the extremists.

A coalition of 30 radical groups, calling itself the Revolutionary Contingent, reportedly plans to rally at Dupont Circle tomorrow evening and then march on the South Vietnamese chancery at 2251 R Street NW., to serve an "eviction" notice on the occupants.

There have been reports that one revolutionary group from New York City would like to blow up the embassy. That might have sounded a little farfetched a couple of weeks ago, but after the four serious bombings of buildings in New York City yesterday, we can believe that there are people who might go to such extremes.

It is not clear as to just what is in store for the Justice Department on Saturday evening following the mass rally on the Ellipse.

On October 30, 1969, the Liberation News Service—which provides news for the underground press—reported that plans are being made for an attack on the Justice Department. I should like to quote a few paragraphs from the Liberation News Service story:

> NEW YORK.—Get your red flags ready and come to Washington, D.C. on November 15. Plans are being forged for a militant "red flag" contingent to participate in the massive anti-war demonstration in Washington and to add an additional action: an attack on the headquarters of the Department of "Justice." . . .
>
> The SDSers in Newark expect to organize an anti-imperialist presence within the main march on Saturday, November 15. This contingent will march together in a disciplined way, bearing red flags, NLF flags and other banners showing solidarity with the Vietnamese people . . .
>
> During the big rally, the Red Flag contingent will constitute an agit prop (agitation-propaganda turn-on) unit to work to bring people to the Justice Department.

Mr. President, I understand that many citizens have deep convictions concerning the war. I, too, would like to see it come to an end.

The moratorium, however, will not stop the fighting. It may even prolong it because the antiwar demonstrations give direct encouragement to the Communist forces in Vietnam. This encouragement was summed up in a nutshell on October 22, 1969, in a broadcast of the National Liberation Front's clandestine radio station in South Vietnam. The NLF said:

> The American people's brilliant success of the 15 October movement is a source of strong encouragement to our troops and people.

The fact of giving encouragement to the enemy should, in itself, deter Americans from participating in the moratorium, Mr. President.

I should also think that well-meaning citizens would want to stay out of Washington so as not to further the destructive goals of many of the moratorium planners.

There is the real possibility of violence. The Federal Government did not invent Weathermen or the Yippies. It did not conjure up the Revolutionary Contingent. Such groups are inherently vicious and existed for no good purpose. Their primary goal is destruction and violence, and, while moratorium leaders may wish to disavow them, they are very much a part of the moratorium.

Mr. President, I do not wish to predict violence during the moratorium. I hope that it will pass peacefully. But I believe that the record and the published statements of certain extremist groups in the antiwar movement give us clear warning that we need to take every precaution against the possibility of trouble.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. HRUSKA. Mr. President, it was with interest that I listened to that part of the statement of the Senator from West Virginia pertaining to violence and, at least, the natural appearing setup that is being created by the perpetration of violence and our concern for it.

It was with some curiosity that I listened to a former Attorney General of the United States of America on the television, I believe it was last night, in which he deplored the idea of saying that violence is going to come out of this meeting.

Apparently it was the thought of this former Attorney General that because it was the honest opinion of a present Deputy Attorney General of the United States that such violence will come about, and he says so and takes the precautions that he believes are necessary to deal with that situation, that that kind of talk will result in violence rather than avoiding and preventing it.

My thoughts went back to October 1967, when the Department of Justice under a different administration was in charge of things and plans that were submitted for the march on the Pentagon. And assurances were given that there would be no violence, that ground rules were established, that there were things that they would do and would not do, and that they would not go beyond certain lines of demarcation, and so forth. However, notwithstanding those assurances, violence did occur. And this Nation was submitted to the shame of the world because it was not able even to protect the sanctity of peace and order around its military headquarters in the Nation's Capital.

I wonder if that is not the same type of thing that the Senator from West Virginia is exercised or is certainly, at least, concerned about now, that it is nice to think in terms of coming events in a Pollyanna way, but at the same time it is well to have a little dry powder on hand and a little flint to insert in the powder horn just in case.

Would that be in line with the thinking the Senator from West Virginia has in mind with respect to the present situation?

Mr. BYRD of West Virginia. Mr. President, the Senator is correct. It would be.

I heard the same former Attorney General last night on television. My thoughts went back to Resurrection City which was set up during his tenure of office as Attorney General.

Mr. HRUSKA. Mr. President, I think we should have every sympathy for those who honestly, lawfully, and peacefully demonstrate and petition their government and make their feelings and sentiments known. However, we ought to be a little realistic about it and not criticize those in charge now who are trying to be realistic and trying to do the things that they are entitled to do under the circumstances.

Mr. BYRD of West Virginia. Mr. President, I yield the floor.

CONSULTATION WITH SENATE ASKED ON STRATEGIC ARMS LIMITATION TALKS

Mr. PELL. Mr. President, there seems to me a contradiction between the action of the White House of yesterday, preventing the Committee on Foreign Relations from being consulted or briefed concerning the Helsinki Strategic Arms Limitation talks, and the President's statement to us of today that he intends to set up a procedure to consult with the Senate concerning the conclusion of international agreements.

I would hope today's view would prevail and steps would be taken to insure that the Senate is consulted and briefed concerning SALT.

