can be amortized by lesser costs in other ships over a period of 5 to 6 years. In addition, a nuclear plant will permit less fuel space for the carrier's own operational needs, allowing for more aircraft and personnel.

An aircraft carrier can readily be converted into a mobile propulsion pad for missiles. They have a decided advantage over stationary missile sites. They are constantly on the move and thus better able to elude the enemy's lethal missiles.

As Adm. John T. Hayward stated in a recent telecast, not only are jet bombers here to stay, but in time they will be equipped with the latest missiles. Our mobile aircraft fleet will be needed to bring them within range of the vital targets within the enemy's home borders.

I believe that we must not only plan ahead but must make firm all facets of our lines of defense. Aircraft carriers today are in the forefront of that main line of defense. A delay of a year or two means a delay of 5 or 6 years in obtaining a carrier prepared to defend us.

SENATE

TUESDAY, APRIL 28, 1959

(Legislative day of Monday, April 27, 1959)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

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

Our Father God, the baffling pressures and problems of the times in which our lives are set bring to our lips a cry of our inadequacy.

Who is sufficient for these things?

As the immediate claims all we have and are, we would not dream of days that seem heroic in the cause of freedom, either in the past, when great leaders led crusades for the rights of men, or in some mystical future, when men may find conditions once again calling for fearless daring.

Show us the high adventure that awaits us in these days of destiny.

Reveal to us how vast are the issues and how great the enterprise committed now to our hands in the tangled affairs of our agitated world.

In a time that calls for heroism, make heroes of us all, rising with courage to the challenge of evil, putting on Thy armor to withstand the forces that war against the virtue and happiness of our race, Thy children.

We ask it in the name of Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, April 27, 1959, was dispensed with.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. DIRKSEN, and by unanimous consent, the Insurance Subcommittee of the Committee on Post Office and Civil Service was authorized to meet during the session of the Senate today.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that there be the usual morning hour, with statements in connection therewith limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT ON REVIEW OF SUPPLY ACTIVITIES OF U.S. ARMY IN EUROPE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a classified report on the review of supply activities, U.S. Army in Europe (with an accompanying report); to the Committee on Armed Services.

AMENDMENT OF U.S. INFORMATION AND EDUCATIONAL EXCHANGE ACT OF 1948

A letter from the Secretary of State, transmitting a draft of proposed legislation to promote the foreign policy of the United States by amending the U.S. Information and Educational Exchange Act of 1948 (Public Law 402, 80th Congress) (with accompanying papers); to the Committee on Foreign Relations.

A letter from the Director, U.S. Information Agency, Washington, D.C., relating to the above-mentioned proposed legislation; to the Committee on Foreign Relations.

REPORTS PRIOR TO RESTORATION OF BALANCES

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, three reports prior to restoration of balances, as of March 31, 1959 (with accompanying reports); to the Committee on Government Operations.

CONSERVATION OF FISH AND WILDLIFE RESOURCES OF ALASKA

A letter from the Secretary of the Interior, certifying, pursuant to law, that the Alaska State Legislature has made adequate provision for the administration, management, and conservation of the fish and wildlife resources of Alaska, in the broad national interest (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES IN FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, Washington, D.C., transmitting, pursuant to law, a report on the backlog of pending applications and hearing cases in that Commission, as of February 28, 1959 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

EXTENSION OF TERMINATION DATE OF COMMISSION AND ADVISORY COMMITTEE ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

A letter from the Chairman, Commission on International Rules of Judicial Procedure, Washington, D.C., transmitting a draft of proposed legislation to amend the act to establish a Commission and Advisory Committee on International Rules of Judicial Procedure to extend the termination date, and for other purposes (with accompanying papers); to the Committee on the Judiciary.

AMENDMENT OF BANKRUPTCY ACT, AND SECTION 152, TITLE 18, UNITED STATES CODE

A letter from the Director, Administrative Office of the U.S. Courts, Washington, D.C., transmitting a draft of proposed legislation to amend section 57a of the Bankruptcy Act (11 U.S.C. 93(a)) and section 152, title 18, United States Code (with accompanying papers); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the names of Yuen Hong, also known as Wong Kee Leung or Wong Joe, and George Wong from reports relating to aliens whose deportation has been suspended, transmitted to the Senate on February 15, 1958, and February 16, 1959, respectively; to the Committee on the Judiciary.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Administrator, General Services Administration, Washington, D.C., transmitting, pursuant to law, a report of the Archivist of the United States on records proposed for disposal under the law (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

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

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Appropriations:

"ASSEMBLY JOINT RESOLUTION 14

"Resolution relative to civil defense

"Whereas the development of new methods of warfare has subjected the civilian population of the United States to increasing risks in the event of an attack on this country; and

"Whereas with weapons now available an enemy nation could launch an attack on virtually any sector of the United States; and

"Whereas the protection and orderly relief of the civilian population in event of attack has thus become a problem that cannot be met solely by the States and local governments; and

"Whereas the 85th Congress, recognizing this broadened concept, adopted Public Law 606, which provides for civil defense responsibilities to be assumed jointly by the Federal Government and the States and their political subdivisions; and

"Whereas Public Law 606 declares as a matter of policy that matching funds will be provided by the Federal Government up to 50 percent to States and local subdivisions for personnel and administrative expenses; and

"Whereas a supplemental appropriations bill to implement the provisions of Public Law 606 was introduced in the 85th Congress but did not pass, due primarily to the limitations of time; and

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

"Whereas an appropriations bill for the Office of Civil and Defense Mobilization will be introduced during the 86th Congress, which, if enacted, will provide funds to carry out the provisions of Public Law 606; and

"Whereas this bill will have the full support of the governors, mayors, government officials on all levels, and civil defense citizens' advisory committees concerned with the protection of life and property in this Country during times of national emergency or disaster; Now therefore be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the members of this legislature respectfully memorialize the Congress of the United States to adopt such an appropriations measure for the benefits it will provide to the entire Nation; and be it further

"Resolved, That the Chief Clerk of the Assembly is directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to Congressman CLARENCE CANNON of Missouri, Chairman of the House Appropriations Committee, to Senator CARL HAYDEN of Arizona, Chairman of the Senate Appropriations Committee, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"ASSEMBLY JOINT RESOLUTION 8

"Resolution relative to the selection of the city of Antioch as a site for an experimental saline water conversion plant

"Whereas Contra Costa County has experienced a 265 percent growth of population in the last 18 years, with an attendant increase of industrial development, which industrial development has greatly manifested itself in the general vicinity of the city of Antioch; and

"Whereas the northerly shore of Contra Costa County, upon which the city of Antioch and its extensive industrial developments are situated, has historically enjoyed an available supply of fresh water throughout most of the year; and

"Whereas that supply has steadily deteriorated, due to salt water intrusion, caused by upstream water diversions and storage on the Sacramento and San Joaquin Rivers and their tributaries, with the attendant threat to growth of municipal communities and industrial developments in Contra Costa County; and

"Whereas the U.S. Bureau of Reclamation has taken the position that salinity control is not a proper function of the Central Valley project, has only tacitly agreed that releases from Shasta Dam, the only present means of controlling salinity encroachment and brackish conditions, will not be diminished until Contra Costa County finds another solution to its problem; and

"Whereas economical conversion of brackish to fresh water could solve this county's problem by supplying an adequate amount of water for domestic, agricultural and industrial uses as replacement for water lost through upstream diversions; and

"Whereas the Antioch site is an ideal one for a conversion plant since the seasonal variations in salinity of offshore water and the many varied uses in and near Antioch for fresh water, will provide ideal conditions for making economic analysis of the conversion process: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States, and the United States Department of the Interior, to take such action as may be necessary for the selection of the city of Antioch as a site for an experimental saline brackish water conversion plant and that the program be augmented to provide for an additional saline brackish water conversion plant to be located in California; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Secretary of the Interior."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Appropriations:

"SENATE CONCURRENT RESOLUTION 87

"Whereas there is an urgent need for small boat harbors to serve the economic, recreational, and safety needs in the Territory of Hawaii; and

"Whereas it becomes necessary to make comprehensive engineering studies to determine the sites best suited to meet the forementioned needs; and

"Whereas the Territory of Hawaii has already appropriated funds for the construction of many small boat harbors and feels that many more are necessary for the safety and to meet the economic needs of our people; and

"Whereas the United States Corps of Engineers has already started studies on needs and costs of small boat harbors with a previous appropriations of $20,000; and

"Whereas it is estimated that to make complete studies of this problem will cost between $300,000 and $400,000: Now, therefore, be it

"Resolved by the Senate of the 30th Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States be respectfully requested to appropriate the sum of $400,000 and make it available to the United States Corps of Engineers for the purpose of completing the engineering studies aimed at determining the best and most economical locations of harbors of refuge and small boat harbors in the island chain; and be it further

"Resolved, That certified copies of this concurrent resolution be sent to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of Interior, and to the Delegate to Congress from Hawaii.

"THE SENATE OF THE
TERRITORY OF HAWAII,
"Honolulu, Hawaii, April 20, 1959.

"We hereby certify that the foregoing concurrent resolution was adopted by the Senate of the 30th Legislature of the Territory of Hawaii on April 18, 1959.

"——— ———,
"President of the Senate.
"JAMES H. KAMO,
"Clerk of the Senate.

"THE HOUSE OF REPRESENTATIVES
OF THE TERRITORY OF HAWAII,
"Honolulu, Hawaii, April 20, 1959.

"We hereby certify that the foregoing concurrent resolution was adopted by the House of Representatives of the 30th Legislature of the Territory of Hawaii on April 18, 1959.

"——— ———,
"Speaker, House of Representatives.
"——— ———,
"Clerk, House of Representatives."

A resolution adopted at the 12th annual convention of the International Council of Sugar Workers and Allied Industries Unions, at Salt Lake City, favoring the enactment of legislation to extend the Sugar Act of the United States; to the Committee on Finance.

The petition of Ignatius Page, Jr., of St. Louis, Mo., praying for a redress of grievances; to the Committee on the Judiciary.

The petitions of Vincent D'Emidio, the Bronx, Hyman Hershkowitz, of Brooklyn, and Leo Falconier, of Long Island, all of the State of New York, relating to job classifications in the Federal Government; to the Committee on Post Office and Civil Service.

A resolution adopted by the Valley-Wide Committee on Streets and Highways, San Fernando, Calif., favoring the enactment of legislation to provide funds for the continuance of the construction of the National System of Interstate and Defense Highways; to the Committee on Public Works.

By Mr. KERR:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Public Works:

"HOUSE CONCURRENT RESOLUTION 531

"Resolution memorializing Congress to provide the ways and means of constructing the Kaw Dam and Reservoir project upon the Central Arkansas River Basin

"Whereas that geographical area of north central Oklahoma lying within the boundaries of Kay and Osage Counties possesses a natural drainage basin caused by the confluence of the Arkansas River, the Walnut River, and the Little Beaver and Beaver Creeks; and

"Whereas the construction of the Kaw Dam and Reservoir on the main stem of the Arkansas River in Kay and Osage Counties, Okla., would provide the multifold benefits of flood control, development of hydroelectric power, and other allied purposes; and

"Whereas this area, designated as the Central Arkansas River Basin, has in recent years developed a great need for additional water resources in order to supply increasing demands of its industrial, agricultural, and household users; and

"Whereas studies of this great basin area reveal that construction of the Kaw Dam, impounding the waters of the above streams and providing a reservoir with a 1,400,000 acre-feet storage capacity, would be capable of adequately supplying the needs of this area; and

"Whereas this reservoir when constructed will bring an additional $3 million annually in business for north central Oklahoma and south central Kansas due to a growth of industrial and recreational activities; and

"Whereas the construction of the Kaw Dam and Reservoir would provide a sound long-range investment in the general welfare of the area, the State and the Nation: Now, therefore, be it

"Resolved by the House of the 27th Oklahoma Legislature (the honorable senate concurring therein):

"SECTION 1. That we respectfully request the 86th Congress of the United States, now assembled in its 1st session, to provide the ways and means to initiate construction of the Kaw Dam and Reservoir on the main stem of the Arkansas River in Kay and Osage Counties of the State of Oklahoma in the direct interest of flood control, hydroelectric power, navigation, water storage, and conservation and other allied purposes.

"SEC. 2. That the Corps of Engineers, U.S. Army Engineer District, Tulsa, is urged to expedite all engineering and planning necessary for the construction of the Kaw Dam and Reservoir for the benefit of the entire State of Oklahoma and the United States of America.

"SEC. 3. That duly authenticated copies of this resolution be transmitted to each member of the Oklahoma congressional delegation.

"SEC. 4. That six copies of this resolution be delivered to representatives of the Corps of Engineers, U.S. Army Engineer District, Tulsa, at the public hearing to be held in Ponca City, Okla., in the Ponca City Junior High School auditorium, located at Sixth and Grand, beginning at 1 p.m. on April 24, 1959.

"Adopted by the house of representatives the 15th day of April 1959.

"CLINT G. LIVINGSTON,
"Speaker of the House of Representatives.

"Adopted by the senate the 20th day of April 1959.

"FRED R. HARRIS,
"Acting President of the Senate."

RESOLUTION OF FARMERS UNION, ELLSWORTH COUNTY, KANS.

Mr. CARLSON. Mr. President, the Farmers Union of Ellsworth County, Kans., adopted a resolution at its regular meeting on April 9 urging an increase in farm prices.

The Department of Agriculture recently stated that the farmer's share of the consumer's food dollar in 1958 amounted to 40 cents, compared with the 53 cents received in 1946.

The Department also stated that present indications are the farmer will receive less of the food dollar in 1959 than in 1958.

The resolution is most timely, based on the increased reduction in the percentage of the dollar received by the farmer.

I ask unanimous consent that the resolution be printed in the RECORD, and referred to the Committee on Agriculture and Forestry.

There being no objection, the resolution was referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Whereas the present farm program has failed to increase farmers' income; and

Whereas the Congress needs to take action to improve farm income: Therefore

Resolved, That the Ellsworth Farmers Union in session this 9th day of April request the Congress pass legislation to encourage an upward trend in farm prices; and further

Resolved, That copies of this resolution be sent to Senators ANDREW SCHOEPPEL, FRANK CARLSON, and Congressman WINT SMITH and to the press.

ELLSWORTH COUNTY FARMERS UNION,
W. C. KRUEGER, *President,*
ROBERT HULSE,
Secretary and Treasurer.

RESOLUTION OF MISSOURI RIVER STATES COMMITTEE

Mr. CARLSON. Mr. President, the Missouri River States Committee met on April 15 at Council Bluffs, Iowa, and adopted a resolution urging increased appropriations and authorization for additional reclamation and flood control projects in the Missouri River Basin.

This committee is composed of the Governors of the States of Iowa, Colorado, Kansas, Montana, North Dakota, South Dakota, Minnesota, Missouri, Nebraska, and Wyoming and was created in 1941.

As Governor of the State of Kansas from 1947 to 1951, I was a member of the committee and served one term as chairman of the committee.

The control of water runoff and the conservation of water for beneficial uses is one of the most important problems confronting the entire basin, and I sincerely hope that we can continue the development of a program that will mean much to the Nation and particularly to the Missouri River Basin.

I ask unanimous consent that this resolution be printed in the RECORD, and referred to the Appropriations Committee.

There being no objection, the resolution was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

We, the Missouri River States Committee, consisting of the Governors of the States of Iowa, Colorado, Kansas, Montana, North Dakota, South Dakota, Minnesota, Missouri, Nebraska, and Wyoming, comprising one-sixth of the area of the United States of America, in meeting assembled, do hereby adopt the following resolution:

Whereas the Missouri River States Committee, created in December of 1941, was organized for the express purpose of securing flood control, irrigation, navigation, power development, and related improvements of the entire Missouri River Basin; and

Whereas through the efforts of the Missouri River States Committee and other groups, the Missouri Basin Project was authorized by Congress in the year 1944; and

Whereas during the 15 years since that time substantial progress has been made in meeting the objectives of flood control, navigation, water supply, and power development and, to a lesser degree, irrigation and other improvements; and

Whereas the orderly development of natural and human resources of the Missouri River Basin is impeded and severely handicapped by the "no new starts" policy; and

Whereas said "no new starts" policy impairs the economic strength of the entire country by preventing the development of natural resources in the basin as an investment in the future welfare and security of the United States as a whole; and

Whereas the construction of planned projects would strengthen the economic base of this region and of our whole country at a time when full development and use of our national resources are urgently needed in the struggle between the free world and the areas of the earth dominated by Communists: Now, therefore, be it

Resolved, That this committee urge the Congress of the United States to implement its authorizations of reclamation and flood control and other projects by appropriating the necessary money for the initiation of said projects; and be it further

Resolved, That this resolution be forwarded by the Chairman of the Missouri River States Committee to the Honorable Clarence Cannon, chairman of the Appropriations Committee of the House of Representatives of the United States and the Honorable Carl Hayden, chairman of Appropriations Committee of the Senate of the United States.

RESOLUTION OF LODGE 434, SLOVENE NATIONAL BENEFIT SOCIETY, ARMA, KANS.

Mr. CARLSON. Mr. President, Lodge No. 434 of the Slovene National Benefit Society met at Arma, Kans., and adopted a resolution urging an increase in social-security payments.

I ask unanimous consent that this resolution be printed in the RECORD, and referred to the Committee on Finance.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas the Social Security System now in existence does not provide adequate funds to enable retired persons to carry adequate to its present position; and

Whereas the retired people have given their productive years to building up our country to its present position; and

Whereas the cost of private health insurance is rapidly rising to a point where millions of retired people cannot afford such insurance, while the Government expends billions of dollars for domestic subsidies and foreign aid; Therefore, be it

Resolved, That the 86th Congress of the United States now in session give serious consideration and support to the health insurance bill introduced by Representative FORAND or similar legislation; and be it further

Resolved, That copies of this resolution be sent to Senators and Representatives, and that they be urged to vote for the proposal mentioned above.

STATEMENT AND RESOLUTIONS ADOPTED AT THE ANNUAL MEETING OF THE CONFERENCE OF AMERICANS OF CENTRAL AND EASTERN EUROPEAN DESCENT

Mr. KEATING. Mr. President, the annual meeting of the Conference of Americans of Central and Eastern European Descent, held recently in New York City, adopted a number of important resolutions. This group, representing more than 15 million American citizens from 10 nations, has strongly advocated over the years a policy of peaceful liberation of the enslaved nations and has vigorously opposed the international Communist conspiracy by all means at its command.

Because these people know from first-hand experience the tactics and objectives of the Communists, they recognize the necessity for an American foreign policy based on firmness and strength. This is the only language the Communists understand, and the sooner all Americans recognize that fact, the stronger we will be in our united resolve to curb this atheistic menace and to free the noble peoples now trapped behind the Iron Curtain. As a strong advocate of that position, I am pleased to learn that this fine organization has not wavered in its stand.

The resolutions adopted by the Conference of Americans of Central and Eastern European Descent deserve wide study. I ask unanimous consent that a political statement and resolutions be printed in the RECORD, following my remarks.

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

POLITICAL STATEMENT AND RESOLUTIONS

(The following statement and resolutions were adopted at the annual meeting of the Conference of Americans of Central and Eastern European Descent (CACEED), held in New York City on Saturday, February 28, 1959.)

POLITICAL STATEMENT

The Conference of Americans of Central and Eastern European Descent, representing over 15 million U.S. citizens, pledges itself to support and subscribe to a firm and determined policy of the United States of America capable of challenging and resisting Soviet Russian imperialistic expansion and domination. It is our firm belief that the time has come for the United States Government to reject the dangerous policy of expediency and to stand upon principle. The West col-

lectively will only adequately meet the threat and challenge of Soviet Russian Communist aggression by adopting a definite and dynamic policy and program of action, thus recapturing the initiative in foreign affairs.

It is our wholehearted conviction that the Berlin crisis, thrust upon us by the aggressive policy of the Soviet Union, offers the West an opportunity to proceed vigorously toward the elimination of two major causes of tension in Europe: the division of Germany and the subjugation of Albania, Bulgaria, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Rumania, and the Ukraine. These causes are at the root of the present international tension and the armament race, and are, by their very nature, interconnected and indivisible. The issue of Berlin cannot be isolated from that of the reunification of Germany, and the problem of Germany cannot be divorced from that of Central and Eastern Europe. Any overall European settlement which would deal exclusively with Germany would soon prove itself unrealistic and would be doomed to failure.

The practical result of any Western plan which, in return for some form of German reunification, would abandon the rest of Central and Eastern Europe, and would at the same time cripple the Western defenses, would be to destroy confidence in U.S. leadership and to weaken, both in the free and captive parts of Europe, the will to challenge Soviet Russian Communist aggression and domination.

In the Russian Communist empire there are millions of human beings who are there against their will and who live under constant terror and oppression. The free world has not established outpost parties behind the Iron Curtain. Yet it has natural outposts there: Conquered peoples, minds that resist totalitarianism. We should bolster the resistance of the captive peoples, who through the past years have constituted one of the most effective deterrents to further Soviet Russian aggression in Europe and Asia, and we should motivate political pressures toward the creation of conditions in which Soviet Russia would have to yield.

The shocking revelation of the murderous Russian assault on 17 American airmen aboard an unarmed transport plane last September reemphasizes the futility of expecting the U.S.S.R. to live up to any accepted standards of conduct among nations. Consequently, every sign of hesitancy, every proposal which would weaken our resistance, only strengthens the conviction of the Soviet Russian rulers that an unyielding and provocative stand on their part will compel us to pass from one concession to another, until the acceptance of any Soviet Russian terms, in a face-saving formula, would appear a tempting course of action.

RESOLUTIONS

Taking into consideration the grave international situation as created by Moscow in connection with the Berlin issue, and firmly calling on the U.S. Government not to yield to Soviet Russian threats and blandishments, the annual meeting of CACEED adopted unanimously the following resolutions:

1. To send a letter of sympathy and encouragement to Secretary of State John Foster Dulles, for a rapid recovery from his present illness. Secretary of State Dulles has proved to be a stalwart and intrepid statesman and leader of the free world; therefore, his statesmanship and leadership is much needed in this hour of aggravated international tension.

2. To support fully and unhesitatingly the endeavors of the U.S. Government in its policy of maintaining world peace and in its growing determination to oppose and challenge the aggressive policies of the Kremlin. In particular, we pledge our full support for a firm U.S. policy regarding Berlin, which we believe, must be defended no matter what the consequences might be.

3. To oppose a "summit" meeting with the Soviet leaders, under the existing circumstances, as we believe that such a meeting would not solve the present international crisis, but would only serve to enhance the prestige and power of the Communist world, and would further weaken the position of the free world, including the United States of America.

4. To prevail upon the U.S. Government to formulate its policy with respect to the captive nations, both inside and outside the U.S.S.R., with the goal of the liberation of those nations. This course would be in line with the liberation policy so strongly affirmed several years ago, which has yet to be implemented.

5. We oppose most vigorously the present Moscow-inspired trends toward disengagement which would create a political and military vacuum, leaving Europe at the mercy of Soviet Russian expansionism. We also warn against the dangers of flexibility which is but another facet of the old coexistence policy and which in the final analysis would eventually terminate in capitulation and surrender to Moscow.

6. We appeal to the U.S. Government to prevail upon the U.S. mission to the United Nations to continue its efforts toward nonrecognition of the Hungarian puppet representation in the United Nations, inasmuch as the present Janos Kadar regime has been installed by the Soviet armed forces and as such does not represent the Hungarian people.

7. We oppose most emphatically the membership of Red China in the United Nations, because Red China has been guilty of many crimes against both the U.N. Charter and human rights, particularly her unprovoked aggression against South Korea in 1950, as a result of which many thousands in the American and other U.N. forces perished.

8. In view of the confessions of genocide made by Nikita S. Khrushchev during the XXth congress of the Communist Party of the U.S.S.R. in February 1956, we again appeal to the U.S. Senate to swiftly ratify the Genocide Convention, and to the U.S. Government to institute, through the United Nations, an investigation into the crimes of genocide committed in the U.S.S.R. and its satellites in the past three decades.

9. We deplore the recent elimination of the Uzbek-language broadcast from the Voice of America system, as well as the curtailment of the Estonian, Latvian, Lithuanian, and Ukrainian broadcasts of the VOA. In our considered opinion these steps constitute an irreparable blow to U.S. prestige and leadership, and indirectly help Moscow to strengthen and solidify its grip over the enslaved non-Russian nations in Europe and Asia. We appeal to the U.S. Government to remedy this deplorable situation by speedy restoration of the curtailed broadcasts.

10. In view of the fact that all refugee and escapee visas under Public Law 85-316 have been exhausted, we earnestly appeal to the U.S. Congress as well as to the U.S. Government for a prompt enactment of new legislation providing for the continuous admission of victims of Communist persecution and tyranny to our shores.

At the same time we deplore most emphatically any endeavors on the part of some U.S. authorities to deport anti-Communist refugees to any Communist-dominated country. Such a policy would constitute a flagrant violation of our principles and would also betray the hopes of our allies behind the Iron Curtain—the captive nations. Our traditional right of asylum should in no circumstances be weakened by political expediency.

11. We fully support and endorse the Herlong-Judd bill (H. Res. 3880, introduced in the U.S. Congress by Representatives A. S. HERLONG of Florida and WALTER H. JUDD of Minnesota), calling for the establishment by the United States of a Freedom Commission, for the purpose of training selected young Americans in the strategy and tactics of psychological warfare.

12. We appeal to the U.S. Government to revise its cultural exchange program with the Soviet bloc, so that it does not degenerate into a one-sided Soviet Russian propaganda vehicle. Thus far, these exchanges have indeed proved to be one-way propaganda for Moscow and its subservient Communist puppets, which has brought about no visible cultural enrichment of the American people.

13. We deeply deplore the recent propaganda exhibition of Soviet First Deputy Premier Anastas I. Mikoyan in the United States. We warned against his visit to the United States, keeping in mind its possible effect upon the morale of the captive nations of the Soviet Russian slave empire. Our fears and apprehensions were fully substantiated, if only because we knew how his tour in the United States would be exploited by the Soviet propaganda machinery. Speaking at the XXIst congress of the Communist Party of the U.S.S.R. at the end of January 1959 in Moscow immediately upon his return from the United States, Mikoyan declared:

"I want to note that in my conversations during my trip to America I no longer heard the United States talking of a policy of containing, repelling, or liberating. On the contrary, both the President and the Secretary of State said that they do not consider it their aim, right, or duty to pronounce an anathema against communism, and that the United States does not wish to interfere in the internal affairs of the socialist countries. We may conclude from these statements of the President and Secretary of State that now they are 'inclined to recognize the principle of peaceful coexistence of countries with different political and social systems.' If that is the case, it is very significant for peace. But these statements must be followed by action to carry them out, and we have every right to expect such action."

We cannot believe that either President Eisenhower or Secretary of State Dulles have made such statements, which in effect would be contradictory to traditional U.S. foreign policy and in contrast with the many official pronouncements of the U.S. position with respect to the captive nations of central and eastern Europe.

We believe that Mikoyan's statement calls for an official denial by the U.S. Government.

14. Finally, we appeal to the U.S. Government to reaffirm its position on the cause of the liberation of all enslaved nations behind the Iron Curtain through proper assessment of their aspirations to freedom and independence, and through official measures and declarations. Such official statements would expressly state that there is no finality in the subjugation of central and eastern Europe, and that neither the acceptance of national communism nor any other expedient policy, can provide a proper course for U.S. foreign policy, inasmuch as it would only strengthen the status quo and endorse the enslavement of so many countries and nations by totalitarian communism.

The world is witnessing today the birth of new independent nations in the former colonies. At the same time, countries in central and eastern Europe, which are rich in ancient culture and which have enjoyed freedom and independence for centuries, are enslaved by the Kremlin. We believe that the U.S. Government, which has always stood for the liberation of colonial peoples, should apply the same principles and policies to the aspirations to freedom of those formerly independent nations of Europe which are now subjugated by Communist imperialism.

We call on our Government for a dynamic policy leading to the establishment of true

peace, with justice and freedom, for all nations in Europe as the best guarantee of our own security.

RESOLUTION OF MISSOURI RIVER STATES COMMITTEE

Mr. MURRAY. Mr. President, electric power users in the eastern division of the Missouri River basin are confronted with a shortage of energy. The shortage results from unwise planning for Missouri basin development, the current administration's policy of no new starts on water projects, and its further policy of firming only a minimum amount of the hydroelectric energy it has available for marketing.

Within the past 2 or 3 weeks Missouri basin leaders of both political parties have taken a series of actions to correct the situation. The Missouri Basin Interagency Committee, including representatives of the State governments, refused to accept a new adequacy of flow study presented by Army engineers. The study proposed to allow less water for irrigation, reduce firm power generation, but increase the release of water for the flowing navigation channel in the lower river. The interagency committee then adopted a resolution calling for a study of slack water navigation, instead of flowing navigation, in the lower basin. I ask unanimous consent to include in the RECORD a letter I have received from Gov. Ralph G. Brooks, of Nebraska, assuring unequivocal support of the resolution for a study of slack water navigation.

On April 15—just 2 weeks ago—the Missouri River States Committee, composed of representatives of all of the States lying wholly or partly in the basin, held a meeting at Council Bluffs, Iowa. That committee adopted a resolution which declares that the administration's "no new starts" policy is impeding and severely handicapping the development of the Missouri basin and impairing the economic strength of the entire country. It calls upon Congress to implement its authorizations of Missouri basin projects by appropriating the necessary funds to get them under construction. A copy of the Missouri basin States resolution has been forwarded me by Gov. J. Hugo Aronson, of Montana, and I ask unanimous consent to have the resolution printed in the RECORD at this point.

There being no objection, the resolution was referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

We, the Missouri River States Committee, consisting of the Governors of the States of Iowa, Colorado, Kansas, Montana, North Dakota, South Dakota, Minnesota, Missouri, Nebraska, and Wyoming, comprising one-sixth of the area of the United States of America, in meeting assembled, do hereby adopt the following resolution:

Whereas the Missouri River States Committee, created in December of 1941, was organized for the express purpose of securing flood control, irrigation, navigation, power development, and related improvements of the entire Missouri River basin; and

Whereas through the efforts of the Missouri River States Committee and other groups, the Missouri basin project was authorized by Congress in the year 1944; and

Whereas during the 15 years since that time substantial progress has been made in meeting the objectives of flood control, navigation, water supply, and power development and, to a lesser degree, irrigation and other improvements; and

Whereas the orderly development of natural and human resources of the Missouri River basin is impeded and severely handicapped by the "no new starts" policy; and

Whereas said "no new starts" policy impairs the economic strength of the entire country by preventing the development of natural resources in the basin as an investment in the future welfare and security of the United States as a whole; and

Whereas the construction of planned projects would strengthen the economic base of this region and of our whole country at a time when full development and use of our national resources are urgently needed in the struggle between the free world and the areas of the earth dominated by Communists: Now, therefore, be it

Resolved, That this committee urge the Congress of the United States to implement its authorizations of reclamation and flood control and other projects by appropriating the necessary money for the initiation of said projects; and be it further

Resolved, That this resolution be forwarded by the chairman of the Missouri River States Committee to the Honorable CLARENCE CANNON, chairman of the Appropriations Committee of the House of Representatives of the United States and the Honorable CARL HAYDEN, chairman of Appropriations Committee of the Senate of the United States.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. KEFAUVER, from the Committee on the Judiciary, without amendment:

S. 895. A bill to provide for the representation of indigent defendants in criminal cases in the district courts of the United States (Rept. No. 232).

BILLS INTRODUCED

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

By Mr. MURRAY (by request):

S. 1817. A bill to supplement the Federal reclamation laws;

S. 1818. A bill to donate to the Confederated Tribes of the Warm Springs Reservation, Oreg., approximately 48.89 acres of Federal land; and

S. 1819. A bill to amend the act of June 4, 1953 (67 Stat. 41), entitled "An act to authorize the Secretary of the Interior, or his authorized representative, to convey certain school properties to local school districts or public agencies"; to the Committee on Interior and Insular Affairs.

By Mr. FULBRIGHT (by request):

S. 1820. A bill to authorize certain generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments; to the Committee on Foreign Relations.

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

By Mr. HUMPHREY (for himself, Mr. PROXMIRE, and Mr. MCCARTHY):

S. 1821. A bill to provide for mandatory price support through the marketing year ending in 1964, for milk used in manufactured dairy products and for butterfat; to maintain the productive capacity of our dairy farming industry; to promote the orderly marketing of an adequate national supply of milk and dairy products; to encourage increased domestic consumption of dairy products in the interests of the national health and security; and for other purposes; to the Committee on Agriculture and Forestry.

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

By Mr. YOUNG of Ohio:

S. 1822. A bill for the relief of Hirsh Marinski; to the Committee on the Judiciary.

By Mr. DODD:

S. 1823. A bill to amend Public Law 85-255, and to further authorize settlement for inequitable losses in pay suffered by commissioned officers; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 1824. A bill for the relief of the heirs of Harmon Wallace Jones; to the Committee on the Judiciary.

By Mr. RANDOLPH (for himself and Mr. BYRD of West Virginia):

S. 1825. A bill to provide for the establishment of a national cemetery at or near Oak Hill, W. Va.; to the Committee on Interior and Insular Affairs.

CONCURRENT RESOLUTIONS

PROPOSED COMMISSION ON THE GOLD MINING INDUSTRY

Mr. MURRAY submitted the following concurrent resolution (S. Con. Res. 27), which was referred to the Committee on Interior and Insular Affairs:

Whereas during World War II, mining operations in many gold mines throughout the United States were discontinued pursuant to Government order; and

Whereas during World War II and subsequent thereto, the cost of mining operations has greatly increased; and

Whereas the price of gold in the United States was fixed during the period of low operation cost at the rate of $35 per ounce by the Federal Government and that price has continued until the present time; and

Whereas as a result of the foregoing conditions more than 90 per centum of the gold mines scattered throughout the United States have been forced to close: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a commission, to be known as the Commission on the Gold Mining Industry (hereafter referred to as the "Commission") which shall be composed of sixteen members as follows: (1) Five members who are Members of the Senate; (2) five members who are Members of the House of Representatives; and (3) six members from persons in private life who are familiar with the gold mining industry. The members who are Members of the Senate and three of the members from private life shall be appointed by the President of the Senate, and the members who are Members of the House of Representatives and three of the members from private life shall be appointed by the Speaker of the House of Representatives, but not more than three of the Members appointed from either House of Congress shall belong to the same political party. The members of the Commission shall serve without compensation other than compensation received as Members of the Senate and House of Representatives, but they shall be reimbursed, in accordance with Senate regulations, for travel, subsistence, and other necessary expenses incurred by them in connection with the performance of the duties vested in the Commission.

SEC. 2. Vacancies in the membership of the Commission shall not affect the power of the remaining members to execute the functions of the Commission, and shall be filled in the same manner as in the case of the original selection. The Commission shall select a Chairman and a vice chairman from among its members at the organization of the Com-

mission and at the beginning of the Eighty-sixth Congress. The Vice Chairman shall act instead of the Chairman in the absence of the Chairman.

SEC. 3. The Commission may hold such hearings, sit and act at such places and times, require by subpena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, administer such oaths, take such testimony, procure such printing and binding, and make such expenditures as it deems advisable.

SEC. 4. The Commission may appoint such experts, consultants, technicians, and clerical and stenographic assistants as it deems necessary and advisable. The Commission may utilize the services, information, facilities, and personnel of the departments and establishments of the Government.

SEC. 5. It shall be the duty of the Commission to make a full and complete study and investigation of the gold-mining industry in the United States and to report to the Senate and House of Representatives not later than December 31, 1959, the results of its study and investigation together with its recommendations as to legislation necessary to reestablish as an integral part of the American economy the production of gold in the United States, and the Commission shall cease to exist and all authority conferred by this concurrent resolution shall terminate upon the submission by the Commission of its report provided for by this section.

SEC. 6. The expenses of the Commission, which shall not exceed $200,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

FEDERAL POLICY IN THE FIELD OF AMERICAN INDIAN AFFAIRS

Mr. ANDERSON (for himself, Mr. HAYDEN, Mr. GOLDWATER, Mr. ALLOTT, Mr. KUCHEL, Mr. BIBLE, Mr. O'MAHONEY, Mr. BENNETT, and Mr. CASE of South Dakota) submitted a concurrent resolution (S. Con. Res. 28) relating to the subject of Federal policy in the field of American Indian Affairs, which was referred to the Committee on Interior and Insular Affairs and ordered to be printed in the RECORD, as follows:

Whereas H. Con. Res. 108, Eighty-third Congress, agreed to August 1, 1953, expressed it to be the policy of Congress, as rapidly as possible, to make Indians within the territorial limits of the United States subject to the same laws and entitled to the same privileges and responsibilities as are applicable to other citizens of the United States and that Indians within the territorial limits of the United States should assume their full responsibilities as American citizens; and

Whereas the Eighty-third, Eighty-fourth, and Eighty-fifth Congresses, pursuant to such resolution, enacted several statutes providing for the termination of Federal supervision and control over various tribal groups; and

Whereas H. Con. Res. 108 has been misinterpreted as proposing hasty termination by the Federal Government of trusteeship over Indians prior to the time the tribes and the individual members concerned may be prepared to manage their own affairs without further Federal assistance; and

Whereas it is in the interest of the several Indian tribes and of the Federal Government that a clear understanding of the objectives of Federal Indian policy be set forth as a basis for the adequate preparation of Indians to assume their responsibilities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is declared to be the sense of Congress (1) that H. Con. Res. 108, agreed to August 1, 1953, Eighty-third Congress, should be interpreted as stating a foreseeable objective; (2) that, in carrying out the policy objective of H. Con. Res. 108, as clarified by this resolution, the various Indian tribes should be categorized into three groups by the Secretary of the Interior: (a) those tribes that have relatively uncomplicated problems, that have required few services from the Bureau of Indian Affairs in recent years, and whose members are generally recognized as having reached a state of development that would permit termination within a period of five years; (b) those tribes that have more complicated problems that require additional planning, or whose members need further Federal assistance that will better prepare them to manage their own affairs without Federal assistance within a period of five to fifteen years; (c) those tribes that require longer range planning and greater preparation for future responsibilities, or whose members, because of cultural differences, economic status, lack of educational development or substandard health conditions, require maximum Federal assistance to prepare for termination; (3) that Indian tribes and groups should continue to receive appropriate Federal aid as required in order to attain a position of parity with other citizens of their respective States socially, economically, and in terms of education and health; (4) that as a condition precedent to the submission of proposed legislation to carry out the objectives of this resolution, the Secretary of the Interior or his representatives should confer to the fullest possible extent with members of the tribes in order that the Indians concerned may understand any proposed plan under which a program terminating Federal supervision and control would go forward, but with the ultimate responsibility resting with Congress to determine the timing for any legislation; (5) that State, county, and local officials in the States in which the reservations are located should be fully consulted by representatives of the Department of the Interior prior to the submission of any legislative proposal to Congress, and their recommendations and suggestions made a part of any report submitted to Congress in connection with an Indian termination program; (6) that the responsibility for the administration of all termination programs should be assigned to the Commissioner of Indian Affairs who shall, at the beginning of each year, submit to Congress a specific program for each Indian tribe showing, by years, the legislative and administrative measures he proposes to institute in order to carry out the objectives of this resolution.

RESOLUTIONS

Mr. MANSFIELD (for himself and Mr. HICKENLOOPER) submitted a resolution (S. Res. 110) to print, with additional copies, a report of Senators MANSFIELD and HICKENLOOPER on their observations of the United Nations, which was referred to the Committee on Rules and Administration.

(See the above resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

Mr. MURRAY (for himself, Mr. MORSE, Mr. KERR, and Mr. HUMPHREY) submitted a resolution (S. Res. 111) amending S. Res. 48, 86th Congress, concerning the development and coordination of water resources, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. MURRAY, which appears under a separate heading.)

Mr. LAUSCHE submitted a resolution (S. Res. 112) relating to the death of Hon. James G. Polk, late a Representative from the State of Ohio, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. LAUSCHE, which appears under a separate heading.)

AUTHORIZATION FOR CERTAIN GENERALS OF THE ARMY TO ACCEPT AND WEAR DECORATIONS, AND SO FORTH, TENDERED BY FOREIGN GOVERNMENTS

Mr. FULBRIGHT. Mr. President, by request, I introduce, for appropriate reference, a bill to authorize certain Generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments. This bill was submitted to the Vice President by letter on April 20, 1959.

The proposed legislation has been requested by the Secretary of Defense, and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill may be printed at this point in the RECORD, together with the letter from the Secretary of Defense to the Vice President.

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

The bill (S. 1820) to authorize certain Generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments, introduced by Mr. FULBRIGHT, by request, was received, read twice by its title, referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the following named Generals of the Army are hereby authorized to accept and wear such decorations, orders, medals, presents, and other things as have been tendered them as of the date of approval of this Act by the foreign government or foreign governments listed immediately following their names, and that the consent of Congress is hereby expressly granted for this purpose as required under article I, section 9, clause 8 of the United States Constitution: Name, George Catlett Marshall: Donor Government, Liberia, Centennial Medal. Donor Government, Yemen, belt and dagger; silver filigree, cigarette box, and two filigree bon bon dishes.

Douglas MacArthur: Donor Government, Cuba, Grand Cross of the National Order of Merit Carlos Manuel de Cespedes.

Omar Nelson Bradley: Donor Government, Argentina, Order of General San Martin, degree of Gran Oficial. Donor Government, Brazil, Order of Military Merit, degree of Grand Officer. Donor Government, Italy, Grand Cross of the Military Order of Italy.

The letter presented by Mr. FULBRIGHT is as follows:

THE SECRETARY OF DEFENSE,
Washington, April 20, 1959.

DEAR MR. PRESIDENT: There is forwarded herewith a draft of legislation "to authorize certain generals of the Army to accept and wear decorations, orders, medals, presents, and other things tendered them by foreign governments."

This proposal is a part of the Department of Defense legislative program for 1959, and the Bureau of the Budget has advised that there is no objection to its transmittal to the Congress for consideration. The Department of the Army has been designated as the representative of the Department of Defense for this legislation. It is recommended that this proposal be enacted by the Congress.

PURPOSE OF THE LEGISLATION

The purpose of this proposed legislation is to provide necessary authority for Generals of the Army George Catlett Marshall, Douglas MacArthur, and Omar Nelson Bradley to accept and wear the awards tendered them by foreign governments and held in escrow by the Department of State pursuant to the Act of January 31, 1881 (21 Stat. 604; 5 U.S.C. 115). The Secretary of State is required to furnish each odd numbered Congress "a list of those retired officers or employees of the United States for whom the Department of State under the provisions of 115 of this title (5 U.S.C. 115), is holding decorations, orders, medals, or presents tendered them by foreign governments." (Act of June 27, 1934; 48 Stat. 1267; 5 U.S.C. 115a.)

It is not mandatory that an officer who attains the grade of General of the Army retire from the service because of age. A General of the Army who elects not to retire continues to be carried on the active list and remains available to the Government for consultation. Each general named above chose not to retire. Thus their status, not dissimilar in many respects to that of retired officers, is such that their names will not be included in the list of retired officers forwarded periodically by the Secretary of State to the Congress. It would appear, therefore, that remedial legislation is required if Generals of the Army Marshall, MacArthur, and Bradley are to receive during their lifetimes, the awards tendered them by foreign governments and which are currecently held in escrow by the Department of State. (The awards held in escrow are listed in the enclosure.) The attached legislative proposal is designed to accomplish that equitable and desirable result.

COST AND BUDGET DATA

The enactment of the proposal would cause no increase in budgetary requirements for the Department of the Army.

Sincerely yours,
DONALD A. QUARLES, *Deputy.*

AMENDMENT OF AGRICULTURAL ACT OF 1949, RELATING TO MARKETING OF DAIRY PRODUCTS

Mr. HUMPHREY. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 3 minutes allowed under the order which has been entered.

The VICE PRESIDENT. Without objection, the Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, the dairy farmers of the Nation are on a treadmill. We are in grave danger of allowing the family farm to be wiped out in dairy production. The farm families who produce milk and butterfat for use in the manufacture of dairy products are today among the most underpaid people in America. Without the inadequate price-support program provided by existing law, dairy farmers' net income would probably be little more than half what it is now.

When the American public buys an automobile they expect and know that the price they pay for it will cover all costs of production plus quite adequate profits. The price of that car has been administered by the huge corporations in the industry by tailoring output to demand at a profitable price.

The price we pay for that car is administered to fully cover all the costs of material and parts that are needed for the manufacture of that car.

The price we pay for that car is administered to repay the manufacturing corporation for the rather handsome salaries and bonuses they pay to their president, board chairmen, dozens of vice presidents and a corps of managers, programers, designers, and expediters.

The price we pay for that car is also administered fully to cover the cost to the corporation of paying whatever wages and fringe benefits the workers in the industry are able to obtain by collective bargaining through their union.

We American citizens think this is proper and just. We think the price of a car should be enough to provide an American standard of living to those who produce the car and we know that managers and vice presidents are necessary. We honor the profit system in the automobile industry.

But we do not honor that system on America's dairy family farms. The work required to operate a dairy farm is more continuously confining and demands longer and more irregular hours than any other occupation in the world. The dairy farmer shares with doctors and Senators the unique job feature of being on call 24 hours a day.

Like a Senator, the dairy farmer cannot observe the ordinary working hours; he must work while others sleep or play or rest. Like a Senator, the dairy farmer knows not what hour or minute of day or night he will be called upon.

Long before dawn, the dairy farmer and his wife are at work. And that is not just 5 days a week, or 6. The dairy farmer and his wife must meet the time schedule of a regular milking rhythm on all 7 days. The slightest variation in the schedule of this endless toil may so unbalance the natural instincts of the dairy cows that disastrous drops in milk production may occur.

Not only is the work of the dairy farmer one of long and unusual hours each day of a 7-day week, but it also requires work of a highly skilled and technical nature. As in building an automobile, you cannot trust just any Tom, Dick, or Harry to work with highly refined dairy cows. Training and skill are essential.

Yet the family workers on the dairy farms of this Nation are among our lowest paid groups.

The report issued by the Department of Agriculture on the costs and returns of typical family-operated commercial farms shows that in 1957, the most recent year for which data have been published, the income was 90 cents per hour in the northeastern dairy States; 52 cents per hour in eastern Wisconsin; 63 cents per hour in western Wisconsin; 99 cents per hour on hog-dairy farms in the Corn Belt; and 58 cents per hour on dairy farms in the southeastern part of my own State of Minnesota.

There is something wrong here. These hard-working, skillful family-farm workers who are producing our milk are unable to earn and receive even the standard of wages that Congress has set by law as the bare minimum for unskilled manual labor.

Compare the 58 cents per hour for labor and management that a 20-cow-dairy operator receives in my State of Minnesota to a construction worker's wage of $3.18 per hour, as reported by Economic Indicators. Or the $2.37 per hour a production worker in durable manufacturing earns; that is four times as high as the hourly return earned by the dairy farmer.

Probably no dairy farmer ever expects to have an income equal to that of the president or vice president of an automobile company. Yet the management job of running a dairy farm compares fairly in complexity, difficulty, and importance to the Nation with the job of managing an automobile factory.

As a matter of fact, the management of a dairy farm probably requires a higher grade of continual attention to a more complex process than the managing of an automated factory.

Yet the total income on America's dairy farms is so small that the Department of Agriculture report does not even show return to management as a separate figure. The small return for management to dairy farmers is lumped in with the extremely low labor returns that have been cited.

We expect and know that the price we pay for a car will be administered fully to cover the cost of buying materials and machines used in the manufacture of the car. The dairy farm, like the automobile factory, is a heavy investment operation. The capital investment per worker on a dairy farm is probably $30,000 per worker, double or triple the capital investment per worker in industry as a whole. Yet the return to capital investment on our dairy farms is extremely low, as shown by official Government reports.

There is something wrong about this. The product of dairy farms is absolutely essential to life itself. Nutritionists tell us that milk is the most nearly complete food of all. It is essential to health and is a necessary part of our American standard of living. Yet we have been content to subject those who produce it to substandard income and purchasing power.

Our Federal Government has operated programs to rectify the situation to some extent. The program under existing law was never fully adequate in the first place. But in the past 6 years it has been whittled down and whittled down by administrative action to where, even with the program, our dairy farmers have been forced into the status of second-class economic citizens.

The whittling that has been done to the dairy program needs to be made clear. The value of the program to dairy farmers has been reduced in three ways:

First, the cost of the program has been too large and this has tended to discredit it in the eyes of the public;

Second, the percentage level of price support has been dropped from 90 percent of parity to 75 percent;

Third, the parity price itself for milk used for manufacture of butter, ice cream, cheese, and other products has been dropped lower and lower by administrative action.

The constant whittling down of the milk price-support program has contributed to the continuous process in these past 6 years of lowering farm income and prices nearer and nearer to the level of the so-called free market.

In an administered economy, the dairy family farm cannot survive on the free market. Either we shall force our dairy producers into the status of poverty-stricken, bankrupt peasantry or we shall force the death of the family farm and inauguration of the factory system of milk production.

The senior Senator from Minnesota does not believe that this Nation can afford to allow either of these things to occur. The senior Senator from Minnesota does not believe that the Nation wants this to happen to our dairy farms.

Because the senior Senator from Minnesota believes the Nation wants to preserve and improve its family dairy farms, he is introducing for appropriate reference a comprehensive dairy farm income improvement bill which if enacted and placed into well-administered operation would enable our family dairy farm operators to receive the decent American incomes that they so fully earn by their work, management, and capital investment.

This bill is being introduced simultaneously in the House of Representatives by Representative LESTER JOHNSON of the adjoining State of Wisconsin.

The bill is the product of long hours over many months of patient study and consultation on Congressman JOHNSON's part. The senior Senator from Minnesota wishes to express his commendation and deep appreciation to Congressman JOHNSON for his effective work in developing this new dairy program. I am honored that he has included me among the many people and groups with whom he has worked in developing this bill. His courtesy in extending to me the honor of joining him as cosponsor of this forward looking proposal is, also, a matter of gratification to me.

Also, Mr. President, the senior Senator from Minnesota wishes to express his thanks and appreciation to all those whose labor and ideas have gone into the preparation and drafting of this proposed program.

This bill which I am introducing today is a carefully drawn proposal. It is the product of the experience and wisdom of countless dairy farmers whom we have consulted. It has had the benefit of the expert advice and assistance of outstandingly competent economists and marketing specialists in the great State universities and State departments of agriculture in our States of Minnesota and Wisconsin.

We have consulted with and taken the advice of the leaders of our great farm organizations and dairy farmers' cooperatives.

This bill has benefited from years of discussion among farmers, legislators, and public employees.

We have consulted with and benefited from the advice of the representatives of dairy product processing groups.

Many of the provisions of this bill were studied, debated, discussed, and developed in long hours of work last year by the Dairy Subcommittee of the House Agriculture Committee. An earlier draft of the bill received the bipartisan approval of the members of that sincere and conscientious group without a dissenting vote.

Through further study and consultation with interested groups, the earlier bill has been still further improved.

Mr. President, this bill seeks to provide the basis upon which dairy farmers who produce milk that is used for the manufacture of butter, cheese, and other products can be given a fair and positive opportunity to receive an adequate income.

The bill provides for doing this in ways that will maintain fair prices for consumers of dairy products with greater safeguards than in existing law to protect consumers in case of increasing unemployment.

The bill provides the mechanism by which a more adequate dairy program can be operated at lower cost to the Federal Treasury than the existing program.

As I have said, the bill as presented is the work of many sincere people whose hearts and minds are devoted to improvement of the family dairy farm. In its present form, the bill does not provide exactly what any single one of them wants. The proposal is a product of discussion, negotiation, and accommodation. Only Congressman JOHNSON and I bear the total responsibility for the final bill. We commend it to you for your further study.

Mr. President, the situation faced by the dairy farmers of our Nation is not that of crisis; it is a chronic condition. It is the situation faced by producers in an industry of atomistic competition in a generally price and production administered economy. The low income of the dairy farmer is a chronic condition resulting from unfairly low bargaining power, pushed constantly lower and lower by the relentless advance of dairy farm technology which pushes production up at a more rapid rate than the increase in population and demand. This is a chronic condition, not a crisis.

To correct this condition requires more than a short-term crash program directed at temporary maladjustments. To correct it requires the adoption of a fundamental continuing program that will maintain balance over the years ahead.

This is the kind of program proposed in the bill that Representative JOHNSON and I are introducing today.

Mr. President, neither Representative JOHNSON nor the senior Senator from Minnesota considers this bill as a perfect last word on the subject. Further discussions and suggested improvements from all interested people will be appreciated.

But this is true. The bill is a complete, comprehensive serious suggestion for the solution of a serious problem. Operated by a skillful and sympathetically motivated Secretary of Agriculture in cooperation with the Federal Dairy Board of dairy farmers, the provisions of this bill would provide a fairly adequate income protection shield behind which dairy farmers could pull their cooperatives together, expand, and build a truly nationwide dairy farmers' collective bargaining device through which they could make still further progress toward a parity of income in an expanding society.

Mr. President, I have here an analysis of how the program would operate under certain stated circumstances. I ask unanimous consent that the bill, together with the analysis, be printed at the conclusion of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and analysis will be printed in the RECORD.

The bill (S. 1821) to provide for mandatory price support through the marketing year ending in 1964, for milk used in manufactured dairy products and for butterfat; to maintain the productive capacity of our dairy farming industry; to promote the orderly marketing of an adequate national supply of milk and dairy products; to encourage increased domestic consumption of dairy products in the interests of the national health and security; and for other purposes, introduced by Mr. HUMPHREY, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Agricultural Act of 1949 is amended by adding at the end thereof the following new title:

"TITLE VI—MARKETING OF DAIRY PRODUCTS

"PART I—SHORT TITLE; DECLARATION OF FINDINGS AND POLICY; DEFINITIONS

"SHORT TITLE

"SEC. 611. This title may be cited as the 'Dairy Marketing Act'.

"DECLARATION OF FINDINGS AND POLICY

"SEC. 612. It is recognized that dairy products are strategic commodities essential to the health, welfare, and security of the Nation and that the desired domestic production and consumption of such dairy products are hindered by the depressing effects of low prices to the producers, by wide fluctuations in supply and price to the consumer, and by impaired purchasing power of the consumer.

"It is, therefore, declared to be the policy of the Congress as a measure of national security and in promotion of the general economic welfare, to provide mandatory price support at not less than 90 per centum of the parity price for milk used in manufactured dairy products and for butterfat for the marketing years ending in 1962, 1963, and 1964, in order to maintain the productive capacity of the dairy farming industry,

and to provide orderly marketing of an adequate national supply of milk and dairy products.

"DEFINITIONS

"SEC. 613. For the purposes of this title—

"(1) The term 'manufacturing milk' means milk used to produce butter, cheese, condensed milk (sweetened or unsweetened), evaporated milk, whole milk powder, nonfat dry milk, malted milk, ice cream, ice cream mix (liquid or powder), casein, and any other concentrated or dehydrated milk products.

"(2) The term 'butterfat' means the butterfat content of home separated cream sold by the producer thereof.

"(3) The term 'qualifying producer' means all producers of manufactured milk or butterfat other than producers who have not complied with marketing quotas during years such quotas are in effect.

"(4) In computing parity prices under section 301(a)(1) of the Agricultural Adjustment Act of 1938, the word 'prices', when used in such section, shall be deemed to include any deficiency payments made under this title.

"(5) The parity price of manufactured milk shall be 90 per centum of the parity price of all milk wholesale.

"PART II—PRICE SUPPORT

"LEVEL OF SUPPORT

"SEC. 621. During the marketing years ending in 1962, 1963, and 1964, the Secretary shall support the price of manufacturing milk and of butterfat to qualifying producers thereof at 90 per centum of the parity price thereof, except that the Secretary may reduce the price support level for either such commodity for any marketing year by 2 per centum of the parity price thereof for each 1 per centum of national marketing base by which the Secretary determines the Board has established marketing quotas larger than the smallest quota which it is authorized to establish for that marketing year under section 633, but the Secretary shall not reduce such price support level for either such commodity below 75 per centum of the parity price thereof.

"METHOD OF PROVIDING PRICE SUPPORT

"SEC. 622. (a) Price support under this title shall be provided through a combination of deficiency payments to qualifying producers as provided in subsection (b) and purchases as provided in subsection (c), or through purchases alone when authorized by subsection (c).

"(b)(1) During each marketing year to which this title applies, the Secretary shall make, from Commodity Credit Corporation funds, price support available to each qualifying producer who, during the marketing year, sold 10,000 pounds or more of milk or milk equivalent by means of a deficiency payment with respect to all manufacturing milk and butterfat sold by him during such year. The deficiency payment for any producer for a marketing year shall be an amount equal to the difference between the price support level established under section 621 for manufacturing milk or butterfat, as the case may be, and the domestic market price per unit of such commodity for that year as determined under paragraph (2), multiplied by the number of units of the commodity marketed by the producer during that marketing year.

"(2) Deficiency payments shall be made to the producers entitled thereto before July 1 of the year immediately following the marketing year in question. For the purposes of this subsection, the domestic market price per unit of manufacturing milk or butterfat, as the case may be, shall be the national average net prices received by producers on sales of such commodity, as determined by the Secretary. A qualifying producer who sells milk under the terms of a Federal milk order shall be eligible for a deficiency payment on so much of his milk as is used for manufactured dairy products or butter.

"(3) There is hereby authorized to be appropriated annually to the Secretary the compliance deposits forfeited by producers under section 643(b), and such other funds as may be required to reimburse the Commodity Credit Corporation for such of its funds as may be expended under this part.

"(c) In making price support available through purchases under this section, such purchases shall be made by the Secretary to fulfill Government distribution program requirements and as an adjunct to deficiency payments, and to correlate the relative prices of the various products of manufacturing milk and butterfat in such a manner that prices to producers for manufacturing milk and butterfat used in the different manufactured dairy products will be maintained in the average relationship they bore to each other during the immediately preceding five-year period. Such purchases shall, so far as practicable, be made in the States or areas in which prices received by producers of manufacturing milk or butterfat are most depressed. Price support may be made available through purchases alone, unaccompanied by deficiency payments, where the Board and the Secretary determine that a price support level of 90 per centum of the parity price for manufacturing milk and of butterfat can be obtained by the purchase of dairy products representing the milk equivalent of not more than 2 per centum of the total expected farm marketings of manufacturing milk and butterfat during the marketing year.

"PART III—MARKETING QUOTAS

"WHEN IMPOSED

"SEC. 631. Not later than March 1 of each calendar year, the Board shall publish its determination of the average price per unit it estimates would be received by producers throughout the United States for manufacturing milk and by such producers for butterfat, in the absence of Federal price support operations, during the next marketing year, based on the assumption that the number of unemployed will not exceed 3 per centum of the labor force. If the estimated average price, as so determined, for manufacturing milk or for butterfat is less than 90 per centum of the parity price thereof, the Board shall impose marketing quotas for the next marketing year, unless it and the Secretary determine, as provided in the last sentence of section 622(c), to provide price support through purchases alone. If, at any time during any marketing year for which marketing quotas are in effect, it appears to the satisfaction of the Board that the average price which will be received by producers throughout the United States for manufacturing milk and for butterfat during the remainder of the marketing year will be more than 90 per centum of the parity price thereof, the Board may, in its discretion, suspend marketing quotas for the remainder of such year.

"DETERMINATION OF MARKETING BASES

"SEC. 632. The national marketing base for milk and milk equivalent for a marketing year shall be the average annual marketings of milk and milk equivalent in the United States during the first three of the immediately preceding four marketing years. The national marketing base shall be distributed by the Secretary, in accordance with regulations of the Board, to States, counties, and producers. Marketing bases shall be established for each marketing year for all producers who desire to market milk or butterfat. Marketing bases shall be assigned to single producers (including partnerships, corporations, and other business entities) rather than to herds or farms. In establishing and adjusting marketing bases of producers, the Secretary shall take into consideration historical production, trends in production, abnormal production during the historical period, and such other factors as may be appropriate to establish such bases in an equitable and practical manner. In establishing and adjusting marketing bases, the Secretary shall utilize the services of local, county, and State committees established under section 8 of the Soil Conservation and Domestic Allotment Act.

"(b)(1) The Secretary shall provide, by regulations approved by the Board, (A) for the transfer, subject to the provisions of paragraph (2), of marketing bases of producers, in whole or in part during the course of a marketing year, (B) for the assignment of marketing bases to new producers, (C) for the equitable adjustment of marketing bases to avoid hardship, (D) for such other adjustments consistent with the purposes of this title as he deems appropriate, subject to the provisions of paragraph (3), including adjustments for deficit production areas, and (E) for such other matters as may be necessary or appropriate to set up and operate effectively, fairly, and efficiently the program provided for in this title.

"(2) No part of a marketing base which has been established for a producer in a county but has been released by such producer may be reassigned outside such county during a period of three months after release by the original holder, and during such period marketing bases so released shall be utilized to fill applications for additional bases within the county. After the expiration of such three-month period any released bases not assigned to producers within the county may be reassigned to other counties in the State. For a period of three additional months bases may not be reassigned outside the State, and during such period released bases may be utilized to fulfill applications for additional bases within the State. After the expiration of such six-month period, any released bases not reassigned to producers within the State may be reassigned anywhere in the United States.

"(3) An adjustment of marketing bases from year to year in an area by reason of deficit production shall be made only upon a finding by the Secretary that the area does not produce sufficient milk to meet the market requirements for fluid milk for consumers in the area and has no reasonably satisfactory alternative source of supply available to it, except that an area which limits or restricts the entry of milk of suitable quality, as determined by the Surgeon General of the Public Health Service, from other areas shall not be eligible for adjustment of bases by reason of deficit production.

"ESTABLISHMENT OF MARKETING QUOTAS

"SEC. 633. If marketing quotas under this title are in effect for a marketing year, the Board shall establish a marketing quota for each producer which shall be his marketing base, reduced by not more than 1 per centum thereof for each 5 per centum that the estimated average price per unit (as determined for that year under section 631) for manufacturing milk is less than 90 per centum of its parity price. The marketing quota of a producer, as so determined, may be reduced by the Secretary by an amount which does not exceed 1 per centum of his marketing base, for each 5 per centum that the estimated average price per unit (as determined for that year under section 631) for manufacturing milk is less than 75 per centum of the parity price.

"PUBLICATION AND REVIEW OF MARKETING QUOTAS

"SEC. 634. The provisions of part I of subtitle C of title III of the Agricultural Adjustment Act of 1938 (relating to the publication and review of quotas) shall apply in the same manner and to the same extent to marketing

quotas established under this title as it applies to marketing quotas established under that Act.

"PART IV—COMPLIANCE DEPOSITS

"IMPOSITION AND AMOUNT OF COMPLIANCE DEPOSITS

"SEC. 641. During any marketing year in which marketing quotas are in effect, compliance deposits shall be withheld and collected from each producer who sells milk, butterfat, or dairy products. The amount of the compliance deposits shall be the amount, not less than 25 cents or more than 50 cents per hundredweight of milk or milk equivalent, which the Board determines is required to encourage compliance with marketing quotas. The determination under the preceding sentence may be revised from time to time during the marketing year. If during a marketing year, marketing quotas are suspended under the last sentence of section 631, the Board shall suspend the collection of compliance deposits during the remainder of the marketing year.

"COLLECTIONS OF COMPLIANCE DEPOSITS

"SEC. 642. (a) Every person purchasing milk, butterfat, or dairy products from a producer (except purchases by consumers for other than commercial uses) shall withhold from the purchase price an amount equal to the compliance deposit and shall remit the same to the Secretary of the Treasury. In the case of milk, butterfat, or dairy products delivered to a cooperative association of producers, the compliance deposit shall be withheld at the time of delivery to the association and remitted by the association to the Secretary of the Treasury.

"(b) Compliance deposits shall be credited to a special account in the Treasury. Such special account shall be available for the purposes of making refunds as provided in subsection (c), on drafts issued by the Secretary.

"(c) The Secretary of the Treasury shall have the same authority with respect to compliance deposits required by this part as he has under subtitle F of the Internal Revenue Code of 1954 with respect to taxes imposed thereunder.

"REFUND OF COMPLIANCE DEPOSITS

"SEC. 643. (a) The Secretary of Agriculture shall annually, prior to July 1 and following the close of the immediately preceding marketing year, provide for the payment from the special account referred to in section 642(b) of a refund to each producer who during such preceding marketing year complied with his marketing quota and to each producer who sold less than ten thousand pounds of milk or milk equivalent, the entire amount of the compliance deposit withheld from him. The Secretary shall prescribe regulations providing that a producer may not meet the requirement of sales of less than ten thousand pounds of milk or milk equivalent by transferring any of his herd to another person if the entire herd continues to be managed and housed as a unit, and that the transferee in such a case shall not be considered a producer. Subject to the provisions of the preceding sentence, no person who would otherwise meet such ten-thousand-pound requirement shall be considered as not meeting such requirement by reason of the fact his cows are housed and milked jointly with those of other producers.

"(b) Funds in such special account which are not refunded shall be forfeited by the producer from whom collected, and deposited in the general fund of the Treasury. The facts constituting the basis for any refund of compliance deposits, or the amount thereof, when officially determined in conformity with regulations prescribed by the Secretary, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government. In case any person who is entitled to the refund of a compliance deposit dies, becomes incompetent, or disappears before receiving such refund, or is succeeded by another who renders or completes the required performance, the refund shall, without regard to other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and provide by regulation.

"PART V—FEDERAL DAIRY BOARD

"CREATION OF BOARD

"SEC. 651. (a) There is hereby established, as an independent agency in the Department, a Federal Dairy Board (herein referred to as the 'Board') which shall be elected by milk producers as provided in this part. Only persons who are milk producers and who obtain the major portion of their income from farming shall be eligible to serve on the Board. There is hereby authorized to be appropriated such sums as the Board may require for carrying out its functions and duties.

"(b) In order to assure appropriate regional representation on the Board, the United States shall be divided into fifteen Federal dairy districts to be designated by the Secretary. In designating such districts, the Secretary shall give consideration to (1) complete geographical representation of the United States and (2) the designation of districts so that districts will be areas having equal annual sales of milk, butterfat, or dairy products, as nearly as possible without dividing any county into more than one district.

"(c) Each Federal dairy district shall be assigned one place on the Board. The milk producers in each district shall by ballot elect one Board member and one alternate Board member for the place on the Board. The Secretary shall prescribe the procedure for nomination of candidates and for their election and shall conduct the balloting for election of Board members and alternate Board members not later than February 15, 1961. The Secretary, or an official of the Department designated by him, shall be an ex officio member of the Board. He shall meet and confer with the Board, but shall not be entitled to vote or to receive compensation for his services as a member of the Board.

"ORGANIZATION OF THE BOARD

"SEC. 652. (a) The terms of office of the members of the Board shall expire on March 31, 1964. If a vacancy occurs in the membership of the Board, the alternate member elected for such place on the Board shall serve the unexpired portion of the term.

"(b) Each member of the Board, other than the Secretary or his designee, shall receive a per diem of $80 for each day's attendance at meetings of the Board and while traveling to and from such meetings, together with actual and necessary travel, subsistence, and other expenses incurred in the discharge of his official duties without regard to other laws relating to allowances which may be made on account of travel and subsistence expenses of officers and employees of the United States.

"(c) The Board shall meet as soon as practicable following the election of the members, and thereafter, annually on the second Monday in December and at other times upon the call of the Chairman. In addition, special meetings of the Board may be called at any time by a majority of the members, or by the Secretary. The Board shall meet at least once in each calendar quarter of each year.

"(d) The Chairman of the Board shall be selected by the Board from among its own members. He shall hold office for one year, except that the term of a member elected to fill a vacancy shall be the unexpired term of the Chairman whom he succeeds.

"(e) A majority of the members of the Board shall constitute a quorum, and action may be taken by majority vote of those present at a regular or special meeting at which a quorum is present. The Board may adopt, alter, and use an official seal which shall be judicially noticed.

"(f) The Board may employ such personnel as it deems necessary to carry out its functions, subject to the civil-service laws and the Classification Act of 1949; and the Secretary shall make available to the Board the use of any of the facilities and the services of any of the personnel of the Department which it may require for the appropriate conduct of its functions.

"(g) Elected members of the Board are hereby exempted with respect to their holding of such office, from the operation of sections 281, 283, 284, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes of the United States, except that this exception shall not extend—

"(1) to the receipt or payment of salary in connection with the member's service on the Board from any source other than a private employer of the appointee at the time of his appointment, or

"(2) during the period he is in office, and for the further period of two years after the termination thereof, to the prosecution or participation in the prosecution, by any such person, of any claim against the Government involving any matter concerning which the member had any responsibilities arising out of his holding such office during the period he held such office.

"STUDY BY BOARD

"SEC. 653. The Board, in addition to its other functions, shall cause to be made a comprehensive study of the production and marketing of manufacturing milk, butterfat, and dairy products, including producers' costs of production, prices received by farmers, areas of production, the relationship between changes in national income and changes in volume of consumption of manufactured dairy products, marketing and processing spreads, relationships between prices received by farmers for milk used for fluid consumption and that used for manufacturing, returns to milk producers on capital investment and labor relative to those of other farmers and of other segments of the national economy, and trends in these factors. The costs of production shall be determined through an audited cost accounting survey of typical dairy farms in each region covering all costs of production on the farm attributable to milk production, with hired and family labor assigned a cost computed on the basis of wage rates for comparable work in milk manufacturing and processing plants in the area and return on invested capital equal to the average annual return on net worth earned by milk handlers and manufacturers during the preceding five-year period. The Board shall submit to Congress not later than January 3, 1963, a detailed report thereon with recommendations for improvement of the dairy support program, covering the probable costs and effects of the proposals recommended and the legislation required to put the changes into effect. The Board may conduct such hearings and receive such statements and briefs in connection with such study as it deems appropriate.

"PART VI—MISCELLANEOUS

"REVIEW OF MILK ORDERS

"SEC. 661. Notwithstanding any other provision of law, milk orders established under provisions of the Agriculture Marketing Agreements Act of 1937, as amended, shall be reviewed and shall be amended for the purpose of computing fluid class prices to take into account the payments made pursuant to this title so that such payments are reflected in basic formula prices under such orders and thus effectuate the

purpose of this title to improve farm family income in relation to the criteria provided in such Act. If under any marketing order class I milk is priced on the basis of market price of manufacturing or its products, plus the additional cost of producing milk eligible for fluid markets plus cost of freight and handling from the milk price basing point, as determined by the Secretary, then the first-named item shall be calculated for such purpose by adding the equivalent of such deficiency payments as may be made under this title to market prices.

"REFERENDUM

"SEC. 662. Not later than October 1, 1960, the Secretary shall conduct a nationwide referendum of producers of milk, butterfat, or dairy products who would have a marketing base of more than 10,000 pounds if this title were in effect, to determine whether those voting approve the provisions of this title. If more than one-half of the producers voting in the referendum oppose this title, this title (other than this section thereof) shall not go into effect and the price support operations of the Secretary under section 201(c) of this Act with respect to milk and dairy products shall remain in effect. The Secretary shall conduct the referendum, prescribing such rules and regulations as may be necessary. Any milk producer shall have only one vote and shall vote as an individual, rather than as a business entity. The ballot shall be in the following form:

"UNITED STATES DEPARTMENT OF AGRICULTURE—OFFICIAL BALLOT—NATIONAL REFERENDUM OF MILK PRODUCERS

"Mark this square if you favor—

☐ Establishment of a dairy income protective program, utilizing deficiency payments, Government purchases, storage and diversion, compliance deposits, and marketing quotas based on 90 per centum of the parity price, as provided in the Dairy Marketing Act.

"Mark this square if you favor—

☐ Continuation of price support utilizing Government purchases, storage and diversion with support at 75 to 90 per centum of the parity equivalent price, as provided by section 201(c) of the Agricultural Act of 1949."

The analysis presented by Mr. HUMPHREY is as follows:

ANALYSIS OF THE PROPOSED DAIRY MARKETING ACT

The bill if enacted would amend the Agricultural Act of 1949 by adding thereto a new title VI.

Part I is the short title of the bill, the declaration of findings and policy, and definitions.

Part II provides a new program of price supports for manufacturing milk and butterfat for the marketing years ending in 1962, 1963, and 1964.

Section 621 provides that the Secretary of Agriculture shall support the price of manufacturing milk and butterfat to qualifying producers at 90 percent of the parity price if the Dairy Board has established marketing quotas at the minimum level established by later provisions of the Act. For each 1 percent of the marketing base by which the Board does not reduce marketing quotas to the extent provided, the Secretary may lower the level of price support by 2 percent of the parity price. In no event may the Secretary establish the support level for milk and butterfat at less than 75 percent of the parity price.

Section 622 provides that the price supports for manufacturing milk and butterfat shall be carried out through a combination of deficiency payments to qualifying producers and purchasers; or in certain circumstances by purchases alone.

During each marketing year to which the new program applies, the Secretary is directed to make, from Commodity Credit Corporation funds, price supports available to each qualifying producer who during the marketing year sold 10,000 pounds or more of milk or milk equivalent, by means of a deficiency payment with respect to all manufacturing milk and butterfat sold by him during the year. The deficiency payment for any producer for any marketing year is calculated as the amount equal to the difference between the price support level and the domestic market price per unit of such commodity for that year multiplied by the number of units of the commodity marketed by the producer during that marketing year.

Deficiency payments must be made to producers entitled thereto before July 1 of the year immediately following the marketing year in question. The domestic market price per unit used in calculating the amount of the deficiency payment shall be the average national average net price received by producers on sales of such commodity. A qualifying producer who sells milk under terms of a Federal milk order shall be eligible for a deficiency payment on so much of his milk as is used for manufacturing milk or butter.

The forfeited compliance deposits of producers and such other funds as may be required by the Secretary to reimburse the Commodity Credit Corporation for such of its funds as may be expended in the new program are authorized to be appropriated to the Secretary of Agriculture.

In conjunction with the deficiency payments, the Secretary shall make price support available through purchase of products of milk to the extent necessary to: (1) fulfill Government dairy product distribution program requirements; and (2) correlate the relative prices of the various products of manufacturing milk and butterfat in such a manner that prices to producers for manufacturing milk and butterfat used in the different manufactured dairy products will be maintained in the average relationship they bore to each other during the immediately preceding 5 years. Such purchases, in so far as practicable, must be made in the States or areas where prices received by producers are most depressed.

Price support may be made available through purchases alone, unaccompanied by deficiency payments, where the Dairy Board and the Secretary determine that a price support level of 90 percent of the parity price can be obtained by the purchase of dairy products representing the milk equivalent of not more than 2 percent of the total expected farm marketings of manufacturing milk and butterfat during the marketing year.

Part III provides for establishment and operation of a system of marketing quotas for milk and butterfat sold in cream.

Section 631 provides that not later than March 1 of each calendar year, the Dairy Board shall make a determination of the average price per unit it estimates would be received by producers throughout the United States for manufacturing milk and butterfat, in the absence of Federal price support operations, during the next marketing year, based on the assumption that the number of unemployed will not exceed 3 percent of the civilian labor force.

If the estimated price so determined is less than 90 percent of the parity price, the Board shall impose marketing quotas for the next marketing year, unless it and the Secretary determine to provide the support operations solely through product purchases. The Board may suspend marketing quotas at any time within a marketing year when in its judgment the market price will be above 90 percent of the parity price if no quotas are in effect.

Section 632 provides for determination of the national and farm marketing bases for milk and butterfat sold in cream. The national marketing base for milk and milk equivalent for a marketing year shall be the average annual marketings of milk and milk equivalent in the United States during the first 3 of the immediately preceding 4 marketing years.

The national marketing base shall be distributed by the Secretary, in accordance with regulations established by the Board, to States, counties, and producers. Marketing bases must be established for each marketing year for all producers who desire to market milk or butterfat. Marketing bases shall be assigned to single producers (including partnerships, corporations, and other business entities) rather than to herds or farms. In establishing and adjusting marketing bases of producers, the Secretary is required to take into consideration historical production, trends in production, abnormal production during historical period, and such other factors as may be appropriate to establish such bases in an equitable and practical manner. In establishing and adjusting marketing bases, the Secretary would be required to use the services of the State, county, and local farmer committees.

The Secretary would provide, by regulations approved by the Board, for (A) the transfer of marketing bases, in whole or in part, from one producer to another during the course of the marketing year; (B) assignment of bases to new producers; (C) adjustment of bases to avoid hardship; (D) such other adjustments including adjustments for deficit areas, as he deems appropriate; and (E) such other matters as may be necessary or appropriate to set up and operate the new program effectively, fairly, and efficiently.

When a producer releases his marketing base, it may not be reassigned outside the county during a period of 3 months after release by the original holder, and during such period marketing bases so released shall be utilized to fill applications for additional bases within the county. After expiration of such 3-month period, any released bases not assigned to producers within the same county of the original holder may be reassigned to other counties within the State. For a period of 3 additional months, bases may not be reassigned outside the State, and during such period released bases may be utilized to fulfill applications for additional bases within the State. After expiration of such 6-month period, any released bases not reassigned to producers within the State may be reassigned anywhere in the United States.

An adjustment from year to year in an area by reason of deficit production shall be made only upon a finding by the Secretary that the area does not produce sufficient milk to meet the market requirements for fluid milk for consumers in the area and has no reasonably satisfactory alternative source of supply available to it, except that an area which limits or restricts the entry of milk of suitable quality, as determined by the Surgeon General of the Public Health Service, from other areas shall not be eligible for adjustment of bases by reason of deficit production.

Section 633 provides that each year when marketing quotas are required, the marketing quota for each producer shall be his marketing base, reduced by not more than 1 percent thereof for each 5 percent of the estimated average price per unit received by producers that such price is expected to be below 90 percent of the parity price. The original marketing quota for each year would be established by the Board. However, in the event the Board has not done so, the Secretary is empowered to reduce the marketing quota of each producer by not to exceed 1 percent of his marketing base for each 5 percent of the estimated market price that such price is ex-

pected to be less than 75 percent of the parity price.

Section 634 provides for the publication and review of the marketing quotas in accordance with applicable provisions of the Agricultural Adjustment Act of 1938, as amended.

Part IV establishes a system of dairy marketing compliance deposits to encourage the maximum compliance with marketing quotas.

Section 641 provides that during each marketing year in which marketing quotas are in effect, compliance deposits shall be withheld and collected from each producer who sells milk, butterfat, or dairy products. The amount of the compliance deposits shall be the amount determined by the Board at not less than 25 cents nor more than 50 cents per hundredweight of milk or milk equivalent, which the Board determines is required to encourage maximum compliance with marketing quotas.

Section 642 provides for the collection of compliance deposits by the Secretary of Treasury from every person who buys milk, butterfat or dairy products from a producer (except consumers for other than commercial use) who shall in turn withhold the amount of the compliance deposit from the purchase price. In the case of milk, butterfat, or dairy products delivered to a cooperative association of producers, the compliance deposit shall be withheld at the time of delivery and remitted to the Secretary of Treasury.

The compliance deposits shall be credited to a special account in the Treasury, from which refunds may be made on drafts issued by the Secretary of Agriculture.

Section 643 provides for the refund of the entire compliance deposit to each producer who during the marketing year complied with his marketing quota, and to each producer who sold less than 10,000 pounds of milk or milk equivalent during the marketing year. This section provides for safeguard against the division of herds in order to qualify for the 10,000 pound exemption. The 10,000-pound exemption of a producer who joins in a milking pool is protected.

The forfeited refunds will be deposited in the general fund of the Treasury.

Part V sets up a Federal Dairy Board to carry out certain functions prescribed in the new dairy program.

Section 651 provides for the establishment of the Board in the Department of Agriculture as an independent agency. Members of the Board shall be elected by producers. Only milk producers who obtain the major share of their income from farming are eligible to be elected as members of the Board. Appropriation is authorized to the Board of such sums as it may require to carry out its functions and duties.

To assure appropriate regional representation on the Board, the United States is divided into 15 Federal dairy districts to be designated by the Secretary. The Secretary is required to designate districts in such a manner that districts will be areas having equal annual sales of milk, butterfat, or dairy products, as nearly as possible without dividing any county into two or more districts.

Each Federal dairy district is assigned one place on the Board. The milk producers in each district shall elect one Board member and one alternate Board member by ballot. Such election shall be conducted in accordance with rules and regulations prescribed by the Secretary not later than February 15, 1961. The Secretary, or an official of the Department designated by him, shall be an ex officio member of the Board without compensation or vote.

Section 652 provides that the terms of the members of the Board shall expire on the termination date of the program: March 31, 1964. If a vacancy on the Board occurs, the alternate member elected for such place shall serve the unexpired term.

Provision is made for traveling expenses, subsistence, and per diem compensation of the Board members for each day's attendance at meetings of the Board. Meetings of the Board shall begin as soon as practicable following the election of the members, and thereafter annually on the second Monday in December, and at least once in each calendar quarter, and at any other time upon call of the Chairman, a majority of the members, or by the Secretary.

The Chairman of the Board shall be elected by the Board from among its own members.

The Board is empowered to employ such personnel as it deems necessary to carry out its functions, subject to the civil service laws and the 1949 Classification Act.

Section 653 provides that, in addition to its other functions, the Federal Dairy Board shall cause to be made a comprehensive study of the production and marketing of manufacturing milk, butterfat, and dairy products, including producers' costs of production, prices received by producers, areas of production, the relationship between changes in national income and changes in volume of consumption of manufacturing milk and butterfat and their products, marketing and processing spreads, relationships between prices received by farmers for milk used for fluid purposes and that used for manufacturing, returns to milk producers on capital investment and labor relative to those of other farmers and of other segments of the national economy, and trends in these factors. The costs of production shall be determined through an audited cost accounting survey of typical dairy farms in each region covering all costs of production on the farm attributable to milk production, with hired and family labor assigned a cost computed on the basis of wage rates for comparable work in milk manufacturing and processing plants in the area and return on invested capital equal to the average return on net worth earned by milk handlers and manufacturers during the preceding 5-year period. The Board is directed to submit to Congress a detailed report not later than January 3, 1963 covering the results of the study and making recommendations for improving the dairy marketing program.

Section 661 provides for a review and amendment of Federal milk orders for the purpose of computing fluid class prices to take into account the payments made under the new program in accordance with the criteria established in the Agricultural Marketing Agreements Act of 1937. The purpose of this section is to protect the pricing structure of Federal milk orders where fluid prices are based upon the market prices of manufacturing milk.

Section 662 provides that the new program shall not go into effect until approved by majority vote of milk producers in a referendum called for that purpose. The section also specifies the form of ballot to be used.

FEDERAL POLICY IN FIELD OF AMERICAN INDIAN AFFAIRS

Mr. ANDERSON. Mr. President, I submit for appropriate reference, a concurrent resolution on the subject of Federal policy in the field of American Indian affairs. I have been joined in the sponsorship of the resolution by the distinguished Senators from Arizona [Mr. HAYDEN and Mr. GOLDWATER], the senior Senator from Colorado [Mr. ALLOTT], the senior Senator from California [Mr. KUCHEL], the senior Senator from Nevada [Mr. BIBLE], the senior Senator from Wyoming [Mr. O'MAHONEY], the senior Senator from Utah [Mr. BENNETT]; and the junior Senator from South Dakota [Mr. CASE].

Mr. President, in 1953 the 83d Congress adopted House Concurrent Resolution 108. Briefly, House Concurrent Resolution 108 expressed it to be the policy of Congress, "as rapidly as possible, to make Indians within the territorial limits of the United States subject to the same laws and entitled to the same privileges and responsibilities as are applicable to other citizens of the United States, to end their status as wards of the United States, and to grant them all of the rights and prerogatives pertaining to American citizenship," and that "the Indians within the territorial limits of the United States should assume their full responsibilities as American citizens."

Resolution 108 went on to enumerate several Indian tribes for whom legislation should be prepared and submitted to Congress. It further stated that once the specified tribes had been released from Federal supervision and control, that offices of the Bureau of Indian Affairs in certain States should be abolished.

Beginning in 1954, the Secretary of the Interior, pursuant to House Concurrent Resolution 108, sent to Congress a series of bills to carry out the objectives of that resolution. Extensive and protracted hearings were conducted jointly by the Indian Subcommittees of the two Houses. Bills relating to some six or seven groups of Indians were passed and became law. Other bills were set aside for a variety of reasons.

Mr. President, most of the Members of this body are fully aware of the difficulties we have encountered with some of the so-called termination acts passed in 1954. The Klamath Tribe of Oregon has presented a particularly complex problem on which we have been working at almost every session of Congress since 1954. It is my hope that we now have the Klamath program worked out satisfactorily.

I allude to this one group because it seems to me that perhaps, in embarking on the termination program, we bit off more than we chould chew. If we had an opportunity to go back to 1953, knowing what we know now, I seriously question that the Klamath Tribe would have been selected for termination without giving considerably more thought and study to the manner in which a smooth transition from trust to nontrust status might be worked out for them.

On the other hand, in the intervening years, several termination programs for smaller Indian groups have come along. They have created little or no difficulty for the Indians affected.

Mr. President, I would be less than candid and fair if I did not say that the adoption of House Concurrent Resolution 108 has caused a great deal of consternation among Indian tribes generally throughout the United States. Virtually since the day it passed the Senate we have been urged by Indian organizations, tribal officials, church groups and others to repeal that resolution. I know from personal experience in my own State that Indian tribes are fearful of what

may be in the offing regarding termination; they are frustrated; they wonder whether some morning there may be an announcement that no further Federal assistance will be given them. Personally, I think their fears may be justified, simply because House Concurrent Resolution 108 does not say that such things will not happen.

Mr. President, it seems to me the time has arrived for the Congress to clarify the 1953 resolution by the adoption of the measure my colleagues and I are introducing today. This resolution has been drafted only after the most careful consideration. In it we have attempted to spell out in the clearest manner possible what Congress had in mind when it adopted House Concurrent Resolution 108.

I should like to make just a few brief explanatory comments about the resolution.

Let me say at the outset that this resolution would not establish a new Indian policy. It is a restatement of and an elaboration on the policy which Congress adopted in 1953. Initially, it states that the termination of Federal assistance to Indians will occur at some time in the future. It requests the Secretary of the Interior to classify all the Indian tribes on the basis of their preparation for eventual termination. In class 1 are those groups who are ready, or who will be ready, for termination within 5 years. In class 2 are those tribes with more complicated problems requiring additional planning, or whose members need additional assistance so that within 5 to 15 years they may be ready to assume their responsibilities. In the third class are those tribes requiring long-range planning, or whose members because of educational, cultural, economic or health reasons require maximum Federal assistance to prepare for termination.

Because we recognize the needs of Indians, it is stressed that continued appropriate Federal aid should be made available to them in order that their social, economic, health and educational status may reach parity with non-Indians in their States.

The resolution further expresses the sense of Congress that before a termination bill is submitted, representatives of the Interior Department will confer to the fullest possible extent with members of the tribe affected so that the Indians will understand any proposed program and have ample opportunity to express their views on it. This same procedure would be followed with State and local officials in those States having Indian reservations. Only after these steps had been taken would legislation providing for termination be sent to the Congress, and then the Congress would determine the timing for any such legislation.

Finally—and I point to this because it will be of particular significance to the Indians—the resolution calls for assigning the responsibility for the administration of all termination programs to the Indian Commissioner and would direct him to submit to Congress, at the beginning of each year, a specific program for each Indian tribe showing, by year, the legislative and administrative measures he proposes to institute in order to carry out the objectives of the resolution. Thus, on an annual basis, each tribe will know exactly what steps will be taken to prepare its membership for eventual non-trust status, and Congress will know exactly where and how the money it appropriates for the Bureau of Indian Affairs is going to be spent in assisting the Indians.

The distinguished chairman of the Committee on Interior and Insular Affairs, Mr. MURRAY, has introduced for himself and several other Senators a resolution bearing on this same subject. The chairman of the Indian Affairs Subcommittee, Senator NEUBERGER, has indicated that he intends to hold hearings in the near future on that resolution. I would hope that the resolution I have introduced today may be considered at the same time, and that from those hearings there may be reported to the Senate a fair, just, and reasonable Indian policy statement.

Mr. President, I ask unanimous consent that the text of this concurrent resolution may be printed in full following my remarks.

The VICE PRESIDENT. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 28) was referred to the Committee on Interior and Insular Affairs, and, under the rule, ordered to be printed in the RECORD, as follows:

Whereas House Concurrent Resolution 108, 83d Congress, agreed to August 1, 1953, expressed it to be the policy of Congress, as rapidly as possible, to make Indians within the territorial limits of the United States subject to the same laws and entitled to the same privileges and responsibilities as are applicable to other citizens of the United States and that Indians within the territorial limits of the United States should assume their full responsibilities as American citizens; and

Whereas the 83d, 84th, and 85th Congresses, pursuant to such resolution, enacted several statutes providing for the termination of Federal supervision and control over various tribal groups; and

Whereas House Concurrent Resolution 108 has been misinterpreted as proposing hasty termination by the Federal Government of trusteeship over Indians prior to the time the tribes and the individual members concerned may be prepared to manage their own affairs without further Federal assistance; and

Whereas it is in the interest of the several Indian tribes and of the Federal Government that a clear understanding of the objectives of Federal Indian policy be set forth as a basis for the adequate preparation of Indians to assume their responsibilities: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is declared to be the sense of Congress (1) that House Concurrent Resolution 108, agreed to August 1, 1953, 83d Congress, should be interpreted as stating a foreseeable objective; (2) that, in carrying out the policy objective of House Concurrent Resolution 108, as clarified by this resolution, the various Indian tribes should be categorized into three groups by the Secretary of the Interior: (a) those tribes that have relatively uncomplicated problems, that have required few services from the Bureau of Indian Affairs in recent years, and whose members are generally recognized as having reached a state of development that would permit termination within a period of 5 years; (b) those tribes that have more complicated problems that require additional planning, or whose members need further Federal assistance that will better prepare them to manage their own affairs without Federal assistance within a period of 5 to 15 years; (c) those tribes that require longer range planning and greater preparation for future responsibilities, or whose members, because of cultural differences, economic status, lack of educational development or substandard health conditions, require maximum Federal assistance to prepare for termination; (3) that Indian tribes and groups should continue to receive appropriate Federal aid as required in order to attain a position of parity with other citizens of their respective States socially, economically, and in terms of education and health; (4) that as a condition precedent to the submission of proposed legislation to carry out the objectives of this resolution, the Secretary of the Interior or his representatives should confer to the fullest possible extent with members of the tribes in order that the Indians concerned may understand any proposed plan under which a program terminating Federal supervision and control would go forward, but with the ultimate responsibility resting with Congress to determine the timing for any legislation; (5) that State, county, and local officials in the States in which the reservations are located should be fully consulted by representatives of the Department of the Interior prior to the submission of any legislative proposal to Congress, and their recommendations and suggestions made a part of any report submitted to Congress in connection with an Indian termination program; (6) that the responsibility for the administration of all termination programs should be assigned to the Commissioner of Indian Affairs who shall, at the beginning of each year, submit to Congress a specific program for each Indian tribe showing, by years, the legislative and administrative measures he proposes to institute in order to carry out the objectives of this resolution.

PRINTING AS A SENATE DOCUMENT, WITH ADDITIONAL COPIES, OF THE REPORT BY SENATORS MANSFIELD AND HICKENLOOPER ON THEIR OBSERVATIONS OF THE UNITED NATIONS

Mr. MANSFIELD. Mr. President, the senior Senator from Iowa [Mr. HICKENLOOPER] and I served as congressional members of the United States Delegation to the 13th General Assembly of the United Nations. As a result of our assignment as Delegates, we have prepared a report containing our observations on the United Nations. No attempt has been made to catalog in full the international issues and other matters which were considered at the 13th General Assembly. The President may be expected to provide that information for the Senate in his next regular public account of U.S. participation in that organization. We have directed our comments, rather, to the particular role which, as congressional members of the delegation, we were called upon to play. In addition, we have included general observations on the United Nations and U.S. membership therein. In the hope that our report may be helpful to the Senate, on behalf of the senior Senator from Iowa [Mr. HICKENLOOPER] and myself, I submit a resolution asking that our "Observations on the United Nations" be printed as a Senate document.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 110) was referred to the Committee on Rules and Administration, as follows:

Resolved, That "Observations on the United Nations" be printed as a Senate document, and that five thousand additional copies be printed for the use of the Committee on Foreign Relations.

SECOND SUPPLEMENTAL APPROPRIATION ACT, 1959—AMENDMENTS

Mr. DOUGLAS submitted amendments, intended to be proposed by him, to the bill (H.R. 5916) making supplemental appropriations for the fiscal year ending June 30, 1959, and for other purposes, which were ordered to lie on the table and to be printed.

REPRESENTATION OF INDIGENT DEFENDANTS IN CRIMINAL CASES—ADDITIONAL COSPONSOR OF BILL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the name of the Senator from Tennessee [Mr. KEFAUVER] be added as a cosponsor of the bill (S. 895) to provide for the representation of indigent defendants in criminal cases in the district courts of the United States.

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

BUREAU OF SUBMARINES, DEPARTMENT OF THE NAVY—ADDITIONAL COSPONSORS OF BILL

Mr. DODD. Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of the bill (S. 1597) to establish a Bureau of Submarines within the Department of the Navy: Mr. BEALL, Mr. BUSH, Mr. CHAVEZ, Mr. CHURCH, Mr. DOUGLAS, Mr. GRUENING, Mr. JACKSON, Mr. MANSFIELD, Mr. MURRAY, Mr. TALMADGE, Mr. WILLIAMS of New Jersey, and Mr. YOUNG of Ohio.

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

DISCLOSURE OF INCOME BY MEMBERS OF CONGRESS—ADDITIONAL COSPONSOR OF BILL

Mr. MORSE. Mr. President, I ask unanimous consent that the name of the Senator from Ohio [Mr. LAUSCHE] may be added as a cosponsor of the bill (S. 1603) to require Members of Congress, certain other officers and employees of the United States, and certain officials of political parties to file statements disclosing the amount and sources of their incomes, the value of their assets, and their dealings in securities and commodities, introduced by me (for myself and Mr. HUMPHREY), on April 7, 1959.

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

PUBLICATION OF SALARIES PAID TO SENATE STAFF AND COMMITTEE EMPLOYEES—ADDITIONAL COSPONSORS OF RESOLUTION

Mr. MORSE. Mr. President, I ask unanimous consent that the names of the Senator from Colorado [Mr. CARROLL] and the Senator from Ohio [Mr. LAUSCHE] may be added as cosponsors of the resolution (S. Res. 99) dealing with the publication of salaries paid to Senate staff and committee employees, submitted by me on April 10, 1959, the next time it is printed.

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

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

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

By Mr. CARROLL:

Address entitled "Growth for the Nation and the West," delivered by Senator SYMINGTON at the Jefferson-Jackson dinner in Denver, Colo., on April 18, 1959.

By Mr. GORE:

Address on conditions affecting the American economy, delivered by Senator SYMINGTON before the National Press Club on April 28, 1959.

EFFECTS OF RESTRICTION ON IMPORTATION OF FOREIGN OIL AND PRODUCTS

Mr. AIKEN. Mr. President, on March 18 I set forth on this floor seven ways in which the order of the President, issued on March 10, restricting the importation of foreign oil and its products would harm New England.

Those seven points were as follows:

First. The restriction order is discriminatory to a populous region of the United States which has no natural fuels.

Second. It is a major contribution to inflation.

Third. It is conducive to unemployment.

Fourth. It is harmful to our relations with other oil-producing nations.

Fifth. It will place U.S. industry at a further competitive disadvantage in the world markets.

Sixth. It will weaken our national security.

Seventh. It will contribute to the growing domination of Government bureaucracy over industry and people.

On April 22 the purchasing agent for the State of Vermont opened bids for the furnishing of 4,771,000 gallons of asphalt, to be used by the State in highway construction.

The average low price for furnishing this asphalt was 16 and $^{48}/_{100}$ cents a gallon.

The average price paid for the same grade of material last year was 13 and $^{52}/_{100}$ cents a gallon.

Thus, the increase in the price of asphalt over the price last year is 2 and $^{96}/_{100}$ cents a gallon.

On this one purchase, the cost of asphalt to the State of Vermont has risen 21 percent, or a total of $141,000, over the 1958 average.

This purchase order does not include asphalt required by contractors who have jobs on the State-Federal and Interstate Highway systems.

It is stated quite openly that this 21 percent increase in the cost of asphalt is due to the restrictions on the importation of foreign oil and its products.

It is also freely rumored that the price of gasoline and fuel oil may be expected to rise 2 cents a gallon between now and next fall.

Mr. President, how can we expect to control inflation in this country when Government itself takes actions which result in sharp increases in the prices of necessities?

I hope some statistician will determine the increased cost of the Interstate Highway System because of the increased price in asphalt which already has taken place.

Add to this the anticipated increase in the cost of oils and gasoline, and the penalty on the American taxpayer will prove to be simply enormous.

Why talk about increasing the Federal tax on gasoline, to pay for the cost of the Interstate Highway System, when the increased cost of petroleum products going into the construction of that system will amount to far more than the yield from the tax itself would be?

Mr. President, I will not be a party to increasing the tax on gasoline simply to turn it over to the petroleum industry in the form of increased prices.

The President should take steps to rescind the order of March 10 before further irrevocable damage is done.

CAREER MEMBERS OF THE FOREIGN SERVICE

Mr. STENNIS. Mr. President, I wish to speak briefly about our Foreign Service and the professional corps of men and women who are specially selected and trained to carry out the foreign policy of our Nation in the day-to-day relations with other countries. These fine people, about 8,000 in number, come from every State and Territory of the United States. Over 6,000 of them perform their diplomatic and consular duties at some 280 posts in 80 foreign countries; and I may say, in passing, that about 50 percent of these posts are considered hardship posts. This career-minded corps has as its main function the protection and promotion of the welfare and interests of the United States and of the American people.

In this troubled world of today, this is a most difficult task. The Foreign Service personnel must be skilled in many fields of endeavor, such as agriculture, labor, science, and other specialized activities in which the United States is vitally interested. They are our on-the-spot observers. They must spend considerable time in reporting on political and economic developments of the country in which they are located, in handling the ever-increasing consular work, which involves the issuance of passports and visas, and in affording

protection to American citizens while abroad.

Last year I visited several oversea posts located in Western Europe, Russia, Poland, Czechoslovakia, and Yugoslavia. I was impressed by the caliber of our representatives in the diplomatic corps and the consular service and the other agency personnel serving in this area. They were dedicated in their service to the United States; and, from my observation, they were well qualified to perform their long and arduous duties, which they must do regardless of the hours involved or the conditions under which they work. To me, this demonstrates the care taken in the recruitment and training of such personnel.

It is unfortunate that today there exists among our Foreign Service personnel a language deficiency. Only about 50 percent of the officers and 30 percent of the new recruits have an effective command of the language of the country in which they serve.

The Department and the Congress well know of the need for improvement of the language-speaking ability of our diplomatic corps; and in the past 2 years, steps to correct this deficiency have been taken. The Foreign Service Institute, which serves as the Department's training center, now includes expanded language training, and refresher courses for its career personnel, as well as advanced training courses for its senior officers. I have reason to believe this stepped-up program will rectify the language deficiencies and will provide advanced training for our career officers, in order that they may better cope with the current and the future problems of our Nation. Here in Washington I have noted that the foreign diplomats seem to have a good command of the English language.

I would be remiss if I failed to mention the exemplary service of the wives of our Foreign Service personnel. They perform an important part of the functions required of their spouses; and many of their posts involve severe living conditions. With their ability and experience, with their dedication and poise, they make outstanding, constructive contributions to our Nation. It has been my good fortune to have been in a position to observe and to know of their dedication and their effective work; and I wish to pay tribute to them and to express to them my profound gratitude. After observing a number of these effective husband-wife teams as they work together in many countries abroad, I have a greater appreciation of their valuable service, and I realize the real bargain America has in obtaining the services of two—husband and wife—for the salary of one.

DEATH OF REPRESENTATIVE JAMES G. POLK

Mr. YOUNG of Ohio. Mr. President, it is with a deep sense of shock and of profound sorrow that I have the sad duty of announcing to the Senate that only a few minutes ago I learned of the death of JAMES G. POLK, a Representative in Congress from the Sixth Ohio Congressional District. Representative MICHAEL KIRWAN, the dean of the Ohio delegation in Congress, telephoned me this sorrowful news; and I am reporting it at once to the Senate.

JIM POLK was serving his 21st year as a Member of Congress from my State of Ohio. He was a fine friend to me. He and I served together in the House of Representatives throughout the 73d, 74th, and 81st Congresses.

Except for a lapse of four terms, he had, over a period of years, regularly represented a district comprising nine counties in southern Ohio. He had represented his constituency with fidelity and zeal.

JAMES G. POLK was a fine man personally; he was a gentleman of the sweetest character. He was a gentleman who was always helpful to his colleagues. He resided on a farm near Highland, Ohio. In fact, Mr. President, JAMES G. POLK was one of the few real dirt farmers in either branch of the Congress of the United States.

JAMES G. POLK was a graduate of Ohio State University, department of agriculture. He was regarded by his colleagues in the House of Representatives and by those of us who knew him in the Senate as an authority on matters of agriculture.

Mr. President, the untimely passing of JAMES G. POLK is not only a loss to the State of Ohio, but it is a loss to the Nation. I wish to express my personal sympathy to his lovely wife and to the other members of his family. I know it will be very difficult to fill his place in the House of Representatives.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield to me?

Mr. YOUNG of Ohio. Yes.

Mr. JOHNSON of Texas. I desire to associate myself with the fine statement which the Senator from Ohio has made about one of the good and great men I have known. I join with the Senator in extending my profound sympathy to Mr. POLK's family.

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

Mr. YOUNG of Ohio. I yield.

Mr. KEATING. It was my pleasure to serve with the late Representative JAMES G. POLK in the House of Representatives. I found him to be one of the soundest and most helpful Members in that body. He called his shots as he saw them. He wore no man's colors. He would depart from the position held by his party when he felt his party was wrong on a particular issue.

He enjoyed the universal respect of Members of the House on both sides of the aisle. I was sorry to hear of his illness, and I deeply regret his passing. I desire to join the distinguished Senator from Ohio in extending to his wife and his family my most sincere sympathy.

Mr. YOUNG of Ohio. Mr. President, the Senator from New York has stated a fact when he says that JAMES G. POLK was a man of intelligence. He was broadminded. He was an authority on agricultural problems. He was never a partisan in his approach to any matter. He was a great public servant and a fine citizen.

Mr. COTTON. Mr. President, I should like to add my word of respect in tribute to the memory of the late JAMES G. POLK, a Representative from the State of Ohio, to whom tributes have been paid by the distinguished Senator from Ohio [Mr. YOUNG], the distinguished majority leader [Mr. JOHNSON of Texas], and the distinguished Senator from New York [Mr. KEATING].

It was my privilege to serve in the House of Representatives with Representative POLK, and to serve with him for several years on the House Committee on Agriculture. No more conscientious, thorough, fearless, or better balanced Legislator ever served in this Capitol. His passing is a great loss. His memory will long be revered by those who were privileged to know him.

SOVIET DEVELOPMENT OF SIBERIA A CHALLENGE TO DEVELOP ALASKA

Mr. GRUENING. Mr. President, the New York Times yesterday began the publication of a series of five articles which were headlined: "Soviet Building a New World in Siberia."

This is a most important journalistic contribution to our knowledge. It is a factual account of what the Russians are doing to develop Siberia. This factual series is highly pertinent to our national overshadowing problem—the race for survival, the struggle of the free peoples to prevent their conquest by imperialist communism, and the imposition upon the free world of totalitarian tyranny.

I ask unanimous consent that the first of these articles in the New York Times be inserted at the conclusion of my remarks; but I should like to quote briefly now from the text of the first of these articles:

> In a legendary land beyond the Urals that the world knows vaguely as Siberia and superficially as a cruel, barren, wasteland, a new world is being built. It will be a Soviet world with which the pioneers of the old new world—in Suburbia, in the Yukon, in Washington—are going to have to reckon. * * *
>
> Soviet Communists have come to recognize Siberia as a vast treasure chest, the key to their dreams of plenty and enduring world power. * * *
>
> In the next 7 years, Moscow will devote to Siberia's development 4 out of every 10 rubles it has to invest—dams that will produce twice as much power as Grand Coulee.

Coal and steel beyond the vision of the Ruhr—these are now not dreams but projects.

Mr. President, what Russia is doing in Siberia presents a specific challenge to the United States to do no less in the area which was once Russian America—for 92 years the District, and then the Territory of Alaska, and now the 49th State.

In physical terms, Alaska is America's equivalent of Asia's Siberia. It lies in the same latitudes. It has corresponding climates. It has vast undeveloped natural resources. It has the greatest undeveloped power potential on the North American Continent. Less than one-fourth of 1 percent of its hydro potential is developed. Its great rivers run wastefully to the sea.

We must meet this Soviet challenge, and I am happy to announce that I think we see our way clear to do so.

Knowing of the great importance of Alaska power development, I have discussed our problem with the Corps of Army Engineers, who have done so much excellent work in Alaska and are familiar with its problems. Gen. Emerson C. Itschner and his associates, on the basis of a preliminary investigation, have recommended studies which should lead to the development of a great dam on the Rampart Canyon of the mighty Yukon River. General Itschner believes that this is the greatest potential power project on the North American Continent, capable of producing at least twice the power of Grand Coulee, and more power than the entire Tennessee Valley Authority system.

After discussing this matter with him, I communicated with our very able and distinguished colleague, the senior Senator from New Mexico [Mr. CHAVEZ], and urged him to present a resolution to the Senate Committee on Public Works, of which he is chairman, authorizing the Board of Engineers for Rivers and Harbors to make such a study. The Senator from New Mexico, who has been so helpful in the cause of national development both in the field of highways and dams, and has ever shown his great sympathy for outlying areas, communicated with General Itschner, Chief of Engineers, Department of the Army, urging the beginning of studies on the Yukon leading to the construction of this great hydroelectric project.

I ask unanimous consent that Senator CHAVEZ's letter to me, his letter to Major General Itschner, and the committee resolution by the Committee on Public Works of the Senate be placed in the RECORD at this point.

Mr. President, here is the answer to the Soviet plan of Siberian development. I will not burden the RECORD further at this time, except to ask unanimous consent that my press release of today on this subject be included in the RECORD at this point.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska?

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

[From the New York Times, Apr. 27, 1959]

SOVIET BUILDING A NEW WORLD IN SIBERIA—VAST, RICH AREA IS A BASIS OF DREAM OF PASSING UNITED STATES

(Following is the first of a series of five dispatches on a tour through Siberia and the Soviet Far East made recently by a correspondent of the New York Times.)

(By Max Frankel)

Moscow.—In a legendary land beyond the Urals that the world knows vaguely as Siberia and superficially as a cruel, barren wasteland, a new world is being built. It will be a Soviet world with which the pioneers of the old New World—in suburbia, in the Yukon, in Washington—are going to have to reckon.

From the Urals, where Asia begins, to the Bering Sea, where Alaska ends, in an enormous land mass more than 1½ times the size of the United tSates, are riches beyond the dreams and reach of former conquerors in climates beyond the endurance of the timid.

For centuries the world, including the Russian masters of the area, looked upon Siberia as a province for glory-seeking explorers and as a cold-storage dump for riff-raff, malcontents and dangerous revolutionaries.

HELD KEY TO PLENTY

Soviet Communists have come to recognize Siberia as a vast treasure chest, the key to their dreams of plenty and enduring world power.

What the world calls Siberia is technically many things: the Urals, West Siberia, East Siberia, the Soviet Far East; it includes the Buryat and Yakut autonomous republics, such anomalies as the Jewish Autonomous province (Birobidzhan) and much more.

Most important for the Communist rulers, planners, and dreamers, it is one-twelfth of the world's surface with, as yet, less than a hundredth of the world's population, slightly more than 20 million men, women, and children, turning the first stones in a grand and, many of them believe, historic enterprise.

In the next 7 years, Moscow will devote to Siberia's development 4 of every 10 rubles it has to invest. Dams that will produce twice as much power as Grand Coulee, coal, and steel beyond the vision of the Ruhr; these are now not dreams but projects. And a shawled, frail woman herds passengers aboard a plane in the middle of the Siberian nowhere, shouting:

"Let's go, comrades, you are Russians. Let's hurry, we must be first, first in everything. Save time, hurry, we must be first."

And up the wobbly ramp they hurry—a geologist in fishing boots, with two treasured crystals from the Arctic in his pockets and a blond, snub-nosed moppet on his arm, off for 8 months of paid vacation after an arduous expedition; a mustachioed, middle-aged mining engineer in cavalry boots, back in Siberia because his children are grown now and because he lost interest in "European comforts"; a slightly tipsy, brash young man, waving a pair of rugged hands in the air, declaiming, "I'm an ordinary worker, simple, ordinary, but with these hands we'll do it, we'll do it."

LANDSCAPES ARE VARIED

The plane skids along the frozen strip, then skips and finally takes flight. For a minute or two the log cabin outpost and fuel stop drift by below, then, everywhere and for hour after hour, there is a white, wrinkled plateau sprinkled with delicate fir, larch, cedar, aspen.

In 50 hours of flying in Siberia you can see 50 different Siberias; steppe, taiga or tundra; massive, lazy rivers and swift, opal rivers; mile-high young peaks and tired, old hills.

Underfoot it can be black, rich soil, thawing mud or permanently frozen crust. From the porthole of a Soviet jet airliner, it is an ocean of land, passing at 10 miles a minute with barely a twinkle of a house, the few constellations of villages and towns below indistinguishable from the clusters of stars above.

STRANGER SHEDS NOTIONS

The stranger, as he peers out or samples the life in different corners of Siberia and the Soviet Far East, can hardly judge whether the region is truly hurrying toward its mighty destiny, whether Communist planners and wide-eyed Soviet youths have found the way to tame its vastness and harness its riches.

But the stranger was forced in mid-March, when he first set foot in Siberia at Irkutsk, to shed the heavy coat that preconception and coddled Muscovites had compelled him to wear. And in the next 2 weeks he had to shed a good number of notions about Siberia and its people.

If the visitor's eyes saw winter, he felt spring. If living seemed cold and bitter, many of the men and women around him radiated warmth and pride and hope.

No doubt, daily, hundreds of Siberians, like people elsewhere in the Soviet Union, make their way to government offices to see about getting one of the new apartments and abandoning their cramped, old communal quarters, a little more cramped, rustic and quaint in Siberia than elsewhere. Dozens of them daily crowd around to feel the new bolt of wool at the department store and to pinch the few tangerines from China.

CONTACT FOUND EASY

But in Siberia, if you crash the huddles and ask questions, the answers carry a peculiar twist. The visitor was fairly free to inquire. In fact, contact with Russians in Siberia was relatively easy, perhaps because a growing number of Soviet officials are learning to conquer their traditional sense of inadequacy.

If there is confidence at the top of the hierarchy, it is a reflection of the hope below. Listen to the airplane mechanic:

"Oh, life in Moscow was better, all right. But look, there are facts and there are facts. When you do get good material, why a few years ago you could get a good suit made in Irkutsk in 2 weeks. Now it takes 3 months. Over at Chita, you can still get a refrigerator fairly quickly. Here it takes a long time. Why?

"Suddenly people have money, energy and time. Everyone wants a refrigerator. Everyone is having a suit made.

"Yes, facts are facts and we are building. Let there be peace, give us 20, 25 years, and you'll see how we live."

WORKER PROUD OF LAND

At a restaurant table, one of the 30,000 workers resettled at Bratsk to build one of the giant new dams on the swift Angara River drinks a local, insipid beer. He had brought his family from his native, warm Caucasus.

"Our second child is a true Siberian. Born here. You must come and see our beautiful, rich land out here. And be sure to come back after the seven-year plan; you won't recognize it."

At the dingy wooden hotel in Iakutsk, N. P. Temyakov, honored artist of the Russian Republic, for 37 years a Moscow actor, now on tour and for the first time so close to the Arctic Circle, confides on the chilly walk from the outdoor comfort station:

"It's really better here than I expected. And it will be something. It will be. Ah, without us—but it will be."

In the Moscow newspapers, Mikhail A. Lavrentyev, chief of the new Siberian branch of the Soviet Academy of Sciences, writes an appeal to "our venerable academicians and our talented youth": "Come to us, to Siberia, to dream, dare and work together with us."

INCENTIVES OFFERED

And in a little brochure, Konstantin A. Sadolnikov, chairman of the Put Ilyicha [Lenin's Way] Collective Farm near Irkutsk, asks farmers to "come to us," offering two or three private cows, a 6,000-ruble loan and materials to build a new house on the stubborn soil.

Some come, some go back west. Farmers are the hardest to lure, young girls, by tens of thousands, are being urged to join the menfolk, three of every four of whom tell you that they landed in Siberia simply "after the war" or "after the army."

Whatever way they got there, they say that they do not want to leave now, not when there is good work, new opportunity for the young, the "cleanest air in the world."

"No, not now, when we are getting somewhere at last," said the housebuilder.

Whatever the visitor thinks of the rate or quality of progress, he senses momentum. And most of the old and new Siberians he meets find the momentum exhilarating. They are confident their European Russian comrades will catch on and come to help.

In Moscow, the capital not only of the Soviet Union but of the Russian Republic, which encompasses all of Siberia and the Far East to the Pacific, the wealth of the region is depicted in staggering statistics, in plans and goals, in vast potential savings. So, too, in local Siberian administrative bodies.

True, there seems to be everything: cheap and immense waterpower, coal, iron ore, lumber, aluminum, gold, tungsten, nickel cobalt, salt, mica, graphite, asbestos, newly discovered diamonds and miles and miles of nothing waiting to be asked what they have to offer.

Already blueprinted for Siberia are powerful steel mills, huge dams, a chemical industry with oil refining and gas development to feed it, electric railroads and new highways.

What the area needs is people, especially skilled people, more railroads and roads, better river transport, a more expert agriculture to coax the land (which scientists insist is rich enough to support the huge industries of the future), more consumer goods, industries to encourage and lure settlers, decent housing, plumbing, sidewalks, lampposts—everything, in one degree or another.

SIBERIA NOT A GLACIER

They could use more snow in Khabarovsk near the Manchurian frontier and less summer heat in Yakutsk near the Arctic Circle. Siberia is not an anchored glacier.

But it can be extreme—extremely cold and extremely dry, extremely rich and extremely lonely.

Familiar sights help to shorten the distances and obscure the local peculiarities. The baroque green and white railroad terminals of Moscow are reproduced in miniature along the Trans-Siberian Railroad. And after the Communists seized lands and grocery stores and power in 1917, they established in Siberia the same farming system, the same impersonal Gastronoms No. 3 and the same red-draped neighborhood centers for dissemination of party propaganda that operate near the Kremlin.

The Siberian newspaper may be in a strange Asian language and it may arrive a day or 3 days late, but it offers the same standard news, demanding greater effort for the 7-Year Plan, condemning the West and perceiving world-wide acclaim for Kremlin policy.

FORESTS BUT NO PAPER

Of course, there are variations. In Irkutsk, where the visitor is told that local lumbermen had power saws before the Canadians, there is frequent talk of unemployment in Canada. In Chita, a coal-mining center, there are almost daily articles about the "misery" of U.S. miners.

Orders come from Moscow and tribute goes to Moscow. The charming little Siberian plaster dolls on sale in Red Square are not found in Siberia. The only evidence of the skill of Siberian artisans is in local museums.

There are endless forests but few paper bags. The paper napkins at the table, as in Moscow, are barely large enough to cover an average-size mouth. A schoolteacher in Yakutia wanted an explanation for the roll of toilet tissue the American carried with him. Oh, yes, of course, he had heard of it, he said.

But the same schoolteacher spoke knowledgeably of U.S. electric power output and of the drive to surpass that effort in Siberia. A fellow passenger on a plane spoke excitedly of the uses of rivers and forests, not for fishing and hunting, but for waterpower and timber.

The great industrial cities of West Siberia—Novosibirsk, which is also the home of a vast new brain center for Siberian science, Omsk Tomsk—these are closed to the Western traveler. He must head straight for the still more remote, presumably more primitive centers.

The visitor finds that Siberians care more about nature than about legislation out there, far from Moscow. They know in Siberia what it takes to raise the grain on a stingy river bank and to deliver the bread to cities, whose lemons and settlers arrive only by occasional plane. They know that to daily in fixing a tractor in a year of early thaw may leave the tractor on one river bank and its farm on the other for an entire summer.

Yet, on both banks of the river and in many corners of Siberia, heads are held high. There are tangible if modest rewards for work.

Men still struggle to break out of the small Siberian pockets of settlements, but there is no evidence to contradict Premier Nikita S. Khrushchev's contention that political prisons have been emptied and that imaginations and dreams have been liberated.

Just how high heads are held in Siberia had to be demonstrated by a drunkard. The stumbling little man in padded jacket and knee-high boots was the first Soviet citizen in 2 years to beg the stranger for a handout.

"I must get some medicine quickly, can't you help?" he asked. The foreigner wanted neither to help nor embarrass and simply said, "No, friend."

The man dug into his breeches and found two slips of paper with prescriptions.

"Surely, friend, there are authorities to help you?" the stranger asked.

"Ah ," he replied. "That would take a long time. Couldn't you give me something?"

"I can't help you. Besides, I'm a stranger here. Why don't you go home?"

"A stranger? From where?"

"The United States."

His bombshell dropped, the foreigner walked briskly away. But a moment later there was a firm hand on his shoulder and the same, now more sober voice, whispering: "You must not go away thinking things are like this with us. It is only I * * * it is only I."

Hon. ERNEST GRUENING,
U.S. Senate,
Washington, D.C.

DEAR SENATOR GRUENING: I have your letter of April 23, concerning the desirability of having a study made of the Yukon River Basin, Alaska, with particular reference to the Rampart Canyon site.

Enclosed is copy of resolution adopted by the Committee on Public Works which authorizes the Board of Engineers for Rivers and Harbors to make this study, together with copy of letter of transmittal to the Chief of Engineers.

With all good wishes,
Sincerely,

DENNIS CHAVEZ,
Chairman.

APRIL 24, 1959.

Maj. Gen. E. C. ITSCHNER,
Chief of Engineers,
Department of the Army,
Washington, D.C.

DEAR GENERAL ITSCHNER: Enclosed herewith are original and four copies of resolution adopted by the Committee on Public Works, at the request of Senator ERNEST GRUENING, of Alaska, asking the Board of Engineers for Rivers and Harbors to make a review of the Yukon River Basin, Alaska, with particular reference to the Rampart Canyon site.

It is my understanding that the analysis made of the Rampart power site thus far has been based on limited data and site reconnaissances in connection with current studies being made by the Corps of Engineers. The purpose of the resolution is to authorize a detailed consideration of the Rampart Canyon project.

Since the Rampart Canyon site offers one of the most outstanding opportunities for the development of a large block of hydroelectric power at a very reasonable cost per kilowatt, I believe that detail studies on this project should be initiated as soon as possible.

In addition to the Rampart project, I understand that there are a great number of potential hydroelectric projects in Alaska which, although of lesser magnitude than Rampart, would lend themselves to earlier development to care for the immediate power needs of the State. In this connection, I am informed that a review report is being prepared on the Cook County Inlet report and that the Bradley Lake area which is situated in the southwestern portion of the Kenai Peninsula appears to present an excellent opportunity for early development of a hydroelectric project. It would seem to me that if it is at all possible, that a potential such as Bradley Lake should be studied in detail as soon as possible with a view to submitting a hydroelectric power project for authorization at an early date.

I would appreciate any action which you can take to expedite investigation of hydroelectric potentials not only at the Rampart site and on the Kenai Peninsula, but also in the southeastern area of the State.

Sincerely yours,

DENNIS CHAVEZ,
Chairman.

COMMITTEE RESOLUTION

Resolved by the Committee on Public Works of the United States Senate, That the Board of Engineers for Rivers and Harbors, created under section 3 of the River and Harbor Act, approved June 13, 1902, be, and is hereby, requested to determine the advisability of improvements in the interest of hydroelectric power and other water uses in the Yukon River Basin, Alaska, with particular reference to the Rampart Canyon site, in connection with investigations authorized by the Flood Control Acts approved June 30, 1948, and May 17, 1950.

Adopted April 24, 1959.

DENNIS CHAVEZ,
Chairman.

(Requested by Senator ERNEST GRUENING, of Alaska.)

STATEMENT OF SENATOR ERNEST GRUENING ON CONSTRUCTION OF RAMPART CANYON DAM

The greatest hydroelectric power project in the world moved closer to accomplishment on April 24 with the adoption, at my request, of a resolution by the Senate Public Works Committee authorizing the Corps of Engineers to make an intensive study of the Rampart Canyon dam site on the Yukon River in Alaska.

The construction of a mighty dam and hydroelectric facility at Rampart Canyon, on the Yukon, will provide the United States with the largest source of hydroelectric power yet developed. It has been estimated that the installed power capacity of this site could exceed 5 million kilowatts, more than half again the entire capacity of the Tennessee Valley Authority. Such a dam would dwarf Grand Coulee, both in terms of power capacity and in terms of water storage. A reservoir at Rampart would store more than 1.5 billion acre feet of water in a lake covering more than 10,000 square miles.

The site is ideally located, in the heartland of the State of Alaska, approximately 90 miles northwest of Fairbanks and about 400 miles north of Anchorage. Thus, the construction of the facility here would provide power for established communities, but at the same time, is in a location in which

economic disruption would not be caused by the flooding incident to construction of the reservoir.

A new era of economic development in the United States would be a reality with the availability of the tremendous amounts of low cost power which would be made available at Rampart. It has long been recognized that the most valuable, but so far least utilized, natural resource of Alaska is its abundant hydroelectric power. To develop this resource on the scale which would be possible with the construction of the Rampart dam would power an industrial complex for the expansion of the domestic economy greater than any now existing in the free world.

Much has been reported concerning the development of giant hydroelectric projects by the U.S.S.R. In this field of development, as in others, it is imperative for the United States to move ahead continually to insure our security.

The value of the Rampart project to the economic development of this country is obvious. The immediate need for hydroelectric power in ever-increasing amounts during the Second World War is well-remembered. There is no question that even larger quantities of such power will be needed to meet any future threat from hostile powers.

For peacetime purposes, this source of power will mean that there is available to this country a new frontier of industrial development. Alaska is still a new country with unlimited resources for development. Now that this great land has become a State there exists not only the unexcelled supply of raw materials to supply the economy of an expanding U.S. population, but, also, the existence of a State government which will energetically encourage and facilitate industrial development.

Preliminary investigations of the development of hydroelectric power at Rampart Canyon have been undertaken by the Corps of Engineers and by the Bureau of Reclamation of the Department of Interior, both agencies having agreed on the magnificent possibilities of this project. With the adoption of the resolution of the Senate Public Works Committee, more concentrated work will now be possible to develop specific engineering plans for the construction of the Rampart Dam.

In power producing capability, the dam would be two and one-half times as big as Grand Coulee, the largest now in the United States. Its power could be produced at the low rate of about 2 mills per kilowatt-hour, preliminary studies indicate. Meteorologists say the existence of the enormous Rampart reservoir will substantially modify the climate of interior Alaska. Cost of the project is estimated by the Corps of Engineers, on the basis of preliminary studies made to date, at between $900 million and $1.5 billion.

PAYMENT OF AMERICAN WAR DAMAGE CLAIMS AND THE RETURN OF VESTED ASSETS

Mr. JOHNSTON of South Carolina. Mr. President, the problems relative to vested assets, the seizures and blocking of assets of our former enemies—the Italians, Hungarians, Rumanians, Bulgarians, Austrians, Japanese, and Germans—have been and are constantly before the Senate and our colleagues. Likewise, the payment of American war damage claims is of great concern to us and to many American citizens.

The Trading With the Enemy Act, as amended, is the result of several acts of Congress upon which have been grafted Executive orders. There have been many amendments since the act was first passed in 1917. The same situation prevails so far as the War Claims Act of 1948 is concerned. The later act is now being administered by the Foreign Claims Settlement Commission.

Because of the many inquiries from my colleagues and others interested in one phase or another of these acts of Congress, their administration, and the entire field of vested assets and war damage claims, I have prepared a statement for the RECORD which, as chairman of the Subcommittee on Trading With the Enemy, I ask unanimous consent to have printed in the RECORD following this brief statement.

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

STATEMENT OF SENATOR JOHNSTON, OF SOUTH CAROLINA, CONCERNING THE TRADING WITH THE ENEMY ACT AND PROPOSALS FOR THE PAYMENT OF AMERICAN WAR DAMAGE CLAIMS AND THE RETURN OF VESTED ASSETS

Because of a widespread misunderstanding of the responsibilities and functions of the Senate Judiciary Subcommittee on Trading With the Enemy Act, and pending bills affecting the payment of American war damage claims and a return of alien property, a statement should dissipate much of the confusion in the public mind. Several bills provide for the return of the privately owned properties of our former German and Japanese enemies seized under the provisions of the Trading With the Enemy Act. Others provide for a partial return with a confiscation of the balances. One bill provides for total confiscation and a diversionary use of the proceeds. A few of the bills provide for a payment of part of the American war damage claims and a partial return of vested assets or their proceeds.

The Trading With the Enemy Act was enacted on October 6, 1917. Its principal purposes were (a) to immobilize the properties of enemy nationals in World War I; (b) to prevent commercial transactions between the merchants of the United States and Germany and her allies; and (c) to hold the properties in trusteeship for the ultimate disposition of such assets by the Congress. Confiscation of such properties was never in the mind of the Congress when the original statute was enacted.

In 1923, the Congress authorized by the Winslow Act a return up to $10,000 in value of the vested properties seized during World War I. In the War Claims Settlement Act of 1928, Congress provided for a return of 80 percent in value of the seized properties; the remaining 20 percent was retained as security for the payment of American war damage claims, costs of administration, etc. In 1934, because of the worldwide depression and the defaults of the Hitler government, further returns of the balance of 20 percent were prohibited by the Harrison resolution.

Shortly after the commencement of World War II, the provisions of the Trading With the Enemy Act were reactivated and enlarged by Executive orders under the War Powers Act. Provision for the appointment of a Custodian of Alien Property was made.

WAR CLAIMS ACT STARTED CONFISCATION

In 1948 the War Claims Act was passed to provide payment of claims, limited in amount, for the detention and ill-treatment of prisoners of war. Certain religious groups were paid for property losses sustained by them as the result of the military action of the Japanese and German forces. As a ready and available source of funds necessitating no direct congressional appropriations, the Congress provided that no returns of the private properties be made and that the proceeds therefrom be applied to the payment of these categories of minor war claims. Two hundred and twenty-five million dollars of the estimated $612 million in value of the seized properties have thus far been expended in the payment of these war claims. Since 1942, Congress has appropriated from the liquid assets about $70 million to the Custodian's office for his administrative expenses. That office has had an average of over 300 persons employed annually since 1942 with an annual payroll for them in excess of $3 million. That expense does not include the costs paid in administering the going concerns operated by the Office of Alien Property.

The Office of Alien Property except for the adjustment of its claims program has virtually completed the administration of its affairs. Only a few assets are yet to be sold. It is contemplated that by July 1, 1960, the affairs of the Office of Alien Property will justify its discontinuance as a division of the Department of Justice.

The properties of Japanese nationals were seized and vested up to the time of the Japanese Treaty on April 28, 1952. The President, by informal order on April 17, 1953, directed that no further seizures be made of the privately owned German properties. Thus it is apparent that much of the property was seized long after hostilities ceased and the necessity for seizures no longer existed.

The estimated values of the properties at the time of their seizures amounted to $390,808,000. The appreciation in values of the vested properties, the net income we have received from their operation and other properties received through our agreements with foreign governments have swelled the original total to a present estimated total of $600 million. In any consideration of the value of the properties, one must take into consideration the value of the currency or its purchasing power at the time of each vesting. The totals in terms of dollars does not and cannot present a true picture, because 50 cents then would purchase what now requires $1.

The estimated percentages of the values by countries of the vested assets are German, 76.2 percent; Japanese, 16.7 percent; the balance consists of properties of our former enemies, the Italians, Hungarians, Rumanians, Bulgarians, and others.

Following the peace treaties with Italy, Hungary, and the others, provisions have been made for a return of the values of the properties of the nationals of those countries. Thus, provision by law and treaty has been made and the returns practically completed for all of our former enemies except those in Germany and Japan. In the latter case, there has been a partial settlement by the treaty of peace with Japan.

Only then do the properties of German and Japanese individuals and concerns controlled by them require the attention of Congress. A disposition of the complex problems involved in the payment of American war damage claims and a return of the proceeds of the vested assets are embraced within the framework of S. 672 and H.R. 1372. Neither Representative VAN ZANDT nor I contend that our respective bills are perfect in every detail. We do contend our approach is comprehensive and, if followed, a complete solution may result. No governmental property of the former governments of Hitler or Tojo is included in any proposal now pending before the Congress. No return of any property will be made to any war criminal of either country.

Congress, by several amendments to the Trading With the Enemy Act, provided relief for American creditors against their German and Japanese debtors. Complaints arose with respect to the conduct of the business affairs of many of the properties, involving

political favoritism, etc., inefficient procedures for the payment of and adjudication of conflicting title and debt claims, and also regarding the failure to make available to everyone the advances and discoveries in scientific and technical uses of a considerable part of the seized properties. As a result of these and other complaints, the Senate by resolution in 1952 created the Subcommittee on Trading With the Enemy Act to examine and review for it the administration of the Trading With the Enemy Act by the Office of Alien Property of the Department of Justice. Each succeeding Congress has extended the subcommittee.

The late Senator Willis Smith, of North Carolina, became the first chairman of this Judiciary Subcommittee. In the Republican controlled 83d Congress, Senator EVERETT M. DIRKSEN was designated chairman. Since March 18, 1955, after the Democrats succeeded to the control of the Senate, I have served as chairman. Serving along with me as members of the subcommittee were Senators McClellan, of Arkansas; Daniel of Texas; O'Mahoney of Wyoming; Dirksen of Illinois; and Langer of North Dakota. I have again been designated in the 86th Congress as chairman of this subcommittee and serving with me as members of the subcommittee are Senators MCCLELLAN, of Arkansas, DODD, of Connecticut, O'MAHONEY, of Wyoming, DIRKSEN, of Illinois, LANGER, of North Dakota, and KEATING, of New York.

Continuing studies, investigations and reports have been issued as required by the Senate resolution creating and continuing the subcommittee. Extensive public hearings have been held on many bills which have been introduced affecting the provisions of the Trading With the Enemy Act. Over the years, over 3,300 pages—much in fine print—of evidence was presented to the subcommittee. Briefs, arguments, and written testimony were submitted, a preponderance of which contended that the private properties of our former enemies should not be confiscated, but should be returned either in kind or in their reasonable value.

There was a considerable number who for varying reasons contended that no return should be made but that the private properties of some 40,000, more or less, German and Japanese owners should be held in lieu of reparations, due from the Governments of Germany and Japan to the United States. The subcommittee has not favored this latter view because no subcommittee has been willing to apply the doctrine of confiscation to the private properties of a few in the satisfaction of any obligation owed by the owners' government to the United States.

The subcommittee has been faced with a few objections to return on the part of some of our newly made citizens because of unsatisfied complaints they have against their former governments. Faced with the rule that our Government will not and cannot assume the burden of urging the satisfaction of claims of persons whose losses occurred when they owed allegiance to another government, the subcommittee can offer no helpful solution to those perplexing questions.

JUDICIARY TWICE APPROVED PROVISION FOR FULL RETURN

After most exhaustive and painstaking hearings and thorough consideration of the many factors involved, Senator DIRKSEN introduced S. 3423 on May 7, 1954. In brief, this bill provided for a full return, with certain exceptions, of all the privately owned properties of the former owners who were German and Japanese. The justification for such a return met with the approval of the Senate Judiciary Committee and the bill was favorably reported to the Senate. Congress adjourned in 1954 before S. 3423 could be considered.

The administration seemed not to favor Senator DIRKSEN's bill. Among other reasons it was urged that no provision was made in it for the payment of any American war damage claims.

As a result of the continued study and further public hearings, the subcommittee recommended and the full committee unanimously reported out favorably to the Senate my bill in the 84th Congress, known as S. 4205. This measure provided for a full return in kind or value of all privately owned properties which had been seized under the Trading With the Enemy Act and a full payment of all American war damage claims. These returns and payments were to be made progressively. Procedures and methods were adopted which permitted such a result without the necessity of any additional direct appropriations. Like S. 3423, S. 4205 failed of passage in 1956 by reason of the adjournment of Congress.

A modified version of S. 4205 was introduced by me on January 14, 1957, and was known as S. 600. This bill likewise directed a full return of all vested assets or their values and a full payment of all American war damage claims not otherwise provided for by law. The bill contained provisions preventing a return of properties to war criminals of Germany or Japan, governmental properties, and properties to those residing in the Soviet-dominated countries.

A number of bills have thus far been introduced in the House and Senate. Some provide for technical amendments to the Trading With the Enemy Act for specific purposes. A few relate to provisions for the commencement of a program for the payment of war damage claims. Representative VAN ZANDT has introduced H.R. 1372 which is in identical terms with the provisions of S. 600 of the 85th Congress. I have revised in some instances the provisions of S. 600 to make it conform to adjusted conditions and they appear in S. 672 now pending and on which limited hearings will be scheduled.

There has been some criticism of these return bills and of me personally for authoring two of them. Much of that criticism may be traced to a lack of understanding of the reasons which prompted my action. I have long felt that a wider knowledge of the complex problems, the traditional American concepts of the human and property rights involved, and a fuller appreciation of our own national interests would dispel most, if not all, of the objections which reasonable persons could possibly entertain.

What are the reasons back of these full return bills? Why has OLIN D. JOHNSTON supported one and been the author of three others? What are some of the problems involved and the questions presented? How can it be in the interest of the people of the United States to divest themselves of title to over $600 million worth of property?

So far as I am concerned, the answers are clear. My duty is plain. My responsibility with respect to the problems is not difficult to assume. What has been the American way of handling such problems?

JOHN ADAMS DECLARED "INVIOLABLE PRECEPTS"

Before our Constitution was adopted, John Adams said: "The moment the idea is admitted into society, that property is not as sacred as the laws of God, and that there is not a force of law and public justice to protect it, anarchy and tyranny commence. If 'thou shalt not covet' and 'thou shalt not steal' were not commandments of Heaven, they must be made inviolable precepts in every society before it can be civilized or made free." (From Works of John Adams, by Charles Francis Adams, Boston, 1951, vol. 6, p. 9.)

There would have been no U.S. Constitution had the Bill of Rights (first 10 amendments) not been forthcoming as an integral part of our Constitution. While the fifth amendment provides protection for one from testifying against himself, it also contains very salient provisions which protect property rights. Those provisions are: "No person shall be * * * deprived of life, liberty, or property without due process of law; nor shall private property be taken for public use without just compensation."

The foundation of property rights originating in Holy Writ is inscribed as part of our basic constitutional rights. Our history and tradition as a free people are built upon them. The concept of our free society is founded upon them. The free enterprise system depends upon their unsullied maintenance as principles of governments. The principle is clearly stated by a U.S. Senator in his testimony before the subcommittee recently when he said:

"The unpaid American war damage claims should be paid. Private property or its reasonable value should be returned. Now, of all times, we who set the moral standards for the peoples and governments of the world must of all things adhere to them or be willing to pay in lives and our material fortune the unthinkable price involved in the savage doctrine of confiscation.

"Confiscation is the attribute of communism. Private ownership, the integrity of property rights, and contractual obligations, on the other hand, are the distinguishing characteristics and handmaidens of the free world. The issues involved are just that simple."

SANCTITY OF PRIVATE PROPERTY IS BASIC AMERICAN LAW

It is an historic fact that the United States has never practiced confiscation of the properties of our former enemies. During the Revolutionary War, several of the Colonies confiscated the properties of the English Tories. This was compensated for in our first treaty—the Jay Treaty—with England in 1794. The formula set out in that treaty has been the uniform pattern for all of our subsequent treaties of commerce, friendship, and navigation with other governments.

The language of the present Speaker of our House of Representatives which he used in 1923 in support of a full return of German properties after World War I has vital force today. He said in one of his official reports:

"From the days of Hamilton and Jefferson and Marshall down to now every man who had a reputation that extended beyond the community in which he lived * * * has looked upon the question of confiscating private property for the satisfaction of a public obligation with obloquy. That has been our policy * * * the most savage doctrine ever announced by any people anywhere was that private property should be taken for the satisfaction of a public obligation."

Every Secretary of State of the United States without exception from Thomas Jefferson—our first Secretary—through Mr. Dulles has opposed confiscation. Each has sought to maintain the doctrine of the inviolability of contractual rights and the sanctity of private property in time or war or national emergency.

Let me quote the convincing testimony of Secretary Dulles before our subcommittee on the return of vested assets and how it is essential in our (American) interests to make return and avoid confiscation. Secretary Dulles also dispelled all doubts as to validity and permanence of the Paris reparations agreement and other unratified executive agreements, for when questioned by Senator DIRKSEN at the hearings, Secretary Dulles testified in part as follows:

"The policy adopted after World War II, of completely eliminating ownership of enemy private property was a departure from historic American policy after other wars. I, myself, have had some experience in this field. I worked on this very problem at Parish in connection with the Treaty of Versailles at the end of the First World War.

"I can say frankly that I would like to see a return to our historic position, the position of the sanctity of private property in time of war, to return to that historic position to the extent that may be practical, although I recognize that there are considerable difficulties in dealing with the matter on that basis after so long a period of time.

"As I stated in the Department's letter to the committee, to which I referred, there is no objection from any foreign policy viewpoint to the return, as a matter of grace, of vested German property and of Japanese property. In point of fact, any action of this character would be welcomed both by the governments of the Federal Republic of Germany and of Japan as an indication of return to more normal relations, and would, of course, be welcomed by the many owners of the property.

"I personally feel deep sympathy for the burdens which have been placed upon large numbers of people who had small property holdings in this country representing interests in estates and trusts and investments, pensions, life insurance policies, and the like.

"Insofar, however, as the problem involves the matters of foreign policy, I have no hesitation in recommending adoption of legislation along the general lines of this bill.

"Secretary DULLES. The agreement alluded to is, I think, an agreement which was made at Brussels, if I recall.

"Senator DIRKSEN. I am referring, Mr. Secretary, to the Paris reparations agreement. It was either in 1945 or 1946.

"Secretary DULLES. Yes. I am familiar with that agreement.

"In my opinion, the agreement, whatever its intent may have been as an executive agreement, was without authority whatever to bind the Congress of the United States in this matter. The property had been vested by action of Congress. I believe Congress has the right to decide what to do about the matter. I do not believe that the freedom of Congress in this matter has been curtailed in any way by this executive agreement. I am not a believer in the power of the President, through executive agreements, to cut across the normal legislative powers of Congress.

"I may say that, as a matter of interpretation of that agreement, it can be argued that it was not intended to operate in perpetuity but was designed as a temporary measure perhaps to assure against a revival of German militarism and the use of German important commercial assets possibly as an instrument of German militarism. I think that that danger has passed and that if the agreement be given that interpretation—which I think is a reasonable one—then the action which you contemplate is not only compatible with the powers of Congress but also is compatible with the executive agreement itself.

"Of course, the action taken at the end of the First World War is perhaps a closer example in that the Treaty of Versailles authorized the powers who had then vested German property to retain it. Most of them did. But the United States consistently, with its policy of recognizing the sanctity in time of war, did make restitution, by and large, of the seized property.

"I believe that in doing so we enhanced our own prestige in the world and that it was good business from the standpoint of the United States to do it. I believe that the foreign policy of the United States should be conducted with a view to promoting the long range interests of the United States, and I believe that it is in the interest of the United States to have a policy and stick to a policy which means that if foreigners invest their property in this country, have interest in this country, have bank accounts here, insurance policies here, annuities here, things of that sort, they can be sure that is a safe place in which to have them.

"In the long run, I believe it is in the interest of the United States to establish that kind of reputation, which we have had over many years. And I believe we get indirect benefits from such a policy which need to be weighed in the scales as against the immediate military cost to carry out such a policy.

"I would think that in an era when we expect the American interests abroad, American capital investments abroad, that it is wise for us to adhere ourselves strenuously to the highest standards of conduct in relation to those matters. That puts us in a better position to call upon others to apply the same standards"

"Senator DIRKSEN. In the statement, Mr. Secretary, that was submitted this morning, I noticed an observation to this effect: 'In the event that Congress should see fit to provide for return of German and Japanese assets, it may be appropriate to work out some of the terms and conditions with the Governments of the Federal Republic and of Japan. These negotiations would also probably be required with other governments with which the United States has concluded agreement for the resolution of intercustodial conflicts.' "

"* * * * *

"Senator DIRKSEN. On the basis of your familiarity, Mr. Secretary, with the situation in Europe particularly, and the conversations that you have had with Adenauer or other responsible persons in the West German Government, is it your notion that this kind of action by the Congress either in the form of partial restitution, or complete restitution would have a definite impact upon the good will and on our relationships with West Germany and with Japan?"

"Secretary DULLES. I believe that the impact would be extremely good from the standpoint of our relations with these countries. I believe that our relations with both of them are sufficiently good so that we do not in a sense have to buy their good will; we have done plenty. But I think that when you live up to a high principle in relation to certain countries and peoples, it makes an impression which is not won merely by grants, however generous they may be.

"Therefore, I believe that to be actuated by historic American principle in this matter in relation to German and Japanese assets would have a very beneficial effect upon our relations with the people concerned.

"But as far as the foreign relations aspect of the legislation goes, I would say that the maximum of good will would be obtained if there could be a total restitution in favor of the small people who in aggregate make up a very considerable number. I do not have before me the precise number involved.

"But there are many, many cases of small and impoverished people who had small savings in this country, who perhaps were in receipt of annuities which had been provided for them by relatives in this country, and small savings, bank certificates, or life insurance policies."

It is difficult for one to disagree with the principles enunciated by Mr. Dulles, especially so when he follows the unbroken precedents of all of our former Secretaries of State.

World conditions have changed greatly since the Jay Treaty of 1794. In fact, there exist today many more reasons than existed following World War I, why it is in our own national self-interest to return private property seized in time of war. A consideration of a few of those facts constitutes a compelling reason why privately owned properties should be returned and why as a nation we should avoid the stigma of confiscation.

The Trading With the Enemy Act Subcommittee of the Judiciary Committee was created in 1952 by a resolution of the Senate sponsored by the senior Senator from Wisconsin, who is the ranking Republican member of the Senate Judiciary Committee as well as the Senate Foreign Relations Committee. While the Senator does not favor a full return of the vested assets, he has urged an early settlement of the disputed issues. The overall objectives stated by Senator ALEXANDER WILEY in a press release a few days prior to Chancellor Adenauer's visit to the United States in May of 1957 are worthy of thoughtful consideration and early solution.

Among other things, he said:

"(1) Advancing the foreign policy position of the United States by assuring the best possible relations with friendly governments such as with our honored wartime Allies; with our former foe—but now—happily—our strong ally—the Federal Republic of Germany; with the Republic of Switzerland and others.

"(2) Protecting the investment of private capital throughout the world by maintaining the sanctity of contracts.

"(3) Protecting the interests of the taxpayers of the United States, as such.

"(4) Getting the Federal Government out of private business.

"(5) Protecting the rights of claimants against alien properties, especially American claimants.

"(6) Protecting the special interest of America's ex-servicemen and their survivors.

"(7) Evaluating our responsibilities, whatever they may be, in the interest of fairplay, to the owners of the vested properties.

"(8) Protecting the communities in which vested companies are operating, including, of course, the rights of the sizable working forces involved, together with other objectives as well."

Some of the foregoing aims stated by the Senator have been accomplished in substantial measure. Others require, as he says, most careful study and consideration. To these ends the chairman of the subcommittee is dedicated.

AMERICAN INVESTMENTS ABROAD JEOPARDIZED BY CONFISCATION

A most important fact to remember is that the United States today is the leading creditor Nation in the world. While no exact figures are available, we do know that Americans have private investments abroad in excess of $50 billion. As taxpayers, every American citizen has a direct interest and an investment at an initial cost of over $5 billion in our defense installations scattered throughout the free world. As taxpayers, every American citizen has a direct interest and an investment now exceeding $4 billion in the loans made through our Export-Import Bank to private concerns and their governments in foreign investments. These latter interests concern you and me directly because our money paid in the form of Federal taxes supports and maintains them.

Almost half of our high Federal tax burden is expended each year for the support of our national defense programs. We have spent over $35 billion annually for our national defense since 1945. Our national defense program is large because we seek by it to maintain our free way of life. The cornerstone of our free way of life is our right of ownership of private property. When property rights are destroyed, freedom and free government are lost. This truth is undeniable.

In addition to the direct interest so many Americans have in private investments abroad, and the very large defense investments all Americans have in foreign countries, we have engaged in other programs since 1947 which have resulted in our people having to continue to pay heavy taxes. I refer to our foreign-aid programs. Every justification for any foreign aid expenditure falls of its own weight when stripped of the reason that we spend this money abroad to support our free way of life and to preserve and extend American principles. Thus, it

is argued that foreign-aid expenditures, aggregating now more than $70 billion, have been in our national self-interest. That reason has been the justification. While I have not agreed with such contentions, others have agreed and they have prevailed. I do know, however, that you and I are taxed heavily each year for the support of these programs. You and I know that we are burdened with heavier taxes than are the peoples of any other nation on the globe. Their total staggers the imagination. No American escapes a share in that burden. Everything we buy has some form of tax levied against it.

Add these figures up and you can see a stupendous investment; $50 billion in private investments, $8 billion directly invested by all of us together with the $70 billion spent in foreign aid and the more than $35 billion each year for national defense. As the leader among the free nations of the world setting, as we must, the tone of morals in business and private conduct, for the world, can we afford the penalty of inflicting upon others a principle involving confiscation? Look at what happened in the Middle East. The Congress passed a $200 million special foreign-aid program (Eisenhower Doctrine) for the ostensible purpose of keeping some of the countries in the Middle East as our allies in the struggle against communism. If, as a permanent policy, we confiscate these alien properties, as Egypt threatened to confiscate the properties of the French, English, and Israelis, it requires little imagination to conclude that we stand to lose far more than all the rest of the world combined. Why? Because we have more at stake. It is a sad commentary on our laws that Egypt boasted in her press that she was following the provisions of the American Trading With the Enemy Act in what Nasser was doing. Those news articles asserted that if it is proper for the United States to confiscate the private property of its former enemies—the Germans and Japanese—then Egypt had every right to nationalize or confiscate British and other alien property in that country. Fortunately, Nasser recanted. He has refused to confiscate. The evils to befall him were too great. He has established a commission which, I am advised, is now beginning to return the properties he seized to their rightful owners.

Not all of the properties whose original value at the time of vesting amounted to $390,808,000 belonged to our former enemies. Over 20 percent of that amount, namely $87,801,000 was American property. It originated in the United States. It helped our war effort through the taxes paid on it and by its owners. It is known as estate and trust properties. Let me illustrate—an American citizen dies leaving an estate of $25,000 to his five relatives in Germany or Japan. These relatives have been denied their legacies because the Attorney General has seized and vested these estates. Another illustration will help. An American veteran of German or Japanese origin, honorably discharged from service in the American Army, dies. His social security and death benefits were seized and confiscated by the Department of Justice. His relatives are denied the right to inherit these benefits earned under American laws by American nationals. Another illustration proves how unseemly our vesting program has been construed and administered. A young German student was studying at Harvard University under the Fullbright Scholarship program. This young man testified before the subcommittee. He was a guest in this country while studying here at your and my expense. He was, however, the legatee under a will of an American relative and entitled under that will to $2,500. This legacy has been confiscated. Think of one department of the American Government educating this boy at the expense of all of us on one hand and another branch of our Government seizing and confiscating his private property earned and produced here on the other hand. Or, consider the case of a lady who testified before us. She married an American officer overseas. She is now an American citizen living here and rearing a family of three children. The Russians seized and confiscated her estate in East Germany. The United States seized and confiscated a substantial inheritance here in America which was left to her by an American relative. She is deprived of both her properties. Our existing law needs to be changed to prevent these obvious injustices. These illustrations could be multiplied by the hundreds. They all go to prove how wholly unnecessary and wrong it has been to so administer the Trading With the Enemy Act—a necessary war measure—but not needed in time of peace. They all go to show how essential it is for the Congress to pass corrective legislation as it did following World War I.

CONFISCATION AND COMMUNISM GO HAND IN HAND

There is another consideration which has influenced my views respecting the necessity for the return of these properties. It did not take us long after the close of the war to learn the bitter lesson that our present enemy is Russia and Russian communism. That country has no respect for the right of private property. We learned soon that if we could enlist the Germans in West Germany and the Japanese in the cause for free, democratic representative government, they would eventually become our stanchest and strongest allies. That effort of ours is an accomplished fact today. Thoughtful Americans realize that both Germany and Japan are our most reliable and trustworthy friends among the free nations of the world. It cost us many billions of dollars to achieve this result. We loaned and gave West Germany, consisting of about 60 million persons, over $3¾ billion. We did the same for 80 million Japanese at a cost of well over $2 billion. We made an outright gift of $2¾ billion in our settlement of postwar loans to these 60 million Germans. We are prepared to scale down the Japanese debts to its 80 million inhabitants in the same percentage of reductions. Who is there to say that it is fair to make a gift of about $4 billion to 140 million Germans and Japanese and retain and penalize from some 30 or 40 thousand of the same persons for the private property they either invested here or to which they are entitled by our laws of inheritance? Such properties amounted to less than a half-billion dollars when they were first seized. If Germany and Japan owe the United States anything by way of war reparations that obligation should rest equally upon all Germans and Japanese alike. That burden should fall on all the millions of people in these countries, not on the few thousand who may benefit from a return of the small amount of properties seized here in America.

Those Japanese and Germans who invested their properties here did so because they felt those properties were safe and secure under our constitutional protections. They felt their properties would be protected under our laws. Is it right to deny to them the equal protection of our laws? Certainly, there can be little justification in law or morals to deny our German and Japanese friends the benefits of trust, estate, and guardianship properties originating here in the United States.

Now, with respect to the payment of American war damage claims, every sense of moral justice dictates an early payment of them. Every nation, except the United States, which engaged in World War II, has already made some provision to indemnify its nationals. We have done much, sometimes too much, for others and nothing for our own citizens. Many civilian lives were lost, many suffered personal injuries, and there have been millions of dollars in losses in property damage. Except for the small prisoner of war claims and a few religious organizations operating chiefly in the Pacific area, no comprehensive war damage claims act has been passed by the American Congress. I agree with many that this is a shameful neglect of our own people. S. 672, which I introduced, makes ample provision for the payment of all proper American war damage claims.

Notwithstanding the use of over $295 million of the vested assets by our own Government, the State Department opened an avenue for the payment of American war damage claims and the return in value of all the vested assets. The payments may be financed through the remittances made to us by Germany and Japan in the settlement of our postwar loans and grants to those countries. This is advantageous to us for two reasons, namely, (a) it makes additional appropriations with a resulting increase in our tax burden unnecessary; and (b) by our payment of the American war damage claims we will fix the exact amount of our total war damages so that when a peace treaty settlement is made with Germany, our negotiators will then know precisely how much in war damages is chargeable against Germany.

Such a method of payment of war claims and return of vested assets was initiated by the State and Justice Departments in presenting draft bill S. 2227, though payments in that bill were in each instance limited to $10,000. No one has been able to answer satisfactorily why it is just to return $10,000 and confiscate the balance of any vested account. That concept employed by S. 2227 was extended in the provisions of S. 672 to provide for full return and to make full payments so that no fresh appropriation will be required.

SUMMARIZATION "THOU SHALT NOT STEAL"

To summarize a few of the important reasons why the United States should make a full return in kind or its reasonable value of all assets vested in wartime and subsequent vestings and also make full payment of American war damage claims, I believe:

1. That our foreign-aid programs since the close of World War II will have been useless should we adopt a policy of confiscation which becomes a denial of the principles of the free world.

2. That our enormous national defense spending which bids fair to continue indefinitely at such an enormous rate with its crushing tax burden upon us all will have been in vain unless the fundamental concepts of the free nations are continued unimpaired.

3. That our tremendous private and governmental investments will be imperiled by our adoption of a policy of confiscation; hence it is essential in our own national self-interest to effectuate returns of privately owned properties or their proceeds without delay;

4. That every reason in good morals and justice exists why we should finance the payments now of all legitimate American war damage claims. No reason exists why the United States should provide funds for others and other nations so they may pay their own damages, and we continue to neglect the rightful demands of our own citizens.

In conclusion the question is asked—Why have we done all these things since the close of World War II? We have done them in the interest of our free way of life. We have done them in an effort to extend the principles of freedom, representative democracy, and the blessings of liberty to other nations and peoples. Confiscation is a barbaric relic of the Dark Ages. If we would have others do right by us, we must do right by them. Should we turn back the pages of history and embark now, at such peril

to our own interests, upon a vicious program of confiscation? To me, enduring and fundamental principles are at stake. They demand positive and right action.

My actions shall be charted to the only course I know to preserve those principles which have made us the greatest nation on earth today. To do otherwise, I would betray the past, endanger the present, and imperil the future of my country. To do otherwise, I would "covet my neighbor's property," and history could convict me of violating a cherished commandment, "Thou shalt not steal."

THE AMERICAN FARM PARADOX

Mr. PROXMIRE. Mr. President, Robert G. Lewis has written a highly impressive analysis of the American farm paradox for the new May issue of the Progressive magazine.

Bob Lewis was until 2 weeks ago my administrative assistant. He did a tremendously fine job in my office in every way. He left my office, to my very great regret, to become special agricultural coordinator for the Governor of Wisconsin, Gaylord Nelson.

In my judgment no one is better qualified than is Bob Lewis to write on the subject of this analysis. He writes from an immensely well-documented understanding, and he writes with brilliant clarity and perception.

Mr. Lewis not only points out that Benson has spent more of the taxpayer's money than all other Secretaries of Agriculture combined and with just about the poorest results, but also shows exactly how the course of present agricultural policies will lead to further and further devastation of the American family farmer. Mr. Lewis points out that ever lower farm income and prices will eventually curb excessive production but only after either, first, farmers' incomes become so low that they have no money to invest in technological improvements to cut their production costs, increase their efficiency, and so boost overall farm production enough to keep up with or ahead of population growth—and this is not only a low, deprivation level; it is a terrible cost in lost efficiency for our economy; or second, American farm products move into aggressive competition in world trade, to the devastation of the economies of our allies, such as Canada.

Mr. President, Bob Lewis talks sense in urging the concern of all Americans who cherish our free political institutions to work to preserve the family farm as the kind of free economic institution on which our free political system is based.

I ask unanimous consent that the article by Mr. Lewis be printed in the body of the RECORD following these remarks.

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

THE POVERTY OF ABUNDANCE

(By Robert G. Lewis)

Ezra Taft Benson has spent more money in 6 years as Secretary of Agriculture than the combined outlays of all the previous Secretaries who have held the post since it was created 97 years ago.

If he stays on in the Cabinet—which seems probable—and if he continues to spend public money at the present rate—which appears inevitable—Secretary Benson's total expenditures in 8 years will be well on the way to doubling everything that has gone before. The Library of Congress recently totaled up the public expenditures of Secretary Benson's predecessors all the way back to 1862. The total came to $27.6 billion. Benson's total spending bill will reach $31 billion at the end of the fiscal year on June 30, and he's still going strong.

The current estimate of Federal expenditures for agriculture in fiscal year 1959 is $6.9 billion. In 1951, total expenditures amounted to only $650 million—less than a tenth as much.

Ezra Taft Benson as a profligate spender does not jibe at all with the image of the man that is commonly fixed in the public mind. It is one of the bewildering ironies of our time that Benson's record should be at such extreme variance from the picture of conservative, thrifty, almost parsimonious regard for the taxpayer's comfort which is projected upon the public screen by his personality, his speeches—and his public relations.

The budgetary term "expenditures" is a poor measure of the cost of the farm program to the public particularly when used in short-term comparisons. It represents gross outlays by the Department during the year, without reflecting anticipated recovery of funds, repayable loans, expenditures properly chargeable against other years' operations, large amounts expended for foreign aid, and many millions of dollars spent for services to the public and other Government agencies.

President Eisenhower himself was the first to employ this distortion in talking of farm program costs, and he has persisted in doing so. In fact, he turns the implicit misconception into explicit misinformation: repeatedly he has referred to Agriculture budget expenditures as accounting for half or so of farmers' total net income, which has been running at $13 billion and under per year recently.

The true picture of net losses to the Government on farm price support operations is startling enough. Losses last year alone amounted to almost $1.1 billion—more than the total for the entire 20 years under the administrations of Presidents Roosevelt and Truman. By June 30 the total value of farm surpluses in Government hands will amount to about $9 billion—more than six times as much as in 1953. The size of the surplus and the amount of price support losses will grow even more next year.

Compounding the ironic paradox of Benson's record is the bitterness of the farmers' resentment. In normally Republican strongholds of the Corn Belt and the Great Plains States, where Republicans enjoyed almost a total monopoly on House and Senate seats when Benson took office in 1953, the Democratic tide has now swept well beyond half way toward a complete reversal of the "solid Republican" tradition.

The dimensions of the farm income problem are equally startling. The realized net incomes of farm operators in 1958 is estimated at $13 billion; although higher than last year, this is 21 percent less than in 1951, and the Department of Agriculture predicts a further decline of 5 to 10 percent in 1959. The long decline in farmers' incomes has run counter to the rest of the economy. Total national income rose 27 percent from 1951 to 1958, and total nonfarm personal incomes climbed 43 percent.

To compare farm income with itself does not adequately answer the question of equity. The total per capita income of farm families—both from farming and nonfarm sources—averaged 56 percent of the average for nonfarm families in 1951. In 1957 there were 3,330,000 fewer persons living on farms, but their average per capita incomes dropped to only 46 percent of the nonfarm average.

Nor can the disparity in returns to farmers be explained away as a consequence of millions of unproductive, inefficient, and submarginal small farmers dragging down the overall average. There are millions of people with low incomes in the general population too—the unemployed, the nonemployable, relief cases, old age pensioners, the poorly paid household workers, and millions of low-wage unorganized workers in industry, service trades, offices, and retailing.

The fact is that substantial, competent, skilled, and efficient farm operators are receiving returns far too low to compensate them adequately for their labor, management skill, capital investment, and risk. The Agricultural Research Service of the U.S. Department of Agriculture reports that after allowing a charge for capital at the current interest rate on farm mortgages, Corn Belt grain farmers, with an average investment of $100,000 in 233 acres of land and other farm capital, received only 66 cents an hour as a return on labor of the farm operator and his family in 1957.

How can this drastic decline in the fortunes of the farmer be squared with the awoved aim of the present administration to free him and to strengthen his standing in the American economy?

The perplexing and dismaying predicament into which the Eisenhower administration's agricultural affairs have fallen is the consequence of its attempt to face two ways at once on farm policy.

One face is turned toward conservative orthodoxy. It evokes an image or stern determination to cut out this farm "subsidy" nonsense, to free the farmer from Federal regimentation, and to straighten out once and for all the "mess" that 20 years of Democratic "meddling" brought upon American agriculture.

The other face is turned toward the farmers—with an eye cocked at farm belt ballot boxes.

In his 1952 Presidential campaign, General Eisenhower declared for "not merely 90 percent of parity—but full parity." The Associated Press described at length the promised "plan which he said would guarantee present price supports for another 2 years and then would lead to higher prices for the farmers."

In 1956, the President redoubled his bid for the farmers' favor. "Ahead," he promised, lies "full income parity," which he defined as the farmers' "full share in our country's good times." The "full income parity" promised in 1956 was almost exactly double the 100 percent of price parity promised in 1952. Farm prices actually averaged 100 percent of parity in 1952, but farmers' incomes reached only 52 percent of parity with nonfarmers.

Earnest assurances were echoed in the interim by Secretary Benson. "The retreat of farm prices and incomes * * * seems to have been stopped a few short months after we took office," he told the National Grange in November 1953. A year later he told the Farm Bureau, "We are headed in the right direction at last." Another 2 years and he was assuring a feed dealers' convention that "The downward slide in prices * * * has been checked. Yes, we are on the right track, and we are going to stay on it."

Yet at the end of 1958, farm prices averaged only 80 percent of parity—a measure of constant purchasing power. This is the lowest since the years before World War II.

The administration's ambivalent farm policy posture has proved impossible to manage. The grotesque twin-headed policy has wandered sidewise into a deepening blind alley where it has become hopelessly mired in its own contradictions.

Secretary Benson readily fixes the blame for his difficulties—squarely on the heads of his predecessors. In his 6th year's summing-up on December 31, 1958, Benson acknowledged the continuing "serious problems which," he said, "have been developing from the old, unsound programs."

However, an objective review by the Library of Congress disclosed that the Eisenhower administration has received from Congress close to everything it has requested in farm legislation. Democrats and Farm Belt Republicans have complained noisily, but not a single major administration proposal has been turned down.

The truth is that the Administration has never proposed a fundamental correction of the shortcomings of the farm program that it inherited from the Democrats in 1953.

Under this program, market prices for a limited number of farm commodities were "supported." The Government offered loans at 90 percent of the parity price to producers who would agree to store their crops and hold them off the market. If market prices rose above 90 percent of parity, the farmer could pay off his loan and sell his products. If not, the Government took possession of the stored commodities in full satisfaction of the loan.

Some commodities—including cheese, butter, dried milk—were "supported" by outright purchase at the 90 percent of parity price.

The fatal inadequacies of the rigid 90 percent of parity program were sharply accented by the gigantic crop of 1948. The law permitted only six "basic" crops—corn, cotton, wheat, rice, tobacco, and peanuts—to be brought under any form of control on output. Acreage diverted from basic crops was certain to be shifted immediately to others. The big feed supply soon marched to market—on the hoof, in the milk can, in the egg case and chicken crate. There was no way to protect the tumbling markets save an out-pouring of Federal funds to buy livestock products and other nonbasics.

This does not mean that, inadequate as it was for an orderly, comprehensive job, the narrowly based rigid supports program was altogether ineffective. Calculations indicate that the farm food product price level would have fallen some 50 percent between 1951 and 1955, instead of the 20 percent that actually occurred, if the Government had not been accumulating stocks under this program.

The ambitious Brannan plan proposals were advanced by the Truman administration early in 1949 to cope with the impending collapse of the rigid 90 percent of parity program. It provided for three main reforms:

One. Full coverage for a broader range of commodities than the six "basics," to extend protection to a more realistic cross section of agriculture, and to cope with the tendency to shift acreage from basic crops to others.

Two. A wider and more flexible choice of methods of support, including direct payments to farmers.

Three. Authorization to apply effective measures for controlling production of any supported commodity in rough conformity to demand.

The Korean war temporarily masked the long-range shortcomings of the rigid 90 percent of parity support program. But as the wartime surge in demand faded, they reappeared with increased force. Farm prices plunged sharply below 100 percent of parity beginning late in 1952.

Despite the forewarnings, the Eisenhower administration's farm policy was bound by the President's campaign-time endorsement of rigid 90-percent supports. "And here and now, without any 'ifs' or 'buts,' I say to you that I stand behind—and the Republican Party stands behind—the support laws now on the books," General Eisenhower had declared at Kasson, Minn., adding: "These price supports are only fair to the farmer to underwrite the exceptional risk he is now taking."

The liabilities of the rigid support system mounted swiftly, in the form of heavy outlays for surplus stocks acquired by the Government. Marketing quota controls were imposed with maximum severity, but the land and other resources forced out of production of basic crops were simply shifted to others. Farm income slumped severely.

In 1954 the 2-year commitment to rigid supports endorsed by the campaigning General Eisenhower expired. The burden of surplus stocks was already embarrassing, and its future dimensions were foreseeable. The political revolt against Republicanism was already running strong in the farm belt.

In direct contradiction of Eisenhower's specific campaign pledge to give other crops "the same protection now available to the basics." Secretary Benson used his discretionary authority to reduce prices of nonbasic crops at every opportunity. And in 1954 the President asked Congress to activate the sliding scale system of supports originated in 1948 by the Republican 80th Congress but repeatedly withheld from operation by subsequent Congresses.

The sliding scale system was based on a theory that cutting farm prices would result in lower production and increased markets. Farmers were assured that the downward slide in basic commodity prices would allow the surpluses to be absorbed, whereupon prices would rise in a market free from Government controls.

Few farmers believed the promise of better times through lower prices, but the administration's claque of theorists and publicists happily embraced the illusion of relief from heavy Government farm program costs. The illusion persisted with remarkable durability, although Government costs continued to mount, controls on farmers were tightened more than ever, and farm prices skidded dizzily.

The only important discrepancy between what the administration has asked and Congress has given in the way of farm legislation occurred in the 1954 sliding scale law. The administration wanted authority to cut price supports all the way from 90 to 75 percent of parity the first year—in 1955. Congress demurred, allowing farmers 2 years to absorb the full shock of the one-sixth slash in gross incomes.

Benson still harks back to the halfway stopper on the sliding scale's action in 1955 as his prize example of congressional obstinacy against doing right.

But under the campaign-time guns of 1956, President Eisenhower overruled the price support rates set by Benson under the new sliding scale law, and boosted them back approximately to the midpoint set by Congress for the year before. What had been too much too soon for Congress in 1955 was too much too soon for the Republican National Committee 1 year later.

Administration farm planners approached the 1956 presidential election in near panic. Hog prices crashed to depression levels in December 1955—to only 50 percent of parity. Republican farm belt politicians prevailed at last in the White House. Something had to be done.

The soil bank was the major product of political panic in 1956. During the 1955 session congressional soil bank plans were flatly rejected by the administration. As late as 3 months before the President's annual farm message, top officials were still publicly opposing the scheme.

But in January 1956, the President recommended to Congress that farmers be paid if they would leave part of their cropland unplanted or if the crop thereon, if any, shall be plowed under or otherwise physically incorporated into the soil.

This was a drastic reversion to the emergency policies of 1933. The Republican soil bank engendered a mighty effort at reshuffling the conservative rhetoric that had been directed for a quarter century against this kind of thing. In a speech at the National Farm Institute in Des Moines, Iowa, on February 17, 1956, Secretary Benson said:

"Destroying food in a day when there are millions who suffer from malnutrition is just neither Christian nor American. You remember the public outcries against the killing of little pigs in the thirties, the pouring of kerosene over millions of bushels of potatoes in the forties. * * *

"There is one other way, the only sound way yet devised. It is the heart of the administration's new provisions for a broadened farm program * * * the soil bank. * * *"

Conceived as a forthright, massive, and expensive effort to curb farm output, the soil bank did not live up to expectations. In 3 years' time, farmers were paid more than $1½ billion to destroy or not plant their crops. Farmers were paid from half to three-quarters of market prices for not producing crops.

The gigantic tide of Government payments pumped millions of badly needed dollars into farmers' pockets. But it failed to solve the farm problem, and passed unmourned into history last year.

With the soil bank busted and all in conspicuous shambles, administration doctrine has now retreated all the way back to the comforting convention of the pre-New Deal era: the marketplace should regulate agriculture. Price supports should be reduced until they do not artificially support prices, and the parity concept itself should be discarded. This, in essence, is the heart of the President's and Secretary's recommendations to the present Congress.

The administration scored a signal advance toward its now-acknowledged goal in 1958, and it furnishes a crowning example of the breathtaking contradictions that have characterized Benson's stewardship.

Corngrowers were offered the choice of higher supports this year than were available to producers last year, combined with wide-open abandonment of all controls on planting, versus the old, weakened program of feeble controls and faint supports. Not surprisingly, farmers voted 3 to 1 for the short run advantage; they were willing to settle for 1 big year at Uncle Sam's expense, and let the Democrats clean up after the ball.

Benson designed and lobbied for the bill, and praised it as "steps in the right direction." It is marching the Nation straight to a final extravaganza of spending and surplus that will dwarf everything that has gone before.

Last year's corn crop was an alltime record; Department of Agriculture crop reporters foresee a staggering 12-percent boost above that in 1959. Farmers are pulling out their fences and planting corn from boundary to boundary.

Both the Republican administration and the Democratic opposition share the blame for the lack of realism and logic in our farm policies. There has been little effort in the political debate on the farm issue to define the real choices that confront us, and the hard facts that delimit them. Administrative action has stood infirmly upon serious misconceptions as to the nature of our agricultural economy, the range of choices open to us, and the real consequences of the alternatives. All too often the opposition has contented itself with pointing out the incongruities as they appeared.

The primary characteristic of the agricultural economy that sets it apart from all other major industries and furnishes the basic cause of the farm problem is the remarkable lack of variation from year to year in the total resources employed in farm pro-

duction. Farmers simply put every resource at their command into an annual effort for maximum production, regardless of price and income consequence. During the period 1920 to 1950 the index of total inputs in agriculture moved within the narrow range of 100 to 110 and showed no discernible trend.

It is really not surprising that farmers should put all their available resources—of labor, land, machinery, livestock, and capital—into each year's production effort. Farmers are generally hard pressed for money, and their motive is to produce as much as they can to increase their income. Individual farmers are the decisionmaking unit, and the individual farmer can have no perceptible influence upon total supply and prices by withholding his resources; he has no bargaining power. Nor can farm resources be shifted readily to nonfarm uses. If the farmer himself gets another job in town, his land and other productive resources will be sold or rented to another farmer. The farmer has little choice, if he wants to improve his income, but to buckle down and work as hard as he can on the farm. For these reasons, the full farm resources of each farm are almost certain to remain in the farm production race.

The lack of long-term variation in total agricultural inputs is a result of the relatively constant acreage of farmland and the farmers' urge to produce as much as he possibly can. Barely enough new farmland has been developed, particularly since 1920, to offset the requirements for suburban growth, highways, airports, and other nonfarm uses. As new, more efficient technology makes it possible for farmers to cut down on the amounts of some kinds of farm inputs, other types of inputs are substituted. For example, the total labor used in all farmwork held almost constant at 23 billion man-hours per year from 1910 through 1935, then declined sharply by nearly 40 percent by 1957. But the increased employment of capital by farmers just about offset the declining use of labor in agriculture to hold the total resources used almost constant.

The dynamic man-made variable in agriculture that accounts for the long-run expansion of American farm production is technological advance—increased output per unit of input. Willard W. Cochrane, professor of agricultural economics at the University of Minnesota and president-elect of the American Farm Economics Association, says: "This rate of increase (in farm production) must be ascribed to technological advance; there is nothing else to ascribe it to. * * * Farm operators generally have adopted a wide range of new and improved production methods, improved plant varieties, improved breeds of livestock, improved sanitation practices, the general-purpose tractor, and endless machine hookups; new methods of insect and pest control, supplementary irrigation, new views on fertilizer application, improved feeding practices, and so on."

Technological advance depends upon two principal factors: The availability to farmers of improved techniques, and their ability to adopt them. There is a considerable backlog of improved techniques not yet universally applied by farmers. The effective limiting factor is more generally the ability of farmers to adopt the improved technology they know about, and this limit is the available capital for investing in the new machinery, breeding stock, and production supplies. When farm prices and incomes are poor, technological advance is slow or nonexistent; when prices and incomes are good it has been rapid.

The readiness of farmers to adopt technological advances has enormously important and often overlooked implications for farm policy. Farmers are undoubtedly the most persistent savers in our society. Young farmers manage to squeeze money for farm improvements out of meager incomes amounting to 50 cents to a dollar an hour on their labor, at the cost of severe deprivation of their family living standard. As they grow older, the habit lingers. It is almost universally true that the farmer's cows will have running water in the barn before his wife gets it in the house. To suppose the farmer's wife resents this would betray a city dweller's lack of understanding; a farm wife is aware that running water for the cows is a capital investment which will increase family income, while running water in the kitchen is primarily a consumption expenditure.

Technological advance in agriculture is grossly exaggerated by extraordinary surges in demand such as those of the wartime and international famine emergencies in the 1940's. The National Government pleaded that farmers expand production to the maximum possible limits. Farm prices rose sharply in response to the increased market demand—which certainly represented genuine social needs. Just as promptly, farmers plowed back much of their added income into technological advances. When the unusual demands tapered off, the expanded U.S. farm plant could not be scaled down accordingly. And the Government inherited a share of the responsibility for adjusting the farmer to the declining market demand.

Maintained by a steady level of inputs and given a persistent upward thrust by technological advances, farm products pour out of the American fields and pastures in a steadily rising flood, in peace and war, good times and bad, high prices and low, fair weather and foul. Farmers shift their production from one commodity to others in response to changes in price and other factors, but their aggregate output, individual and total, is invariably the most they can produce. In the first half of this century, total farm output increased by an average of 2 percent per year; adjusted for abnormal weather, no year's output varied by more than 4 percent from the year before. Technological advance is a hand on the throttle of farm production, but it is a hand that can only hold still or push ahead; productive steam, once turned into the farm economy, cannot be shut off by any device yet applied.

Manufacturing production varies much more sharply. In contrast to the comparable maximum year-to-year change of 4 percent in farm production, U.S. manufacturing production decline 17, 18, and 23 percent below the preceding year in each of the depression years of 1930, 1931, and 1932. The cumulative drop in annual manufacturing output in the 3 years was 48 percent; farm output increased 3 percent in the same period. On the economic upswing, manufacturing output jumped 46 percent in just 2 years after Pearl Harbor, while farm output gained only 9 percent.

The demand side of the farm economy is approximately as stable as the supply side. For one thing, the dimensions of the human stomach do not change from day to day, year to year, or even from generation to generation. Over the past 50 years Americans have consumed close to 1,565 pounds of food per capita each year.

However, this does not mean that per capita consumption of farm resources has not increased. Consumption of more expensive, high resource-using foods has increased sharply as average family incomes have risen. Since 1919 consumption of meats rose 24 percent, and dairy products exclusive of butter by 31 percent. At the same time, consumption of such low-resource-using foods as potatoes dropped 46 percent and of flour and cereals by 26 percent.

Thus the rising American standard of living has increased the per capita market for farm resources. Less grain is consumed directly by humans; more is fed to livestock to produce more expensive foods. But there is evidence that this manner of expanding the market for farm output is approaching its limit. A study of family food consumption by income groups made by the U.S. Department of Agriculture in 1955 shows that some 60 percent of the total U.S. population has already achieved a standard of living beyond which further increases in income will have little effect upon consumption of farm food resources.

This leaves population growth as the major expander of domestic food consumption. U.S. population is currently expanding at an annual rate of about 1.8 percent. This corresponds to an average annual increase of slightly more than 2 percent in farm output since 1950. The tiny, fractional margin by which supply—generated by technological advance in agriculture—outruns and stays ahead of a rising level of domestic civilian demand fed mainly by population increase, is the basic key to the American farm problem.

Small as the true annual farm surplus may be, it is extremely significant in relation to farm prices and incomes, because the aggregate domestic demand for food is severely inelastic. Just as the study of food consumption patterns showed that additional family income results in little qualitative and quantitative change in food purchases by most families, so it is with retail food prices. Consumers shift their food buying from one product to another when specific prices change, but tend to maintain a stable standard of diet. And as more lower-income families rise above the diet-improving range of incomes, the demand for farm food products can be expected to become increasingly inelastic.

Professor Cochrane, who has made particularly enterprising studies of the supply and demand elasticities for food, calculates that the demand elasticity for food at retail under contemporary conditions is so small that an increase of 2 percent in the supply of food will drive retail food prices down by 10 percent. But this is not the worst of it from the farmer's standpoint. Farmers are now getting only 40 cents of the consumer's food dollar. The costs and profits which account for the other 60 cents are not affected; they have climbed substantially throughout the recent period of falling farm prices. The entire 10 percent drop in retail prices must come out of the farmer's 40 cents; in other words, prices farmers receive will drop 25 percent.

This, then, is the economic dilemma of American agriculture. The picture is almost unique in our present-day economy. Farm prices are fashioned by the interaction of an unmanaged, ever-burgeoning supply countered by severely inelastic demand, with technological advance characteristically outrunning population growth. As a result, farm prices and farmers' incomes are subject to chronic depression, relieved only by intermittent surges in demand arising from war or other unusual circumstances.

The administration's confused attempts to achieve an automatic rationalization of the farm problem by resorting to the antiquated law of supply and demand have been completely inadequate to cope with the powerful forces at work.

The sliding scale was ineffective in discouraging production; controls on the basics were effective in shunting the surplus problem from one group of commodities to others, but did nothing to cope with the overall farm price decline. Prices settled quickly and rested on the reduced supports; the sliding scale proved to be equally as rigid as 90 percent of parity—but at a lower price level.

Even the massive soil bank plan foundered on one of the simple verities of farm economics: It limited only one of the inputs available for farm production—land. Undiminished total quantities of labor, machinery, fertilizer, and other farm inputs

were applied to the reduced acreage, resulting in increased yields per acre.

Moreover, there was little genuine will on the part either of farmers or of the administrators to make it truly effective. Many millions of dollars were paid to destroy crops that were already dead—killed by drought and frost and flood. Much of the acreage put into the soil bank was far less productive than claimed; the poorest acres went in first. Loose administration and the lack of identification of the soil bank with a genuine will and realistic complementary programs to raise and maintain farm prices were translated into extremely poor morale among the farmers who participated.

The proposal now favored by the administration—to abandon parity and fix supports at 75 to 90 percent of the average market price of the preceding 3 years—can afford no more immediate relief than the earlier switch from rigid 90 percent of parity supports to the sliding scale. Moreover, it could not be enacted in time to apply to any crops earlier than 1960.

Under the new proposal, farm prices would drop by as much as 25 percent in the first year, tapering off to about 3 to 8 percent a year. But farm output would not be restrained nor demand importantly increased nor large governmental outlays avoided until farm prices had descended to drastic limits.

One limit would be the point at which farmers' incomes became so low that they had no money to invest in technological improvements to cut their production costs, increase their efficiency, and so boost overall farm production enough to keep up with or ahead of population growth. This is very low indeed and measures extreme deprivation.

Another limit is the point at which American farm products would move into aggressive competition in world trade. In many respects this represents a dangerous route; a sharp break in world wheat prices would gravely undermine the economies of such allies as Canada, for example. And many smaller countries whose internal stability depends heavily upon the proceeds from relatively small exports of agricultural and other raw materials might be endangered by large-scale American exports.

Long before any such drastic limits are reached, the more pragmatic limit of political toleration will assert itself on behalf of the badgered taxpayer and the bedeviled farmer, to demand rational and economic management of the American people's stake in agriculture.

INVASION OF PANAMA

Mr. SMATHERS. Mr. President, this morning's newspapers contained some very disturbing news about invasion forces which originated from Cuba having been successful in landing on the shores of Panama, and already being in control of one of the small villages of 500 people there.

Mr. President, on April 15, on the floor of the Senate, I predicted that this kind of action would take place, and I urged that the United States through its representative to quickly advocate the creation of a police force under the jurisdiction of the Organization of American States to stop this kind of aggression from one country against another country in Central and South America. Unfortunately, the idea did not get very far.

As we read the story in the newspapers this morning, we can conclude that there is a sizable force, and that the invaders mean business. People on both sides are already being shot and killed. I think we can understand the importance of trying to formulate immediately some policy whereby we can stop this unwarranted aggression against Panama.

Mr. President, this morning by telephone, I talked to the President of Panama, Ernesto de la Guardia. He is a very fine, democratic gentleman, who attended Brown University in the United States. President de la Guardia is, in fact, a great believer in democratic principles and has run a thoroughly democratic government in Panama since he became President. When we observe these invading forces coming from Cuba, it can no longer be said that they are seeking to overthrow a government which is ruled by a dictatorship, since there has been in Panama, under Ernesto de la Guardia, one of the most democratic governments ever found anywhere in Central or South America.

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

Mr. SMATHERS. I am happy to yield to the distinguished chairman of the Subcommittee on American Republics Affairs of the Committee on Foreign Relations.

Mr. MORSE. As the Senator from Florida knows, I have stood shoulder to shoulder with him in every position he has taken this year, and last year also, with regard to the Latin American problems. The Senator from Florida is as well versed on those problems as any Member of the Senate, and I desire to associate myself with his remarks.

It is about time that we should take a long, hard look at the source from which this kind of agitation is coming in Latin America.

Mr. SMATHERS. I thank the able Senator from Oregon for his remarks and compliment him on his interest and approach to this vital area of this world.

Mr. President, during my conversation with the President of Panama this morning he stated, "Let us not kid ourselves into believing that this is just a group of adventurers from our own country or even from Cuba. These people are mostly Cubans but directed by and led by militant Communists. Their ambition is the long stated one of taking over the Panama Canal. The leaders of the invading forces really desire to put a squeeze on the United States of America.

Mr. President, I think the time has come when the U.S. Government can no longer afford to let this kind of situation develop, for eventually we may have to take possibly more drastic action than would be necessary if we took meaningful action today.

The Organization of American States is meeting this afternoon at 12:30. At that meeting I understand the Organization is going to invoke article VI of the Rio Treaty, which will call for the foreign ministers of all Latin American countries to meet together and to decide forthwith what should be done. I have reason to believe that the Organization of American States may call upon the United States not simply for small arms and ammunition, which we gave to Ernesto de la Guardia's government yesterday, but may call on us for possibly the use of a destroyer or two for the purpose of intercepting new invading forces—now reported en route from Cuba to Panama. These ships would not be representing the United States but the OAS. I think the time has come for us to follow such a firm program and to cooperate with the Organization of American States in organizing a Western Hemisphere police force to keep the peace. Let us give them the help which they need now, including the arms and destroyers necessary to stop unjustified invasions and aggressions. If we, the members of the OAS, do not stop this invasion now, Mr. President, I regretfully predict that in the next 2 or 3 months it will come to haunt us as nothing has haunted us since the Communists under Dictator Arbenz took over Guatemala. This is even a worse situation in Panama. We have a large stake in Panama and in the Panama Canal. Mr. President, perhaps this invasion of the Republic of Panama is not approved by Fidel Castro, Prime Minister of Cuba. I do not think they are. But, apparently Raul Castro has some interest in this. These invaders are known Communists. They are now seeking to destroy and take over democratic governments now existing in Central America. The United States had better wake up and adopt a firm and realistic policy, or we will live to regret our indecision, our soft shoe policy.

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

Mr. SMATHERS. I yield.

Mr. MORSE. Let me make two points very quickly.

On the basis of such information as I have in my position in the Foreign Relation Committee, I am very fearful that these are Communist-dominated agitations and invasions.

Second, I am very much concerned about communism in Cuba. I am not interested in what people say in speeches. I have asked the State Department for a copy of a speech which the brother of Fidel Castro made not so long ago in Cuba. It was one of the most bitter denunciations of the United States that could be imagined. In my judgment, he followed the straight Communist line in his speech. I think we had better take a look at the situation before it is too late.

Mr. SMATHERS. He made that speech at the University of Havana at the same time Fidel Castro was visiting Princeton University and making a somewhat pro-American speech.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. SMATHERS. I yield.

Mr. JAVITS. I should like to say to the Senator from Florida that I thoroughly approve of the United States putting itself at the disposition of the Organization of American States.

As I understand the Senator, it is not his desire or intention that we should participate unilaterally, but it is his intention that if the organized conscience of the Americas asks for our aid, we will give all the aid possible to carry out the mandate.

Mr. SMATHERS. The Senator is correct. As usual, with his decisive mind and precise speech he states principles I want to state, better than I can state them. The point he has made is exactly what I was trying to say. We must not act unilaterally, but we must act with the OAS in giving immediate assistance to the democratic government of Panama.

I am informed by the President of Panama that there are two more invasion ships on the way from Cuba, and that he has no means of repulsing them. If there is an uprising in the city, led by Communists operating from the inside and the Government of Panama is compelled to draw the few troops it has from the mountains and bring them to the city, that means that the city becomes an isolated fortress, and one end of the Panama Canal is completely exposed, and from that point on no one knows exactly what will happen.

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

Mr. SMATHERS. I yield.

Mr. MANSFIELD. I am delighted that the distinguished Senator from Florida is emphasizing the importance of the Organization of American States. I express the hope that in some way we can bring about a strengthening of that organization, so that in the case of Panama, as has happened over the decades in the past throughout Latin America, it could be in a position effectively to intervene. I do not mean in a physical sense, but in the way in which it intervened in Honduras not so long ago, to bring about an amelioration and settlement of the situation in that troubled Republic.

So I express the hope that we may strengthen, as much as possible, the arrangement under which the Organization of American States operates. I hope that at the earliest opportunity Canada may occupy the vacant chair, long awaiting her, so that we may have a real hemisphere organization, comprising all the countries in this part of the world.

Mr. SMATHERS. I thank the able Senator from Montana.

If we establish a police force for the Western Hemisphere, in my judgment it will mean a great benefit to all the Central and South American countries. They are fearful that they may be invaded by some unfriendly country which is now their neighbor. Therefore they have to devote a very large share of their budgets to military expenditures.

If we can once establish an Organization of American States police force, and bring about such a situation that each country will know that such police force will be available to it should it be under attack, it will mean that each of the countries, instead of spending more than half of its budget in building military defenses, will be able to divert a great deal more of its money into economic development, better roads, schools, and constructive things of that nature.

There is a great deal of virtue in the idea of a police force for American States.

Let me say to the distinguished occupant of the chair, the Vice President of the United States, that I endeavored to call the White House this morning and talk with the President about this dangerous situation, developing throughout the Caribbean area. As I understand, he was busy having a conference with Republican leaders. However, I was able to tell one of his assistants about this idea of an OAS police force for keeping the peace and to urge him to give leadership at this particular time, to see if we cannot establish the police force as a fact, not only with respect to aid to Panama and the other helpless countries of Central America but, in the long run, to bring about a quicker, more constructive development of Latin America.

Mr. JOHNSON of Texas. Mr. President, I wish to commend the able Senator from Florida for his industry and intelligence in this entire field. He has been one of the leaders in bringing to the attention of the Congress from time to time the problems in this hemisphere and the solutions to such problems.

Only a few days ago I expressed to the Senator my grave concern over the situation to which he refers today. I think he has rendered a great and constructive service by bringing this problem to the attention of the Senate and the American people. I certainly hope that careful consideration will be given immediately to the suggestions he has made.

Mr. SMATHERS. I thank the able majority leader for his generous comments. He has long been interested in this entire area and is highly regarded by the people of Latin America for his continued efforts in their behalf.

NOMINATION OF MRS. CLARE BOOTHE LUCE TO BE AMBASSADOR TO BRAZIL

Mr. DIRKSEN. Mr. President, in view of the policy luncheon which is held every week on this side, I wish to take a few moments to say something about the nomination of Clare Boothe Luce.

Mr. SPARKMAN. Mr. President, will the Senator yield? If the Senator is to make a speech, I should like very much to insert something in the RECORD.

Mr. DIRKSEN. I shall require only about 4 minutes. I will not trespass too long upon the time of the Senate.

Mr. President, I once asked Bob Taft why he ever voted for the confirmation of the nomination of Dean Acheson to be Secretary of State. I said, "Your views are diametrically opposed." His answer was that, so long as the nominee was a man of character and of reasonable competence and reasonable qualifications, the President was entitled to have whomever he wanted, so he supported that nomination.

The President has indicated that he wants Clare Boothe Luce to serve as our Ambassador to Brazil. Unless she is impeached on grounds of character, competence, or qualification, I believe every Member of the Senate ought to support the nomination.

The first question is, Is she a person of character? All I know is that 22 Members of the Senate served with Clare Boothe Luce in the 78th and 79th Congresses, including the majority leader, the minority leader, the very distinguished assistant majority leader, the Senator from Montana [Mr. MANSFIELD], the chairman of the Foreign Relations Committee [Mr. FULBRIGHT], the chairman of the Committee on Banking and Currency [Mr. ROBERTSON], the chairman of the Committee on Interstate and Foreign Commere [Mr. MAGNUSON], the chairman of the Joint Committee on Atomic Energy [Mr. ANDERSON], and many others. There are 14 Democratic Members of the Senate and 8 Republican Members in this Congress who served with Clare Boothe Luce, and who know her.

It is not a question of testimony. It is not a question of hearsay. It is a question of what we know. We know her to be a person of character, and we know her to be a person of competence.

Who will deny her competence, in the field of journalism, the field of art, the dramatic field, lecturing, publishing, and so on? I believe that her competence in those fields and her experiences in Italy conjoin to indicate what an excellent background she has in almost every field of human enterprise. I believe that such a background is fruitful, indeed, in fashioning the capacity to adjudge facts and conditions, which capacity would serve her well as a representative of this country in Brazil.

In our search for competence, I think we too often assume that in the diplomatic field one must have broad business experience. That may be so in some cases, but I would make an exception of Brazil. In Brazil the people set great store by everything in the cultural field and in the field of performance talents. I was in Brazil when the symphony orchestra stopped in the middle of its performance because a very distinguished American soprano sang off half a note. If anything indicates the high state of cultural appreciation in Brazil, that would certainly do it. Mrs. Luce's cultural background and talents would appeal particularly to this, the largest of the Latin-American countries; and it would help her immeasurably in serving as our representative there.

Why is she opposed? Because of a remark about Franklin Roosevelt or Harry Truman? Who has not said such things in past campaigns? I came to Washington with Franklin Roosevelt in 1933. I was here all through his administrations, and also through the Truman administration. I know the situation. I had a few things to say myself that on occasions almost scorched the paper. I wish to say for Mr. Truman that I received a letter from him yesterday. It is a wonderful letter. I had spoken about my visit to him when I left Washington because of an eye malady. I went to see him, and I told him what a great man he was. Later, when I ran for the Senate he just about took my ears off me in great fashion. [Laughter.] Everyone understood.

I said some nice things about the man of Independence, and he sent me a nice note for it. He said, "You never should

have left there. I hope we can visit soon."

We have been the best of friends no matter what has eventuated in some of the campaigns.

Therefore I say, Why thrash old straw or beat an old bag of political bones? [Laughter.] This is an entirely new matter which is before us. When I say a bag of political bones——

Mr. MORSE. Would the Senator wish to change that phrase? In my speech I referred to her as a charming lady. [Laughter.]

Mr. DIRKSEN. Not for a minute would I yield to an implication otherwise. When I spoke of a bag of bones I meant the bag of bones the senior Senator from Oregon brought before us.

Mr. HUMPHREY. I must rise to the defense of the lady.

Mr. DIRKSEN. I am referring to the old bag of political bones, these old canards.

Mr. HUMPHREY. I object. [Laughter.]

Mr. DIRKSEN. I merely wish to add a few other thoughts. In Brazil, where Clare Boothe Luce will serve as our Ambassador, the fine arts have been brought to a state of almost unequaled advancement. No country in Latin America has so many and long-established learned societies. The Brazilian Academy of Letters, modeled on the French Academy, has existed for 60 years. The Brazilian Historical and Geographical Society is the oldest of such societies on this continent, and goes back 121 years.

Diplomacy is something more than a knowledge of coffee prices and which cattle strains are best for Brazil. It is something more than imports or exports or the value of the cruzeiro. It is the art of developing good will with people and gaining their confidence.

Can that be adequately done without a sympathetic understanding of people through an appreciation of their strivings, their yearnings, their hopes, their aspirations? What was said in a political campaign is unimportant. What she can do through a common bond at the cultural level in furthering our interests and developing the best friendly relations is all important. Because she is accomplished in this field, her nomination should be unanimously confirmed.

I am addressing myself particularly to my friend, the senior Senator from Oregon, whose capacity for tolerance and forbearance and whose grace of spirit are nationally known. I hope that he will now feel that his soul has been unburdened, his conscience cleansed, and his fidelity to public duty properly discharged; so that he can now join with his colleagues in the Senate in confirming the nomination of this accomplished woman who will so capably and ably represent us in Brazil, and make unanimous her endorsement by the Senate.

Mr. SALTONSTALL. Mr. President, many persons have discussed Mrs. Luce's personality and her character and her ability to be a good diplomat. I should like to add a word. I spent several days in her office in Italy when she was our Ambassador there. I can truthfully say that, in my opinion, there never was an ambassador who has served with more efficiency and more fairness and a greater understanding of what her associates were doing in their various capacities, than Mrs. Luce. From my conference with her in the Embassy at Rome I became convinced that she knew her responsibilities and how to carry them out in the best interests of our country in its relations with Italy.

Mr. JAVITS. Mr. President, I should like to join in the debate with respect to Mrs. Luce. I, too, have had personal experience with reference to her serving as our Ambassador in Italy, and have had some opportunity to appraise the results of her service. I have also had the opportunity to be rather close to the mission of our new Ambassador, who succeeded Mrs. Luce as Ambassador to Italy, Ambassador Zellerbach. I speak from my own rather intimate knowledge of that situation, because Ambassador Zellerbach has been a personal friend of mine for a quarter of a century. The reputation and the record of the work left in Italy by Mrs. Luce is an outstanding record and is known to all.

Without in any way endeavoring to beg the question with respect to campaign statements, they stand, as Mrs. Luce has said, and there is no question about them.

I say the important evaluation is with respect to her record as our Ambassador while she served in Italy. Aside from my own personal knowledge and the results of her work, I think we can rely upon the appraisal of the Senator from Montana, the deputy majority leader [Mr. MANSFIELD], whose statement before the Committee on Foreign Relations I should like to read at this time. It is short, and appears at page 7, as follows :

> Senator MANSFIELD. Mr. Chairman, I have no questions to ask. All I want to say, for the record, is this:
>
> That we have to judge a nominee on the basis of their performances. Like the distinguished chairman of this committee, I came to the Congress the same time that the Congressman from Connecticut did. She served in the House for 2 years and made a very commendable record. There were many occasions when we were on opposite sides of the fence.
>
> She served as our Ambassador to Italy for almost 4 years, and I believe is the first woman ever appointed to represent us in a Latin country. She did it under difficulties, and I think her record there was outstanding.
>
> There are some things that some people do not get credit for, and I think perhaps not enough of the story has been told about Ambassador Luce's part in the settlement of the Trieste question, and to a lesser degree, in the settlement of the Austrian State Peace Treaty.
>
> I think that ought to be in the record.
>
> I have no questions, Mr. Chairman.

There are few Ambassadors whom the United States has sent abroad who have had greater successes, as our distinguished friend from Montana has pointed out, than the settlement of the very vexing Trieste question and the settlement of the Austrian Peace Treaty. In both of them Italy was very importantly involved; and with respect to the former it was the determining factor in the settlement of the Trieste issue.

Therefore, Mr. President, judging this matter upon the record of what an Ambassador has accomplished and what an Ambassador can accomplish in a country like Brazil, and considering, as the Senator from Montana has said, the attractiveness of a personality like that of Mrs. Luce on a people like the people of Brazil, I shall vote to confirm her nomination.

EXPANSION OF AMERICAN AID TO POLAND THROUGH POLISH-AMERICAN FOUNDATION

Mr. HUMPHREY. Mr. President, on April 10, 1959, I commented on the floor of the Senate upon the importance of strengthening American aid to Poland. I pointed out the continued close ties between the Polish and American peoples. Despite artificial obstacles which have been imposed between them, by the Communist government of Poland, our two peoples remain warm and cordial in their relationships and mutually devoted to the same ideals of liberty and sovereignty.

In my April 10 remarks, I arranged for the printing in the RECORD of the information which I had requested from the State Department with regard to programs of Polish aid, undertaken by the U.S. Government and by private sources during the period 1957 to 1959.

Today, I wish to add further facts to that picture.

I now bring to the attention of the Senate the text of a followup letter just received from the State Department which completes the narrative summary on American aid to Poland. This letter from Assistant Secretary of State William B. Macomber, Jr., sets forth the aid supplied by the United States to Poland from the end of World War II to 1956.

I submit these facts because I believe that:

(a) The Congress and the American people will be glad to have at hand a full account of the manner in which they have assisted, and very rightly so, the brave country which was the first to take up arms in the defense of liberty in World War II.

(b) I should like the Polish people, too, to have available these facts insofar as that is possible.

I know, of course, that there is gratitude in the hearts of the Polish people, because, in many contacts with Polish-American groups, there have been innumerable instances when they have told me of the devoted and appreciative expressions from the land of their fathers to the people of the United States.

MEETING UNFULFILLED NEEDS

(c) But most important, I submit this summary as an indication that the job is still undone. The needs of Poland today are vast. I hope they will be met through constructive American action.

Senators may recall that I have introduced a new bill to carry out the concept of "Food for Peace."

Contemplated in this measure is authority for the establishment of bina-

tional foundations which would use the counterpart proceeds of American food sales abroad for supporting health, education, and other worthy purposes in foreign lands.

NEED FOR A POLISH-AMERICAN FOUNDATION

I can think of no other country where I would like to see such a binational foundation established sooner than Poland—the country which has been among the first in the affection of free peoples all over the world.

A Polish-American foundation, with an outstanding binational board of directors, dedicated to the health of the Polish people, the improvement of educational opportunities for the Polish people, and other sound purposes, would be a new chapter in a history of cooperation which reaches back to the immortal contributions of Tadeusz Kosciusko and Casimir Pulaski.

Mr. President, I ask unanimous consent that the text of the letter from Mr. Macomber, dated April 22, 1959, be printed in the body of the RECORD.

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

DEPARTMENT OF STATE,
Washington, April 22, 1959.

The Honorable HUBERT H. HUMPHREY,
Chairman, Subcommittee on Reorganization and International Organizations, Committee on Government Operations, U.S. Senate.

DEAR SENATOR HUMPHREY: In accordance with your request of February 27, 1959, I am transmitting herewith the information desired by your Subcommittee on American medical assistance furnished to Poland during the period between the end of World War II and 1956. Information relating to programs conducted during the period between 1957 and 1959 and to other questions raised in your letter was sent to you in my letter of March 18, 1959.

1. Contributions by the American National Red Cross: In October 1944 the Director and Assistant Director of the American National Red Cross operation in the U.S.S.R. went to Poland to survey relief needs. They took with them $50,000 worth of basic medical supplies to expedite the initiation of a relief program. These supplies were released on a replacement basis by the Soviet Alliance of Red Cross and Red Crescent Societies. The American National Red Cross sent supplies to these societies to replace those which had been advanced for Polish relief. At the end of the war the American National Red Cross began an intensive program of assistance to Poland. Chapter-produced garments valued at more than $4,500,000 were sent to that country. The S.S. *Birka* was chartered to carry 1,200 tons of supplies, and motor vehicles to distribute them were also sent. Some of this tonnage was undoubtedly medical supplies, but precise figures are not available. By June 1, 1946, the American National Red Cross had also shipped more than 97 million surgical dressings, 9 million vitamin tablets, and large quantities of soap, medical kits, drugs, blankets, and shoes. The National Children's Fund of the American Junior Red Cross had sent 50,000 educational gift boxes, children's shoes, and cod liver oil. The total value of the assistance sent by the above date was approximately $8,400,000.

During the period from July 1, 1946, to June 30, 1947, the American National Red Cross made a grant for study in the United States to a nursing student from Poland; hospital equipment was supplied to Polish Red Cross hospitals; and chapter-produced garments and other relief supplies were furnished to the victims of floods in Poland. No figures are available, however, on the monetary value of the assistance here noted.

The value of the material assistance provided by the American National Red Cross to Poland between July 1, 1947, and June 30, 1950, was as follows: 1948—$73,937.80; 1949—$562.71; 1950—$1,528.30. There are no statistics available to indicate what percentage of these funds was used for medical assistance. Between July 1, 1950, and June 30, 1957, no material assistance was furnished to Poland by the American National Red Cross.

2. Contributions by American voluntary agencies: Between 1947 and the first quarter of 1950 the value of the medical aid furnished to Poland by American voluntary agencies totaled $326,298. The following agencies contributed to this total: American Friends Service Committee, American Jewish Joint Distribution Committee, American Relief for Poland, CARE, Church World Service, Foster Parents Plan, Mennonite Central Committee, Unitarian Service Committee, Catholic Relief Services, NCWC. No record has been found of medical aid furnished by the foregoing agencies to Poland between 1950 and 1956.

3. Contributions by foundations: Precise information is not available on the contributions of various American foundations toward medical assistance to Poland. It is known, for example, that one of the first research fellowships granted by the Rotary Foundation was awarded to a specialist in child psychology from Poland, but the value of this grant is not of record. Nor is it known to what extent other fellowships have been granted to Polish students by Rotary International. As of 1954–55, 606 fellowships had been granted to students from 57 countries, 32 of them for work in the field of medicine.

In 1946 the Rockefeller Foundation awarded a grant of $53,000 to the Institute and School of Hygiene in Warsaw for the purchase of equipment and supplies. Of this sum, $2,750 was paid during 1946, and the school continued to draw on this fund through 1949. In that year approximately $1,656 was paid; and at the end of 1949 approximately $1,849 remained unspent.

During 1948 the foundation made payments amounting to $6,153.82 to the University of Cracow School of Nursing. As of December 31, 1948, $1,329.67 remained unpaid of the sum designated for the use of this school.

The medical sciences division of the Rockefeller Foundation in 1946 awarded 52 grants-in-aid ranging from $300 to $7,500 and totaling $149,950 as assistance to institutions in 19 countries, including the University of Wroclaw, Poland. During 1946 the medical sciences division also awarded medical science fellowships to six Polish students. Information on the exact value of such fellowships is not available to the Department. Other grants-in-aid were made to schools and libraries abroad to purchase supplies and equipment. One such grant was made to the University of Warsaw to purchase apparatus and materials for a neurological clinic.

At the request of the Polish Minister of Education for help in meeting the needs of educational and scientific institutions, the Committee for Rehabilitation of Polish Science and Culture, Inc., was founded. The Rockefeller Foundation appropriated $50,000 to the committee for this purpose. The U.S. International Book Association acted for the committee in placing orders and assembling books, and UNRRA assured their prompt shipment abroad. Approximately a thousand volumes were distributed to each of the libraries of 10 institutions, including the Medical School at Gdansk and the Universities of Warsaw, Lodz, Cracow, Poznan, Torun, Wroclaw, and the Curie-Sklodowaka University at Lublin.

During 1949 the Rockefeller Foundation made 304 grants-in-aid ranging from $200 to $10,000, of which 71 were in the field of the medical sciences. Two grants in aid were made to Poland, but no information is available concerning the amount of the grants or whether they were for medical education.

The foundation paid only a negligible sum to the Institute and School of Hygiene in Warsaw during 1950, and no funds were advanced during the period 1951–55.

4. Other assistance:

In a report entitled "Foreign War Relief Operations" (H. Doc. 262, 79th Cong., 1st sess.), prepared by the American National Red Cross and the War Refugee Board in 1945, there is a statement on the supplies requisitioned from governmental agencies for direct shipment abroad for the period between May 1, 1944, and April 30, 1945. The value of drugs shipped to Poland during this period was $16,923.12, and the value of drugs ordered for shipment was $53,541.66, making a total of $70,464.78.

A study issued by the Department of Commerce in April 1947 entitled "U.S. Government Transactions with Poland July 1, 1940–December 31, 1946," contains the following information on the amount of free relief and rehabilitation furnished to Poland:

American National Red Cross (out of funds provided by Congress): Medical supplies and equipment, $392,426.

UNRRA: Medical supplies and equipment, $7,648,675.

The report entitled "Economic Recovery in the Countries Assisted by UNRRA" (Washington, 1946) states that supplies delivered or to be delivered by UNRRA during 1946 included $30,000 worth of medical and sanitation aid to Poland (exclusive of freight).

I trust that the foregoing information may be of use to the committee. If I can be of any further assistance, please do not hesitate to call me.

Sincerely yours,
WILLIAM B. MACOMBER, Jr.,
Assistant Secretary.

UNIFIED COMMAND IN FIELD OF STRATEGIC WEAPONS

Mr. HUMPHREY. Mr. President, one of the concepts which have been discussed more and more vigorously in recent months is a unified command in the field of strategic weapons. This is a concurrent idea with one suggesting that a unified command be developed for the planning and operation of limited war operations.

One of the most incisive and succinct discussions of the strategic forces command concept was set forth in an editorial entitled "New Service Feud," published in the Minneapolis Sunday Tribune of April 19, 1959.

Mr. President, it seems to me that the writer of this editorial has made several excellent points, among them being that there is some question about the wisdom of making one service responsible for the future fortunes of a weapons system in which it had no real interest, and indeed had expressed considerable opposition. On the other hand, there clearly appears to be a need for a command structure which would develop operational control over all strategic weapons delivery systems which have no real validity or relevance in a limited war situation.

I ask unanimous consent to have the editorial printed at this point in the RECORD.

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

NEW SERVICE FEUD

A new brawl within the Armed Forces is in the making. The potential antagonists, again, are the Air Force and the Navy. The prize will be control of the Navy's submarine-launched, intermediate-range atomic missile Polaris.

The Polaris is plainly a strategic weapon; that is, it is designed to reach behind an enemy's outer lines of defense and destroy vital targets in his homeland. The missile itself has only intermediate range (1,200-plus miles), but carried by submarines close to hostile shores—even under the polar ice-cap—it acquires the equivalent of intercontinental range.

That makes it competitive with the Air Force's intercontinental range missiles and manned bombers. In Air Force eyes, continued Navy control of the Polaris weapons system (meaning the submarines as well as the missile) constitutes an intolerable naval invasion of its monopoly on strategic operations.

So the Air Force is pressing to have the Polaris and its launching subs transferred from Navy command to SAC—the Strategic Air Force. Naval reaction can be imagined.

It is obviously vital to have all strategic weapons under centralized control. Presently this is attempted at the joint chiefs of staff level through a system of preselection and allocation of wartime targets. The system has its faults, the chief one being lack of flexibility.

But that doesn't mean the cure is to hand the Navy-developed Polaris weapons system over to the Strategic Air Command.

Another suggestion is the creation of a jointly staffed strategic forces command which would take control of the Air Force's strategic-range missiles and planes as well as such naval strategic weapons as Polaris-launching subs and surface vessels. Both the Air Force and Navy object to this proposal, but that doesn't disqualify it. And if the inflexibility of the present system for controlling strategic weapons cannot be cured, the creation of the proposed strategic forces may well be the best, if not necessarily perfect answer.

Many people consider the Polaris a potentially more reliable weapon than the ICBMs and preferable for its great mobility also—a moving submarine cannot be pinpointed in advance as an enemy missile target, as ICBM launching bases can. Yet it's plain that without the Navy's self-interested initiative, Polaris would never have been developed by the Air Force and our total military security would have been that much weaker.

There seems some question about the wisdom of making the Air Force responsible for the future fortunes of a weapon in which it had no real interest—and against which some Air Force partisans have campaigned—until it was on the brink of becoming operational. The Air Force downgrading of the Army-developed, land-based intermediate range Jupiter missile, once the weapon had been transferred to its control, would not seem to bode well for a SAC-controlled Polaris.

In any case, fur—or gold braid—is going to fly before this issue is settled. And it comes at an especially unfortunate time, with the administration and Congress almost at swords' points over the adequacy (or inadequacy) of the Defense Establishment and with the top civilian authority (next to the President), the Secretary of Defense, marking time for retirement.

AMENDMENT OF SENATE RESOLUTION 48, RELATING TO DEVELOPMENT AND COORDINATION OF WATER RESOURCES

Mr. MURRAY. Mr. President, by direction of the Committee on Interior and Insular Affairs, I submit on behalf of myself and the Senator from Oregon [Mr. MORSE], the Senator from Oklahoma [Mr. KERR], and the Senator from Minnesota [Mr. HUMPHREY] a resolution providing for two minor amendments to Senate Resolution No. 48 to create a Select Committee on Natural Water Resources. Senate Resolution 48 was agreed to by the Senate on April 20.

The amendments set forth in the resolution were recommended at the organization meeting of the select committee on Monday, April 27.

The distinguished senior Senator from Oklahoma [Mr. KERR] was the unanimous selection as chairman, and the distinguished senior Senator from California [Mr. KUCHEL] was made vice chairman.

The first amendment, on page 3, line 13, proposes to increase the membership of the committee by four additional members, to be named by the Vice President. Two are to be from the majority party and two from the minority party. The purpose of this amendment is to give representation on the Committee to areas of the country, particularly the Central Mountain States, the East, and Southeast, which are not represented in the designations announced last Friday, April 24, on page 6632 of the CONGRESSIONAL RECORD.

The select committee did me the honor of making me an ex-officio member.

The second amendment, page 3, line 18, provides that eight members, instead of six, shall constitute a quorum.

These amendments were referred to the Committee on Interior and Insular Affairs, as the sponsor of the Resolution No. 48, which was agreed to by the Senate on April 15, 1959. The committee reports favorably on the resolution informally with the recommendation that it do pass.

I ask for the immediate consideration of the resolution so that this important select committee may complete its organization and get to work on the job ahead of it because the national water resources are the concern of the entire country.

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

Mr. MURRAY. I yield.

Mr. CLARK. I commend the distinguished senior Senator from Montana for the very constructive suggestion he has just made. This study of the proper utilization of our water resources is, in my judgment, one of the most important studies in which the 86th Congress will engage. It is a study which will affect every State in the Union and every river valley.

The original resolution, drawn in all good faith and in good conscience, nevertheless did not provide an adequate geographical representation on the committee of all sections of the country. I was particularly concerned lest the Delaware Valley, on which four States abut, which are represented by eight Senators, should not have representation on the committee.

An all-purpose study of that valley is being conducted by the Corps of Engineers, and an aggressive, wide-awake citizens' committee, with a grant from the Ford Foundation, is studying problems of governmental organization to implement the study by the Corps of Engineers.

It seems to the eight Senators from the four States involved that one of the States, at least, should have a representative on the select committee. This is not a matter of partisanship. Frankly, it does not make any difference to us whether the representative on the committee is a Republican or a Democrat.

I am happy that the eminent senior Senator from Montana [Mr. MURRAY], and also the able junior Senator from Montana [Mr. MANSFIELD], who have been so active in support of the resolution, are so receptive to the suggestion which some of us have made in this regard. I thank them for their courtesy and consideration and indicate to them the strong support which they will have for the resolution from all the Senators in the area I have mentioned.

Mr. MURRAY. I thank the distinguished Senator from Pennsylvania. I am certain the action we are about to take will take care of the problem he has described.

The PRESIDING OFFICER. The resolution will be read for the information of the Senate.

The legislative clerk read the resolution (S. Res. 111), submitted by Mr. MURRAY, for himself, Mr. MORSE, Mr. KERR, and Mr. HUMPHREY, as follows:

Resolved, That Senate Resolution 48 of the 86th Congress is hereby amended to add at the end of section 2(a) the following language: "The Vice President is hereby authorized to appoint four additional members to the said committee, two Senators of the majority party and two of the minority party."

Page 3, line 18, strike "six" and insert "eight."

The PRESIDENT pro tempore. Is there objection to the request for the present consideration of the resolution?

There being no objection, the resolution (S. Res. 111) was considered and agreed to.

THE CHESAPEAKE AND OHIO CANAL

Mr. MORSE. Mr. President, this morning there was published in the Washington Post an editorial entitled "Along the C. & O. Canal."

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

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

ALONG THE C. & O. CANAL

It is too bad more of the persons who seem anxious to inundate part of the Chesapeake & Ohio Canal Park with a high-level Potomac River dam could not have been along on the hike reunion with Justice Douglas last weekend. They would have found an especially lovely stretch of river valley where the emergent yellow-green leaves on mountainsides

take on an almost autumn hue, where flowering trees and birds and wildflowers and history going back to the time of Braddock provide a never failing tonic. They would have found a widespread enthusiasm among the people of nearby Maryland, demonstrated in the outpouring at Hancock as previously in other communities, for preserving the irreplacable scenic and historic values along the old towpath in a national historical park.

Most of all they would have found a determination not to be misled by the false arguments over Washington's future water supply. Obviously water for the metropolitan area is a paramount requirement. But there are alternative means to a high-level dam for meeting any such need if water alone is the objective—low-level reservoirs, for example, which would not flood the canal. The creation of a national historical park would in no way prevent any development which Congress might find necessary for Washington's water supply. In fact, the park bills which were considered last year contained a specific reservation for water.

What is not acceptable is the kind of reservation inserted this year to sneak through a section envisaging a power dam under the guise of protecting a water source. This is the real argument. Some rural co-ops which seek subsidized hydroelectric power have ganged up with certain Members of Congress who seemingly are indebted to public power groups—the same Members who last year smothered a park bill in the House after it had passed the Senate. These people need to know that such tactics are likely to bring a demand for a reexamination of the preferences accorded power co-ops and such other perquisites as tax exemption and governmental loans at 2-percent interest.

Inasmuch as the C. & O. Canal is already a part of the park system, it is not surprising that supporters of a national historical park would prefer no new bill at all to one which would withdraw 35 miles of river valley in a section not far above Washington—especially after the attack on the entire concept of the National Park Act by Chairman GRACIE PFOST of the House Public Lands Subcommittee. Maryland Congressman JOHN FOLEY, who is on both sides of the question with one bill identical to the constructive measure of last year and another bill permitting the power withdrawal, presumably learned at the Hancock reunion how at least some of his constituents feel.

There is no shortage of power in this area; what is in increasing shortage is recreation space for an expanding population. It is possible both to preserve the C. & O. Canal Park for the future and to protect Washington's water sources by passing a bill devoid of the extraneous gimmicks that now clutter the argument.

Mr. MORSE. Mr. President, I wish to make some brief comments on the editorial.

I do not know of any Member of the Senate in recent years who has taken a more definite stand on the matter of river basin development than I have. Consistent with that stand, I recommend a reading of the editorial entitled "Along the C. & O. Canal," as published today in the Washington Post, because in my judgment the C. & O. Canal problem involves great danger that some well-intentioned groups will overlook some pertinent facts which need to be remembered in connection with river development.

Mr. President, I never argue about facts. I try to find out what they are.

It seems to me that there is quite a difference between the problem of building the proposed dam on the Potomac River and the problem of building a great multiple-purpose hydroelectric dam on some of the major streams of the Nation.

So, Mr. President, the first fact we should establish is whether the proposed dam on the Potomac River is essential to guaranteeing a future water supply which will be adequate for the District of Columbia and the surrounding area; or whether it is true that, from an engineering standpoint, other sources of water would meet the water-supply needs of this area, without the construction of the proposed dam.

Of course, this matter involves one of the several criteria which we should keep in mind when we deal with river-basin development. We must consider water needs, power needs, fish problems, recreational needs, and navigation needs; and we must evaluate all of them from the standpoint of the controlling question of wherein is to be found the greater public interest. That is what I would have my friends keep in mind as we deal with the C. & O. Canal problem.

If the final answer is that there are other means of obtaining the needed water supply for the District of Columbia without the construction of this dam, that criterion does not favor construction of the dam.

What about power? Is there a power shortage in this area? Is there in this area a great need for power? That is a question of fact, and we must ascertain the answer.

However, so far as I know, on the basis of my understanding of the facts, at the present time there is no power shortage in this part of the country.

Let me say, as one who has fought here for 15 years for the protection of the public's interest in public power projects along with private utility projects, that I have never favored discriminatory legislation which would seek to put private power operations out of business. We need both private and public operations.

Therefore, Mr. President, I do not favor construction of the dam if it is true that at the present time there is in this area adequate power for both its present and its future needs.

Mr. President, what about recreation? It seems to me that we should obtain the facts in connection with this proposal, from the standpoint of the recreational needs of the area. If the other needs can be met without construction of the dam, then, Mr. President, in view of the fact that construction of the dam would make impossible the development of a great recreational park area for the benefit of the young people of the country, I will vote for the park.

Mr. President, I wish to pay my compliments to two great conservationists on this issue. One of them is Prof. Spencer Smith, of the University of Maryland. He has been in the vanguard in regard to the conservation phases of the C. & O. Canal project. I admire his forthrightness, his courage, and his foresight in regard to the position he has taken on this matter.

To those of my friends who are opposed to his position, I say quite frankly, "Come forward with the facts, if any there are, which would show that Professor Smith is wrong."

I also wish to pay my compliments to another great conservationist, who for some years has been a leader in connection with this matter. I refer to Associate Justice William O. Douglas, of the United States Supreme Court. To my friends who have taken a position on this question opposite to the one taken by him, I say that before Justice Douglas went on the Supreme Court, as a citizen of the State of Washington he was one of the great advocates of the development of needed public power projects. He is not an antipower advocate. But he is stressing the point that when all the criteria I have enumerated are evaluated, the public interest is to be found in the development of the recreational potentials of the C. & O. Canal area.

So I wish to have this editorial printed in the RECORD, because I think both sides in connection with this controversy should take a long look at the editorial, and then should come forward with the facts in answer to the question whether the greater public interest is to be found in construction of the dam or in preservation of the area as a park for the benefit of both present and the future generations.

Mr. President——

The PRESIDING OFFICER (Mr. HART in the chair). The Senator from Oregon.

THE FOREIGN AID BILL

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a very excellent article entitled "The Annual Headache." The article was written by Walter Lippmann, and was published today in the Washington Post.

I think there is so much merit in Mr. Lippmann's article that it should be printed in the RECORD, because I intend to refer to the editorial in the Foreign Relations Committee, in connection with the discussion of the foreign aid bill.

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

THE ANNUAL HEADACHE

(By Walter Lippmann)

The foreign aid bill, which calls for money to be spent in foreign countries, is an annual spring headache for the U.S. Congress. This year it is more of a headache than ever, what with the deficit which puts the President in the position of wanting to save at home in order to be able to spend abroad.

This difficulty is compounded by the fact that the bill, as it comes from the administration, inspires no enthusiasm and little confidence. For the men who have to lead the fight for foreign aid, it is a very poor cause in which to enlist their effort. For the administration bill, which was shaped not by the Department of State but by the Bureau of the Budget, is an inefficient bill.

The way it provides for foreign aid in annual installments prevents a constructive use of the foreign aid, which requires the long-term planning of investment. The amount of aid provided is in the total inadequate, and in the allocation between military and civilian use it is in some part at least misdirected.

Thus in the debate with those who oppose all foreign aid, the supporters of the bill find themselves burdened with a bill about which it can fairly be said that it will not achieve its professed objectives, and that it is in this sense a waste. It is like a project to build half a bridge at a poor place to cross a river. Or shall we say that it is like that tunnel from the new Senate Office Building to the Capitol which, so it is said, just does not arrive at the Capitol?

It is necessary, therefore, to amend the President's bill in order to have a measure behind which the believers in foreign aid, who are a multitude, can with a good conscience rally. This is the purpose of the Fulbright amendments, which were introduced on Friday. I think it is fair to say that these amendments take account, which the administration bill does not, of the findings of the Draper committee which the President himself appointed. They reflect also the views of Secretary Herter and of Under Secretary Dillon.

The Fulbright amendments follow two main principles. One is to provide for a period of 5 years enough funds to permit development loans at the annual rate of $1.5 billion. This would make possible orderly financing of investment programs which, in countries like India, could bring about a substantial rise in the standard of life.

The other principle of the Fulbright amendments is to deemphasize without abolishing the military part of foreign aid. The amendments do not reduce the amount. One of them gives the President the authority to transfer up to 30 percent rather than, as at present, up to 10 percent of the military aid to civilian uses. Another gives the American Ambassador greater control over the recommendations for military aid made by the American Military Mission in the country to which he is accredited.

These amendments dealing with the military side of foreign aid ought to open the door to a better supervision of the aid agreements made up by our military men and the local military commanders. In the official propaganda of the administration all of these programs are lumped together under the general notion that they enable military allies to encircle and contain the military power of the Communist states.

No distinction is made between genuine allies, like Britain, Canada, and France for example, and political clients like, let us say, Pakistan. It is an unhealthy pretense to plead that we are arming Pakistan in order that Pakistan may defend itself against a Soviet attack or, more farfetched still, that Pakistan could or would do anything substantial to defend Iran and Turkey if they were attacked. The real reason why we give arms to Pakistan is to keep the Pakistani Army commanders friendly to the United States rather than to the Russians. What we do is to subsidize the ruling powers who, in so many underdeveloped countries, are the leaders of the army.

The world being what it is, I would not say that this is always a wicked or unnecessary thing to do. But Congress is not a good judge of how necessary it is to do it in each of the countries where aid is being furnished. Neither is the Pentagon a good judge. The judgment should be made by the President and the Department of State. It should be a cool political judgment, not a hot and excited judgment. Above all, there should be no self-deluding propaganda that if the United States gives jet planes to a Latin American dictator, it is helping the free world to defend itself against Russia and China. What it is doing when it gives the jet planes to the dictator is to help the dictator to defend himself against his internal enemies, and that may or may not be a good thing to do in the national interests of the United States.

ALASKA'S JURISDICTION OF ITS FISH AND WILDLIFE RESOURCES

Mr. GRUENING. Mr. President, the Secretary of the Interior late yesterday took an action which is full of meaning for the people of the State of Alaska. Acting in pursuance of the Alaska Statehood Act and of enactments of the Alaska State Legislature, which has just ended its first session at Juneau—and I may say it has been a highly successful session which reflects great credit on both the legislators and the acting Governor—Mr. Fred A. Seaton certified that Alaskans have made adequate provision for the administration, management, and conservation in the broad national interest of the fish and wildlife resources of Alaska.

The significance of this action by the Secretary of the Interior is that it will mean that these important resources, which heretofore have been administered wholly by the Federal Government, will shortly hereafter be a responsibility of the State of Alaska.

The fine print of the Statehood Act provides that jurisdiction will not actually pass to the State until January 1 following the expiration of 90 legislative days after the Secretary's certification. We are not able, of course, to say definitely whether 90 legislative days remain of this session of Congress, so that transfer of the fisheries and wildlife can occur on January 1, 1960. This matter involves rather close figuring. If the Alaska Senators can persuade our colleagues to remain here through the month of August, we can achieve that desirable result. We Alaskans shall be torn between the desire to get back to Alaska as soon as possible and the desire to have this session continue for another 90 legislative days.

What I want to emphasize here is that Fred Seaton did his duty without delay and without quibbling, in certifying, as he did last night, that Alaska is prepared to manage her priceless fish and wildlife heritage. It was only last Friday that the distinguished senior Senator from Alaska [Mr. BARTLETT] and I, as well as our colleague in the other body, delivered in person to the Secretary of the Interior a certification from the Governor of Alaska that our legislature had acted to establish laws and mechanisms to administer the fish and game.

We left with Mr. Seaton for his study a copy of the Alaska Legislature's enactments on this subject. That he should, on the first day following the weekend, take his gratifying action of last night speaks well for the Secretary's genuine concern for Alaska's welfare and for the future welfare of the fish and game resources of the last frontier.

I have not always agreed with Secretary Seaton's actions—especially during the last campaign—but I want to say today that he is entitled to all praise for the action he took yesterday in certifying Alaska's readiness to manage our fish and game resources in the broad national interest. That was an action which took courage, because we know there are powerful interests which would like very much to see the Federal Government hold on just as long as it can to the regulation of the Alaska salmon fisheries particularly. That was an action which took courage for another reason, which has to do with the nature of bureaucracy. It is not often, when the head of a Federal department has discretion in the matter, as Mr. Seaton did here, that such official will voluntarily take an action which will cut down on his own power and limit his own responsibilities. The fish and game in Alaska have been administered by an agency within Mr. Seaton's Department of the Interior—namely, by the Fish and Wildlife Service. The Secretary's action of yesterday will end the jurisdiction of that Bureau, we hope, on January 1, next, certainly no later than January 1, 1961.

A great and rich panoply of resources is affected by the Secretary's certification. The Alaska salmon is known around the Nation and indeed around the world as an outstanding food fish. The salmon industry has for many years been Alaska's greatest industry. Other commercial species of fish occur in Alaska in relative abundance—halibut, crab, clams, shrimp, cod, and many other species. I do not want to fail to mention the sport fish affected by this action—the fighting rainbow trout, which are bigger than rainbows found in other States; the Dolly Varden pike; and the several species of salmon, king and cohoe, which double as both sport and commercial fish. When we go fishing in Alaska we throw back as too small many a fish which would be considered trophy size elsewhere.

The Alaska moose are the biggest moose in the world, as the records of the Boone and Crockett Club will testify. The Alaska brown bear are the largest carniverous animals on earth. Other big game animals in the biggest State include caribou, elk, bison, deer, mountain sheep, and mountain goat, and they all come bigger and better in Alaska. Small game and fur bearers found in great abundance in our State include the wolverine, mink, wolf, fox, coyote, lynx, marten, beaver, weasel, muskrat, and otter.

Marine animals off our shores include the walrus, seal, the priceless sea otter, and the whale. Birds are present in Alaska in great abundance, and the State provides the nesting grounds for many of the ducks and geese so prized by hunters in other States when they are making their long migrations. The bald eagle, our national bird and symbol of American power and strength, exists in Alaska, and nowadays almost only in Alaska. We have thousands of eagles and would be glad to export them to States from which the eagle has vanished to enable them to restore the national bird all through the Nation.

Alaskans have a love for all these animals and fish. We think we can do a better job of protecting, preserving, and utilizing them than has been done in the past. Our fish and wildlife are an important part of our Alaska heritage. We are conservationists by instinct and necessity. If our fish are depleted, our industries decline. If our wildlife decreases, a part of our enjoyment of life ebbs away.

It is because of this important regard which we give to our fish and wildlife resources that Alaskans have deplored the tragic depletion of our salmon runs under Federal management. This has been a depletion which has been so serious that whole areas have had to be closed entirely to fishing, as Bristol Bay is this year, or drastically curtailed.

We think we Alaskans can do a better job in regulating the Alaska fisheries than has been done in the past. The work of rebuilding our resources is about to begin. Secretary of the Interior Fred Seaton's certification of yesterday sets the stage. The people of Alaska commend him and commend the Congress for placing the control of our resources in our hands. We are determined to set an example in sensible management which the Nation will applaud. This is justice. This is democracy in action. This is America at its best.

ACHIEVEMENTS OF THE UNITED NATIONS DESCRIBED BY THE AMERICAN ASSOCIATION FOR THE UNITED NATIONS

Mr. NEUBERGER. Mr. President, frequently the United Nations comes under unjustified and unfair attack. Yet the United Nations is our one best continuing hope for world peace, because while nations talk together they do not go to war.

A most informative and thorough brochure detailing the achievements of the United Nations has just been published by the American Association for the United Nations, which consists of leading citizens in our own country who are active in arousing and sustaining public support for the work of the United Nations. I am pleased that my wife, Maurine, is a member of the board of this outstanding organization.

So that Members of the Senate may be informed regarding the worldwide program of the United Nations for peace, health, brotherhood, improved economic conditions, and world understanding, I ask unanimous consent that the publication of the American Association for the United Nations be printed in the body of the CONGRESSIONAL RECORD.

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

U.N. ACTION IS ACTION FOR PEACE

UNITED STATES IN THE U.N.

It was U.S. initiative which helped to bring the U.N. and many of its specialized agencies into being.

It was the United States which asked for U.N. action in Korea, first to help bring about a united Korea, and then to repel the aggression against South Korea.

It was the United States which took the initiative to bring the Middle East and Hungarian crises to the U.N.

It was the United States which introduced the Uniting for Peace Resolution which, in times of aggression or threats of aggression, makes possible U.N. action by the General Assembly if the Security Council is prevented because of a veto from fulfilling its responsibilities.

It was U.S. initiative which launched the U.N. on its atoms for peace program.

The United States recognizes that in this world of ours, which can be spanned in hours by plane, where science can bring about either undreamed of progress or complete devastation, the U.N. must continue to succeed.

But, whether the United States continues to support the U.N. and to strengthen it, the decision is ours—for we, the people, are responsible for U.S. foreign policy.

The U.N. record of action for peace is impressive. We the people owe the U.N. our active support.

U.N., 1945–59—THE RECORD SHOWS

In 1946, by airing the complaints of Iran, Syria, and Lebanon, the U.N. brought about the withdrawal of foreign troops from these three countries.

From 1947 to 1954, the U.N. kept military watch over Greece's northern borders to prevent outside aid coming to the Communist guerrillas in Greece.

The U.N. effected a cease-fire in Kashmir and stopped what might have become large-scale hostilities. The issue is not yet solved, but U.N. observers are still in the area and armed hostilities have not been resumed.

It was U.N. mediation which helped Indonesia to achieve her independence from the Dutch—through peaceful negotiations, not through bloodshed.

U.N. action brought about a cease-fire in Palestine. As a result of U.N. efforts armistice agreements were signed in 1949 between Israel and her Arab neighbors. The U.N. has supervised compliance with the agreements.

In 1956 when France, Britain and Israel took armed action against Egypt, U.N. secured a cease-fire and withdrawal of troops; created the U.N. Emergency Force to ensure peace along the Egyptian-Israeli border; and arranged for clearing the Suez Canal.

In 1958 the U.N. Observation Group in Lebanon and the special representative in Jordan safeguarded peace and security in those countries.

In Korea, the U.N. took collective military action to repel the aggression against South Korea and to safeguard its independence and restore peace.

With U.N. experts and a $148 million fund, the U.N. Korean Reconstruction Agency helped Korea to rebuild.

The U.N. has helped relieve other suffering resulting from war and hostilities.

The U.N. Refugee Fund has assisted 34,900 refugees since 1955 and has as its main target a closure of all the refugee camps in Europe.

Also the U.N. is caring for nearly 1 million Palestine refugees, while providing education for the children in 380 U.N. schools and vocational training for the adults.

In enlisting the aid and cooperation of member governments, the U.N. helped bring about resettlement of 171,000 refugees from Hungary following the hostilities of 1956.

Originally established to help children and mothers in war-torn countries, UNICEF (U.N. Children's Fund) is now benefiting more than 50 million mothers and children each year in over 100 countries and territories.

U.N. TECHNICAL ASSISTANCE—CORNERSTONE OF PEACE

The U.N. stands ready to give technical assistance to underdeveloped countries which request U.N. help in their economic and social development.

To finance the work, the U.N. raises the money through voluntary national contributions, and shares the funds with seven of its specialized agencies, those concerned with agriculture, labor, health, education, telecommunications, meteorology, and civil aviation.

The World Bank (which makes loans for economic development) and the Fund (concerned with stable currencies and monetary reforms) also participate but receive no funds. UNICEF helps to advance the aims of the program.

Since 1950, over 6,500 experts have been recruited from 80 countries and sent on U.N. assignments into some 125 countries and territories.

As a result:

Millions of acres of land are being reclaimed for food, for settlement.

The resources of Asia and Latin America are bing explored systematically for the first time.

Some farmers are seeing their first scythe, hoe, or rake. Others are being taught power farming, scientific breeding, the use of fertilizers and insecticides.

Fishermen have seen that motor power and modern gear mean catches of 2 to 3 tons a month, instead of one-half ton a year. Rice paddies stocked with fish are yielding within 6 months 300 pounds of fish per acre.

Countries like Indonesia and land-locked Ethiopia are beginning to see civil aviation a reality; others their first network of weather stations.

One-sixth of the peoples of the world have benefited from the mass campaigns against disease. In the tropics, for yaws alone, over 10 million were treated with penicillin. Countries like India, Afghanistan, Ceylon now have modern methods for the control of malaria.

In Latin America, in the Arab States, and in the Far East, over 1,000 experts are at work on national programs for fighting illiteracy and for mobilizing community effort for needed projects.

Personnel is being trained in all fields, to carry on after the U.N. experts finish. Some 14,000 persons have been sent abroad to learn advanced skills.

For this work the U.N. has been spending $28–$32 million yearly. The special fund was recently established to make possible an expansion of this program.

To supplement this work, the International Finace Corporation was created to promote private investments.

U.N. ACTION—FOR RIGHTS AND FREEDOMS

U.N.'s Universal Declaration of Human Rights (1948) although only a declaration, has had a powerful impact. It has been invoked to uphold civil rights within countries, used in drafting the constitutions of new states, such as Israel and Indonesia, and has spurred many countries to take legislative action to advance human rights in harmony with it.

There has been U.N. action to protect minorities, the refugee, and the person without a country * * * U.N. action to advance the political, economic, and social rights of women * * * U.N. action to fight forced labor, and to outlaw genocide, the mass destruction of a people because of their race or religion.

U.N. action helps dependent peoples:

The U.N. set Italy's prewar African colonies on the road to freedom. * * * Some 18 million dependent peoples in Africa and the Pacific are under direct U.N. supervision, in U.N.'s Trusteeship System. Strides are being made in their economic and political advancement. * * * The U.N. watches over another 125 million people by scrutinizing the anual reports which member nations are obliged to submit on conditions in their non-self-governing territories. The number of dependent peoples is diminishing as the territories become self-governing or independent.

U.N. ACTION—ATOMS FOR PEACE

Since December 1953 when President Eisenhower proposed to the General Assembly that an international atomic energy agency be established, the U.N. has taken great strides.

The first U.N. endeavor in the atoms-for-peace program was an international scientific conference in 1955 where over 1,400

scientists and engineers from 73 nations exchanged scientific and technical information on the peaceful uses of atomic energy. An even larger number—some 2,000 delegates—attended the second scientific conference in 1958.

For its members, the U.N. has made a worldwide survey of scientific information on the effects of radiation.

The specialized agencies are busy on research on the effects of atomic energy and its possibilities.

After months of negotiations, 81 countries met at U.N. headquarters in September 1956 to consider and approve the Statute of the International Atomic Energy Agency. An autonomous intergovernmental agency, under the aegis of the U.N. and reporting to the General Assembly, IAEA is an important instrument for the worldwide sharing of information, technical skills, radioactive materials and nuclear fuels for peaceful projects. It provides a means by which the atom can be progressively removed from military stockpiles and placed at the service of all mankind.

FAO—FOOD AND AGRICULTURE ORGANIZATION

FAO seeks better ways to produce, store, and distribute food.

It fights animal diseases: rinderpest, hoof-and-mouth, Newcastle disease of chicken, etc. As a result, millions of cattle have been saved, and the way paved for new industries to come into being.

It searches for better seeds—rice, wheat, barley, etc. Over 200,000 separate cross pollinations have been made in the search for hybrid rice. Hybrid corn raised the value of Europe's crop by $50 million.

FAO fights plant pests and diseases. It is out to destroy the locust.

FAO helps to develop fisheries and forests, and to launch new industries using these resources.

FAO assists UNICEF in its extensive feeding programs in 53 countries and in its efforts to see milk and food processing plants established; 150 out of 180 projected are already functioning.

FAO has done much to improve nutrition, from getting national nutrition services started to testing the acceptability of fish flour as a protein food.

ILO—INTERNATIONAL LABOR ORGANIZATION

ILO brings together labor, management, and government to work jointly on common problems. By setting labor standards, research and technical assistance, the ILO helps raise conditions of livelihood of millions of workers throughout the world.

ILO assists governments to organize employment services, train their manpower, improve industrial safety and health, and apply modern systems of social security and labor legislation.

ILO seeks to aid workers by safeguarding freedom of association, eliminating forced labor, and promoting better labor-management relations. Its industry committees bring closer understanding of the particular problems of individual industries.

Its studies of the social consequences of the industrial use of atomic energy and of automation are directed to application of new techniques to obtain better living standards.

ILO resolutions and recommendations to governments, together with its conventions which are binding if ratified, lay down standards with regard to a wide range of subjects such as hours of work, protection of wages, holidays with pay, work by women, child labor, labor inspection and maritime working conditions.

WHO—WORLD HEALTH ORGANIZATION

Some hundreds of millions of people have benefited from campaigns WHO has undertaken against such diseases as malaria, tuberculosis, and yaws.

WHO is out to eradicate malaria before mosquitoes develop resistance to DDT and other control insecticides.

WHO helps governments to strengthen their public health services and train their health workers.

In 1958 WHO worked on nearly 800 health projects in 132 countries and territories. UNICEF contributes equipment to many projects jointly undertaken with WHO.

WHO standardizes drugs, so that they will be of uniform strength throughout the world. Its "International Pharmacopoeia" (five languages) provides formulas for making up medicines of uniform strength anywhere.

WHO organizes research against disease, including a network of polio laboratories and work on zoonoses, animal diseases which can be transmitted to man.

WHO sends out daily broadcasts on the outbreak of pestilential and other communicable diseases, so that nations as well as ships and planes can take action.

WHO has brought into being a set of health regulations for world travel.

UNESCO-UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

UNESCO, since 1951, has been carrying on a global campaign for extension of free and compulsory education, advising governments on such problems as financing the expansion of schooling and revising curricula.

It operates two regional fundamental education centers in Latin America and the Arab States and has helped establish 33 national centers on fundamental education programs for the adult.

UNESCO encourages the use of mass media in education and in promoting international understanding.

UNESCO is helping underdeveloped countries, too, to establish science and engineering faculties in their universities, organize research programs, and bring into being documentation centers to service industry and research institutions.

Its own research ranges from how to make the desert fertile to compiling lists of translations published within the year.

UNESCO has brought new organizations into being—the European Organization for Nuclear Research and many professional international organizations in education, science and culture.

UNESCO has brought treaties into force—on freer transit of educational materials, on copyright protection.

WEATHER AND COMMUNICATIONS

The International Telecommunication Union draws up regulations for the world's radio, telephone and telegraph services. It allocates the frequencies for radio communication. It promotes standardization and develops new facilities.

ICAO has worked out standards which are in force today in international civil aviation—standards for licensing personnel, airworthiness of a plane, equipment at aerodromes, etc. It has mapped out some 40,000 facilities needed to make civil aviation safe around the globe, and checks to see that they come into being.

It arranges for the joint support of facilities like the North Atlantic weather-reporting ships. ICAO drew up the word alphabet used in radiocommunication between plane and ground station.

The Universal Postal Union works out the world's laws for foreign mail.

It is thanks to the World Meteorological Organization that there is uniformity and coordination in the world's exchange of weather forecasts. A WMO plan governs recruitment of ships (some 2,500) which volunteer their services for weather observations. WMO helps to promote facilities as well as practical application of meteorology to farming, transportation, public health, etc.

The Inter-Governmental Maritime Consultative Organization provides machinery for cooperation in regulations and practices relating to shipping.

U.N. IN SUMMARY—IS THIS WORTH YOUR 62 CENTS?

The U.N. is a center for harmonizing the action of nations in the attainment of common ends.

It is spurring economic and social progress and advancement of human rights.

It organizes combined efforts wherever and whenever there are common problems before nations.

The U.N. can boast of two Nobel Peace Prizes—the 1950 award to Under Secretary Ralph Bunche for his mediation efforts in Palestine, and the 1954 award to the U.N. Office of the High Commissioner for Refugees.

The U.N. has rolled up an impressive list of "firsts." To cite a few: In Korea, for the first time in history collective armed action, under the authority of the international community, was taken to stop aggression. * * * The first Braille Library in the Near East came into being with U.N. help. * * * The U.N. helped Asia establish its first DDT factory and its first penicillin factory. * * * Saudi Arabia is exporting packaged dates for the first time because of assembly-line packaging. * * * The U.N. established the first truly international police force.

The U.N. represents the collective will of 82 member nations to save succeeding generations from the scourge of war and to build peace based on law and justice.

Toward these ends, the U.N. has brought about the peaceful settlement of disputes, has kept many an explosive situation under control, and has set up the most comprehensive program of action for peace ever to be undertaken.

Estimated U.S. contributions to the United Nations, including the specialized agencies and voluntary programs, calendar year 1959

	Estimated U.S. contributions	Per capita cost
United Nations	$19,993,650	$0.1139
United Nations Emergency Force	8,443,146	.0481
SPECIALIZED AGENCIES		
Food and Agriculture Organization	2,712,494	.0157
International Civil Aviation Organization	1,515,771	.0086
International Labor Organization	2,132,464	.0121
International Telecommunication Union	213,200	.0012
UN Educational, Scientific, and Cultural Organization	3,789,810	.0216
Universal Postal Union	22,243	.0001
World Health Organization	4,744,090	.0270
World Meteorological Organization	70,710	.0004
Intergovernmental Maritime Consultative Organization	100,000	.0006
SPECIAL VOLUNTARY PROGRAMS		
ICAO—Joint support	904,988	.0050
United Nations Children's Fund	11,000,000	.0638
UN expanded program of technical assistance and special fund	[1] 25,000,000	.1424
UN High Commissioner for refugee program	1,200,000	.0068
UN Palestine Relief and Works Agency	23,000,000	.1310
WHO malaria eradication program	3,000,000	.0171
Total	107,842,566	.6141

[1] Estimated U.S. contribution—U.S. pledge to UNTA and special fund was $38,000,000—subject to limitation that U.S. contribution would not exceed 40 percent of total contribution.

"SEARCH FOR PEACE" AWARD TO MRS. ELLEN STOUTENBERG

Mr. SCOTT. Mr. President, in a few weeks, the eyes of the world will be focused on Geneva, where the East-West

Foreign Ministers Conference will once more seek ways toward world peace. Men of good will everywhere pray for the success of this latest effort—conducted at the highest political level—for world peace.

In my home city of Philadelphia, a radio station, WIP, has been conscientiously working toward this same goal at the level of the average man, the radio listener.

"Search for Peace," a program conceived and developed in Philadelphia at radio station WIP, has just been singled out for service to the entire world. The May issue of McCall's magazine, on the newsstands today, announces that Mrs. Ellen Stoutenberg, producer of this series of public service radio programs, is one of seven women to win the coveted Golden Mike, the highest honor given exclusively to women in the radio and television field.

Since January 1958, over 100 well-known personalities of different political beliefs, varying national backgrounds, and many professions, have gone before WIP microphones and talked peace. Their message has been carried over the international "Search for Peace" network.

The unique aspect of "Search for Peace" is its worldwide distribution. Started as a public service on a local station level, Benedict Gimbel, Jr., president and general manger of WIP, conceived the almost startling idea of offering tapes of the programs, at no cost, to stations anywhere in the world. "Search for Peace" is now heard on 100 stations, coast to coast, in the United States; over the 100 stations of the Australian Broadcasting System; and on the Canadian Broadcasting Co.; and in places as far away as Aruba, Netherlands Andes.

Through the facilities of Voice of America, it is heard on stations normally beyond the reach of commercial radio. And I have been informed that KHUH of Honolulu will bring this message of peace to our 50th State.

Over 100 people, including John Foster Dulles, Mrs. Eleanor Roosevelt, singer Harry Belafonte, novelist Pearl Buck, columnist Walter Lippmann, historian Arnold Toynbee, and Israel's Ambassador Abba Eban, have taken part in "Search for Peace." I am proud to say that I participated in this worthwhile effort, as did my colleague from Pennsylvania, Senator JOSEPH CLARK, and my predecessor, Senator Edward Martin. Senator STYLES BRIDGES is another Member of this body who has given his views on peace as part of this series.

In making the award, the editors of McCall's and the judges, stated:

> Mrs. Stoutenberg and the staff of WIP have taken a step which eventually may prove that peace has a dynamic quality that can excite and inspire.

I should like to congratulate my good friend Ben Gimbel, and the staff of WIP. "Search for Peace" is concrete evidence of the constructive use of one of the world's most effective means of communication—radio.

It is strong evidence, too, of a broadcast station which places the public good above gain, in the finest tradition of its industry.

Mr. President, I ask unanimous consent to have printed at this point in my remarks, the editorial comment on "Search for Peace," from the May issue of McCall's:

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

> Ellen Stoutenberg, the young, dynamic assistant program director of Philadelphia's Station WIP, was handed one of the year's most challenging assignments last year by her boss, Station President and General Manager Benedict Gimbel, Jr.
>
> He asked, "What is the best thing one radio station can do to promote world peace?" The challenge was a question out of the beginnings of man set in mid-twentieth-century language. Ellen Stoutenberg's answer was a series of radio programs called "Search for Peace," which invited world-famous personalities, and little-known people as well, to sit before WIP's microphones and talk about peace. There were no interviews, no questions. Some people talked 15 minutes, others 30.
>
> The programs initially were broadcast in prime commercial time over WIP. Within 6 weeks after the assignment was handed to her, Mrs. Stoutenberg was ready to go on the air with a full month's programing. The program series started in January 1958. To date, more than 100 persons have broadcast their views. It has become a regular feature on more than a hundred stations in the United States, plus outlets in Canada, North Africa, and Australia.
>
> "This series," one of our judges said, "comes to grips with the central problem faced by our world. The original concept for the Philadelphia area and its later availability to all radio stations as a free public service deserve the highest praise."
>
> WIP President Gimbel could have had no better person on hand than Ellen Stoutenberg when he decided that his station would actively pursue peace. She is a woman who feels that "communications is our most important weapon in today's world. We have lost sight of how powerful it can be."
>
> To illustrate this, she quotes the former consul of Israel in New York, Max Varon. "Until you go to the Middle East and see the Arabs sitting in the desert huddled around a radio, listening to it before they make up their minds on a given issue, you have no idea of the power of radio. It can control or poison minds."
>
> Ellen Stoutenberg is well backgrounded in the field of public service. Before joining WIP she had served with the adult-education program of the Ford Foundation, was program director for Baltimore's WITH and had long experience with the American Foundation for Political Education. A native of Athens, Pa., she was educated in the public schools of Annapolis, Md., and Elmira Business College, Elmira, N.Y. She now lives in suburban Philadelphia with her 14-year-old son James.
>
> She readily admits that the biggest difficulty of "Search for Peace" was organizing it so that it could be handled by one person. "We didn't have any great budget but we did get enthusiastic response from everyone we asked to participate. No one turned us down on the basis of the idea. Arnold Toynbee came to our studios. Bertrand Russell recorded his statement in his home in England through the British Broadcasting Co. Frank Lloyd Wright taped his statement in his settlement, 'Taliesin,' at Spring Green, Wis."
>
> WIP took newspaper ads to alert listeners to the new series, and set up a program folder which listed all commentaries for a month in advance. Forty thousand of these folders were distributed through public libraries and welcome wagon hostesses, and were enclosed in mailings by civic organizations.
>
> To spread the "Search for Peace" to a wider audience, the services of the Philadelphia Junior League were enlisted. Through their national organization and through an advertisement placed by WIP in Broadcasting, recordings of the series were made available to stations across the country. An avalanche of requests came in for the "Peace" material. Clerks, janitors, engineers pitched in to put kits together or give a hand where needed. "Peace had become a personal thing to us all."
>
> Mrs. Stoutenberg and the staff of WIP have taken a step which eventually may prove that peace has a dynamic quality that can excite and inspire.

ORDER OF BUSINESS

Mr. CLARK. Mr. President, is there further morning business?

The PRESIDING OFFICER. The Chair inquires whether there is further morning business. If not, morning business is closed.

Mr. CLARK. If I may have the attention of the acting majority leader, the Senator from Connecticut [Mr. DODD] for a moment, if morning business is concluded, I suggest to the acting majority leader and the Senator from California [Mr. KUCHEL], the acting minority leader—and I have also made this suggestion to the majority whip, the Senator from Montana [Mr. MANSFIELD]—that the absence of a quorum be suggested at this point, that the quorum call last no longer than 1:30 p.m., and at that time we undertake to ascertain whether the Senate would be willing to enter into a unanimous-consent agreement with reference to the Luce nomination which would give 15 minutes' debate to each side, and that, in conformity with the agreement reached yesterday, the Senate vote at 2 o'clock.

I wonder if my colleagues who are temporarily occupying the chairs of the majority and minority leaders think that would be good procedure.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arizona will state his parliamentary inquiry.

Mr. GOLDWATER. How does one control the length of a quorum call?

The PRESIDING OFFICER. The Parliamentarian advises the Chair it is not possible.

Mr. CLARK. It is my thought that the way to do it is the way we always do: At 1:30 p.m., unanimous consent would be asked that further proceedings under the quorum call be dispensed with.

Mr. GOLDWATER. If we wanted to agree on a really slow call, it is possible that we would not go through the call once; but if the clerk went through the call once, it would not be possible to have the call rescinded.

Mr. CLARK. We could have a nice, long, slow call, which the clerk frequently brings about, and which lasts more than 10 minutes.

Mr. DODD. Mr. President, I wonder if the Senator would permit me to move that the Senate go into executive session

to consider the nomination of Clare Boothe Luce, after which the absence of a quorum might be suggested.

Mr. CLARK. I am agreeable to that.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. DIRKSEN, from the Committee on the Judiciary:

Edwin A. Robson, of Illinois, to be U.S. district judge for the northern district of Illinois; and

Latham Castle, of Illinois, to be U.S. circuit judge for the seventh circuit.

By Mr. HART, from the Committee on the Judiciary:

Eugene Worley, of Texas, to be chief judge of the U.S. Court of Customs and Patent Appeals; and

Arthur M. Smith, of Michigan, to be associate judge of the U.S. Court of Customs and Patent Appeals.

EXECUTIVE SESSION—NOMINATION OF CLARE BOOTHE LUCE

Mr. DODD. Mr. President, I move that the Senate proceed to the consideration of executive business to consider the nomination of Clare Boothe Luce.

The motion was agreed to; and the Senate proceeded to consider executive business.

Mr. DODD. Mr. President, I suggest the absence of a quorum, and I think we should notify the Senate attachés that the call may well be a prelude to a yea and nay vote on the nomination set for 2 o'clock.

The PRESIDING OFFICER (Mr. HART in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. MANSFIELD. Mr. President, after consultation with the acting minority leader, I ask unanimous consent that the remaining half hour be divided between the proponents and the opponents of the nomination of Mrs. Clare Boothe Luce, 15 minutes to a side.

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

The question is, Will the Senate advise and consent to the nomination of Mrs. Clare Boothe Luce, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil?

Mr. MANSFIELD. Mr. President, I make the further request that the remaining time be allocated equally between the Senator from Oregon [Mr. MORSE] and myself.

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

Mr. MORSE. Mr. President, I yield myself 3 minutes.

Let me recapitulate what I said yesterday. I say to my Democratic colleagues that, when the memory and reputation of the great Franklin D. Roosevelt have been called into question in this debate, I shall be at a loss to understand how Democrats can fail to vote against this nomination.

Among the many objections I raised to her lack of diplomacy, there is one which there is no way of avoiding. She still stands by her statement that Franklin Roosevelt lied us into a war.

She stands by her attacks on Truman and on Acheson. I say that that raises a question of judgment. When we vote for a diplomat, we have the duty to vote for someone who, we are satisfied, has the judgment and stability essential for diplomacy.

The argument has been made that we have not always applied such standards in the past. History does not bear out that contention, but even if it were so, it is not a reason for failing to apply the standards now. If we have been lax in this respect in the past, that is no justification for perpetuating the laxity.

As chairman of the Subcommittee on Latin American Affairs of the Committee on Foreign Relations I say that Latin America needs career diplomats, career Ambassadors from the United States, and not politicians who are sent down there to pay off political debts—politicians who do not have the qualities of diplomacy which are necessary.

Remember, her speech of October 13, 1944, is not the only speech Mrs. Luce made which shows that she is not now fit to fill a diplomatic position. In the hearing the other day, in her replies she made it clear that although she had changed her mind about her intemperate language, she had not changed her mind about the meaning of her statement.

In Chicago, Ill., on October 13, 1944—and we cannot erase this indelible writing from the pages of American history—this nominee said:

> Shall we trust the making of a new peace to the tired, shaking hands of a man who could not keep the one he inherited when he was young and strong?
>
> Although a majority of the American people may forgive him, history never will, in the end. For he is the only American President who ever lied us into a war because he did not have the political courage to lead us into it.
>
> Thus in the end, the shame of Pearl Harbor was Mr. Roosevelt's shame.

Later in the same speech she said:

> Mr. Roosevelt far from being a great statesman, is, in the field of statecraft, not only untrustworthy but also incompetent.

I ask unanimous consent to have printed at this point the article from the New York Times of October 14, 1944, carrying the story of Mrs. Luce's speech in full.

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

ROOSEVELT "LIED US INTO WAR," MRS. LUCE DECLARES IN CHICAGO—SHE TELLS RALLY THAT HE IS "UNTRUSTWORTHY AND INCOMPETENT"—QUOTES CHARGE FOR WHICH LYTTELTON APOLOGIZED

CHICAGO, October 13.—Representative Clare Boothe Luce of Connecticut asserted tonight that President Roosevelt was "not only untrustworthy but also incompetent" in the field of statecraft.

In an address prepared for delivery at a Republican-sponsored meeting in Orchestra Hall and distributed in advance to the press by western Republican headquarters, she said:

"Shall we trust the making of a new peace to the tired and shaking hands of a man who could not keep the one he inherited when he was young and strong?

"Although a majority of the American people may forgive him, history never will, in the end. For he is the only American President who ever lied us into a war because he did not have the political courage to lead us into it. Thus, in the end, the shame of Pearl Harbor was Mr. Roosevelt's shame."

Contending that "Mr. Roosevelt, far from being a great statesman, is, in the field of statecraft, not only untrustworthy but also incompetent," Mrs. Luce added:

"In the precise words of President Roosevelt in 1937, I quote: 'To keep the peace is the fundamental policy of the United States.' Did Mr. Roosevelt prevent war? In other words, did Mr. Roosevelt's fundamental policy succeed or fail?"

QUOTES BRITISH MINISTER

She said "New Dealers" often presented "extenuating circumstances," among them that the United States was the victim of an unprovoked attack by Japan, and continued:

"In June of this year Oliver Lyttelton, British Minister of Production, declared in London, I quote: 'Japan was provoked into attacking America at Pearl Harbor. It is a travesty on history to say that America was forced into the war. It is incorrect to say that America was ever truly neutral.'

"No, the theory of the unprovoked attack will not wash. Why did he (President Roosevelt) never tell us that, if Japan conquered China, and Germany overwhelmed Great Britain, they would then completely dominate our oceans, and that this one fact alone made the war our war?

"He did not tell us. First, because he did not have the courage to admit that his 7-year policy of isolation and appeasement had been a failure, which had contributed to bringing the war about, and that the only way left to redeem this failure of his statesmanship was for the Nation to go to war. Secondly, he did not tell us the truth because he wanted a third term."

The Representative said that during 7 peacetime years the President did not seek to achieve greater collective security in the world, and "not a single hint did he give to the people of the many secret and specific warnings he was receiving, and Mr. Hull was receiving, from his Ambassadors and his military observers abroad of the growing danger to America" from Japan.

"Arms for the Nation were the President's for the asking," Mrs. Luce asserted. "He did not ask."

APOLOGY BY LYTTELTON

Capt. Oliver Lyttelton made a personal apology in the House of Commons June 21, the day after he made the remarks about America which Representative Luce quoted in her Chicago speech, the Associated Press here said yesterday.

The British Minister of Production did not deny he had remarked at an American Chamber of Commerce luncheon in London that the United States had provoked Japan to attack, but disclaimed any intention of giving this as his belief.

Asserting that he was only trying to express gratitude for lend-lease aid prior to the Japanese assault, Captain Lyttelton said:

"I ask the House to believe that the fault was one of expression and not of intention, and I hope that this apology will undo any harm which the original words may have caused here or in the United States."

Mr. MORSE. Mr. President, I shall await with interest in the future, the speeches, at Franklin Roosevelt memorial dinners, of my Democratic col-

leagues who vote for this nomination today. Her statements were malicious distortions, they were untruthful, and that goes to the question of judgment and competence required in an Ambassador.

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

Mr. MORSE. I yield myself 2 more minutes.

I also point out that on October 1, 1944, as a Member of Congress clothed with the trust of that office, she said in Philadelphia:

> I always believed we had to get into the war, but I would like to have had us led into it, not lied into it.

It was no foreign war that Franklin Roosevelt responded to at Pearl Harbor. It was a war thrust upon us. I think the American people know what the verdict of history will be with respect to this statement. I could not vote for such an undiplomatic person.

"Oh," it is said, "the Senator from Oregon makes rather harsh statements." I have truthfully, but jocularly, answered that argument before. I am not a candidate for a diplomatic post.

In the things I have said in criticism of President Eisenhower and his policies, I have questioned the political morality of his administration; I have questioned his judgment on many issues; but I have never questioned his loyalty or his patriotism, and I have never questioned his veracity. He has been mistaken in judgment, in my opinion, many times, but I have never questioned his veracity, nor his devotion to his country.

The next point I wish to make very quickly, while I wait for the Senator from Pennsylvania [Mr. CLARK]—I hope he has been sent for—is that her so-called documentation, as I pointed out yesterday, is no documentation at all. She might as well have said, "Go to the Congressional Library and find out if I am right." She offered no documentation. As I pointed out in the RECORD yesterday, I received a telegram from Prof. Basil Rauch, who is a professor of history at Barnard College, Columbia University. That telegram reads as follows:

> APRIL 23, 1959.
>
> Senator WAYNE MORSE,
> *United States Senate, Washington, D.C.:*
>
> The statement by Mrs. Luce misrepresented my book "Roosevelt from Munich to Pearl Harbor." My book proves on the basis of the documents that those who make charges against President Roosevelt such as Mrs. Luce have abused the facts of history.
>
> BASIL RAUCH,
> *Professor of History, Barnard College, Columbia University, New York, N.Y.*

Professor Rauch points out that Mrs. Luce misinterpreted his book "Roosevelt: From Munich to Pearl Harbor," and that there is nothing in the book which would justify her in citing him as authority for her misstatements of fact.

I pointed out that her record in Italy does not entitle her to this nomination. In Italy she intervened in domestic political and economic policies, contrary to the clear duty of an Ambassador.

What do Senators suppose we would say if the British Ambassador to the United States, during an American political campaign, tried to interfere in an American election? The demand would be, "Send him back to England, because he is persona non grata."

In fact, that has happened in our history.

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

Mr. MORSE. Mr. President, I yield myself 1 more minute.

She intervened in the domestic politics and economic policies of Italy, as I documented in my speech yesterday.

Lastly, I do not see how we can vote to send this nominee to Brazil when it is well known that Brazil has a government oil monopoly. Her views are well known; and in my judgment we have no right to send as Ambassador to Brazil someone who will be at least beclouded with the suspicion that she is representing the oil interests of America, and she and her consort did in Italy, in my judgment.

Mr. President, I now yield to the Senator from Pennsylvania [Mr. CLARK].

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. MANSFIELD. Mr. President, I shall be glad to yield time to the Senator from Pennsylvania if he desires it.

Mr. CLARK. Mr. President, I do not desire to speak at this moment.

The PRESIDING OFFICER. Does either side wish to yield some time?

Mr. MANSFIELD. If no Senator wishes to speak, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is the time to be charged to the opponents?

Mr. MANSFIELD. Yes. There is an agreement in effect that the vote be taken at 2 o'clock. Inasmuch as we have no speakers on the floor, the time for the quorum call will have to come out of our time.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief 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. I yield 5 minutes to the Senator from South Dakota.

Mr. CASE of South Dakota. Mr. President, I rise to speak briefly on the confirmation of Mrs. Clare Boothe Luce as Ambassador to Brazil.

I do not speak in the belief that Mrs. Luce needs any defense in a personal sense. I speak, Mr. President, because I think that the people of Brazil are entitled to better knowledge of the person who has been named as the Ambassador from the United States than they could get from reading certain remarks reported in yesterday's CONGRESSIONAL RECORD.

I speak, moreover, Mr. President, because I think that the interests of the United States are served by having the record preceding the vote on her confirmation show that this Ambassador is not a frustrated politician with vindictiveness of venom in her spirit but is a woman of broad sympathies and of great ability and accomplishments.

Let a record of cold facts speak.

Since January 1955, in the last 4 years, and later than all the incidents mentioned in a critical speech made yesterday on this floor, Mrs. Luce has been the recipient of the following awards:

Poor Richard Club's Gold Medal of Achievement, Philadelphia, Pa., January 1955.

George Washington Honor Medal Award—Freedoms Foundation, Valley Forge, Pa., 1956.

Dame of Magistral Grace of the Sovereign Military Order of Malta, Rome, December 1956.

Knight of the Grand Cross of the Order of Merit of the Italian Republic, Rome, December 1956.

Fourth Gimbel National Award, Philadelphia, January 1957.

Laetare Medal, Notre Dame University, South Bend, Ind., March 1957.

"Great Living Americans" Award, U.S. Chamber of Commerce, Washington, D.C., April 1957.

Institute of Social Sciences, Gold Medal Award, December 1957.

Cordell Hull Award, December 1957.

Distinguished Service Award of the National Society for Crippled Children and Adults, Dallas, Tex., November 1958.

Catholic Institute of the Press Award, New York, N.Y., February 1, 1959.

Possibly the award committee for a single recognition might have been misled, but I submit that the wide range of these honors is the evidence of a character and reputation that no political critic can slander.

With respect to the attempt to paint Mrs. Luce as a bitter partisan, and particularly on the subject of Franklin D. Roosevelt, I wish to remind Senators of a tribute by Mrs. Luce to Mrs. Roosevelt, widow of the late President.

It was in 1951, May 21, that Mrs. Luce, speaking at the Williamsburg Settlement Award dinner, said:

> Mrs. Roosevelt is the best-loved woman in the world today. No woman has so comforted the distressed or so distressed the comfortable. * * * The interpretation of her actions are often as mean as they are silly. That is because this generation has forgotten the injunction—"Judge not that ye be not judged."

If other proof that Mrs. Luce, while voicing her opinions with respect to certain events was not activated by partisan or political considerations when her country's good was concerned, a letter by her to the Prime Minister Nehru of India, written some years ago but published only this month in a book by Mr. Nehru offers additional evidence.

In that letter, Mrs. Luce pointed to the problems plaguing the world in our day and pleaded for an accord between our countries, India and the United States. She expressed the hope that Nehru would sit down with President Roosevelt and together work out ways in which we might be helpful to the people of Southeast Asia.

Now one word, Mr. President, as to Clare Boothe Luce as an Ambassador.

Among all the postwar trouble spots, none was more menacing than Trieste. I

was in Europe, in Italy in the fall of 1953, and I personally observed and felt some of the tension that existed between Yugoslavia and Italy and cast its spell over the continent. Memories are short indeed, Mr. President, if Senators have forgotten the tact, the statesmanship, and the good spirit which Mrs. Luce brought into that troubled area. Trieste was the spot then considered most likely to touch off world war III; she helped to make it one of the least likely.

And finally, Mr. President, one word about the propriety of naming a woman as Ambassador to Brazil. It was not only with an intent of great friendship and genuine helpfulness that President Eisenhower named the former Ambassador to Italy to this high post in Brazil.

May I remind Senators that in Brazil, a woman is one of the great national heroes. I refer to the Regent Isabelle, daughter of the Emperor Dom Pedro II. She it was who freed the slaves of Brazil by an executive proclamation on the 13th of May 1888, while her father was in Europe.

Every visitor to Rio de Janeiro is told he should visit Petropolis, the former capital city a few miles up in the mountains. There he will visit the palace of the Pedros. There he will see the mementos and the paintings and the statuary that pay tribute to the memory of a woman, who in her way and her day was the great emancipator and is enshrined in the affection of her people as Abraham Lincoln is in the United States.

So, Mr. President, the nomination of Clare Boothe Luce is not only the appointment of a brilliant, able, experienced diplomat but is an appointment intended to be a compliment to the people of a great country, the Republic of Brazil. I express the hope that Senators in casting their vote will give to Mrs. Luce and to the people of Brazil an expression of the confidence and good will that are important in the relations between our two great countries.

Mr. MORSE. Mr. President, I yield 4 minutes to the senior Senator from Pennsylvania.

Mr. CLARK. Mr. President, yesterday afternoon I had occasion to state my reluctant conclusion that this nomination should not be confirmed on the ground that Mrs. Luce had shown throughout her public career, and in particular in her appearance before the committee, such a lack of objectivity and such a lack of judgment that she could not be expected to make a satisfactory Ambassador to Brazil.

Furthermore, I pointed out that her inevitable identification as the wife of Henry Luce, plus the fact that Mr. Luce would spend, by Mrs. Luce's own admission, 6 months of every year with her in Brazil, was another reason why her nomination should not be confirmed. The Latin-American policy of the Luce publications, as I had occasion to state then, has been habitually and customarily to distort the facts in order to bring them into accord with the policies of those publications.

Since last night I have had occasion to read more carefully the statement which was filed by Mrs. Luce after the hearings, and which appears on page 27 of the published hearings. I suggest to Senators that that document alone evidences such a lack of objectivity, such a lack of judgment, such a determination to distort the facts as to make the confirmation of her nomination inadvisable.

First of all, she mistakes a position taken by the senior Senator from Oregon [Mr. MORSE] when she says that he advocated the principle of political conformation. He did not. Then, indicating it was that sort of question, she suggests that that is an improper standard. Of course it is.

Second, she said that a month before the election in 1944 she had accused President Roosevelt of being less than honest and truthful in his dealings with the American people. That, too, is a distortion. She said he "lied us into war."

She said she had apologized for her intemperate comments. She has not apologized, as appears on pages 6 and 7 of her testimony. On page 7 she said:

> I stand by my statement.

Finally, as the ultimate distortion, she said at the end of her statement:

> Strict conformity to the political tenets of the majority party is hardly a sound basis on which to judge the qualifications of any person for a diplomatic position.

Of course it is not. Nobody has said it is. To pretend that the Senator from Oregon has categorized his position in that way is nothing short of distortion.

For these reasons, I hope the Senate will reject the nomination.

I yield back the remainder of my time to the Senator from Oregon.

Mr. MANSFIELD. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Montana has 4 minutes remaining.

Mr. MANSFIELD. I am not unmindful of the arguments which the able senior Senator from Oregon and other Senators have made against the confirmation of this nomination. To me, the personal attacks which Mrs. Luce made upon President Roosevelt and President Truman during political campaigns were not merely intemperate; they were indefensible.

Similarly, it is entirely possible that Mrs. Luce made mistakes as Ambassador to Italy, although it seems to me that the mistakes were more those of policies formulated in Washington rather than mistakes on the part of Mrs. Luce, whose responsibility it was to carry out the policies.

But granted that Mrs. Luce made mistakes; granted that along with thousands of others Mrs. Luce made intemperate statements in the heat of political campaigns 10 or 15 years ago; are these in themselves reasons for the disqualification of a Presidential appointment of this kind? Are we to assume that Mrs. Luce, or any of us, for that matter, do not learn from experience, do not, with the years, mature in judgment? After all, all of us live in glass houses.

What is it that we are seeking in an Ambassador? Are we seeking a living public servant who has the capacity and courage to make a contribution to the Nation, but who, inevitably, has human shortcomings? Or do we seek someone who needs no eraser on his pencil because he never uses a pencil for fear of error? Where should be found anyone who fits that description? Would we want him or her if we found him?

It has not been a practice of the Democratic Party to conduct political inquisitions in the Senate, and I hope it will never be. Let us keep the record clear and distinct on that point. We do not need a public confession of past errors