In this connection, it certainly seems incongruous that 14 NATO nations are to be briefed tomorrow by our negotiators, although we in the Senate, who will eventually have the responsibility of consenting to whatever may be the eventual treaty, are not being briefed.

NEW MOBILIZATION MARCH IN WASHINGTON

Mr. PELL. Mr. President, during the Vietnam moratorium last month, millions of Americans took part in peaceful, orderly rallies and meetings to express their strong desire for an early end to the war in Vietnam.

I supported the goals of the October moratorium, and I support now the goals of the moratorium activities planned for today and tomorrow. If the activities planned for this week by the Vietnam moratorium committee are conducted in the same responsible and orderly manner, they can contribute much to the national dialog on this vital issue.

I must say, however, that I am concerned over the plans announced by a new and separate organization, the New Mobilization To End the War in Vietnam, for a massive march in Washington on November 15. I am concerned because this march, I believe, poses a greater risk of violent confrontation, and because the New Mobilization includes some of the more radical and militant organizations and individuals, such as the Young Trotskyites and the radical faction of the Students for a Democratic Society, who have in the past sought or welcomed physical confrontations as a tactic.

I am concerned, too, over the possible results of such a massive march in Washington, with participation by these more radical groups, particularly in the atmosphere of polarization of opinion that has developed since the recent speeches by the Vice President and the President.

In the interests of the peace we all seek, I earnestly hope there will be no violence and no disorder. I would also emphasize that not only do I oppose the use of force or violence in these rallies and meetings, but I believe that if any violence develops, it will seriously damage the ability of those who seek an early end to the war, to influence and guide American public opinion.

I say this as one who has long opposed the war in Vietnam and who believes its basic premises are incorrect. And I speak as one who has submitted, with the Senator from New York (Mr. JAVITS) a resolution calling for the withdrawal of our combat troops by the end of next year, for the termination of the Tonkin Gulf resolution, and for cooperative international efforts to provide asylum for South Vietnamese citizens whose lives might be placed in jeopardy by withdrawal of our troops.

During the moratorium period, I shall be attending to my Senate duties in Washington, and shall be more than happy to receive any of our Rhode Island citizens who may be here in connection with moratorium activities.

(This marks the end of the proceedings which, by order of the Senate, were conducted as in legislative session.)

ADJOURNMENT TO 10 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in executive session, in accordance with the previous order, that the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 59 minutes p.m.) the Senate, in executive session, adjourned until tomorrow, Friday, November 14, 1969, at 10 o'clock a.m.

NOMINATIONS

Executive nominations received by the Senate November 13, 1969:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

George M. Low, of Texas, to be Deputy Administrator of the National Aeronautics and Space Administration, vice Thomas O. Paine, elevated.

HOUSE OF REPRESENTATIVES—*Thursday, November 13, 1969*

The House met at 12 o'clock noon.

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

The salvation of the righteous is of the Lord: He is their strength in the time of trouble.—Psalm 37: 39.

O God and Father of us all, from whom all thoughts of truth and peace proceed, kindle in our hearts and in the hearts of all men a true love for peace. Guide with Thy wisdom all who are leading our Nation in these critical days, that justice may be our rule, good will our spirit, peace our aim, and liberty our very life. Breathe upon us, Breath of God, revealing Thy way and giving us courage to walk in it.

We pray for those in the Armed Forces of our country and for our veterans everywhere. Particularly do we pray for our prisoners of war. In their loneliness make them aware of Thy presence, in their suffering give them to realize Thou art their refuge and strength, in their hopelessness may they find hope in Thee. With all our hearts we pray that ere long they may be released and find joy in a reunited family life and in living again in a free land.

In the spirit of the Master we pray. 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. Leonard, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and a joint resolution of the House of the following titles:

On October 30, 1969:

H.R. 2768. An act to amend title 38 of the United States Code in order to eliminate the 6-month limitation on the furnishing of nursing home care in the case of veterans with service-connected disabilities; and

H.R. 3130. An act to amend title 38, United States Code, to provide that the Administrator of Veterans' Affairs may furnish medical services for non-service-connected disability to any war veteran who has total disability from a service-connected disability.

On October 31, 1969:

H.R. 12982. An act to provide additional revenue for the District of Columbia, and for other purposes.

On November 4, 1969:

H.R. 9857. An act to amend the provisions of the Perishable Agricultural Commodities Act, 1930, to authorize an increase in license fee, and for other purposes; and

H.R. 11609. An act to amend the act of September 9, 1963, authorizing the construction of an entrance road at Great Smokey Mountains National Park in the State of North Carolina, and for other purposes.

On November 6, 1969:

H.R. 5968. An act to amend the act entitled "An act to provide for the establishment of the Frederick Douglass home as a part of the park system in the National Capital, and for other purposes," approved September 5, 1962;

H.R. 9946. An act to authorize and direct the Secretary of Agriculture to execute a subordination agreement with respect to certain lands in Lee County, S.C.;

H.J. Res. 910. Joint resolution to declare a national day of prayer and concern for American servicemen being held prisoner in North Vietnam.

On November 10, 1969:

H.R. 337. An act to increase the maximum rate of per diem allowance for employees of the Government traveling on official business, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title: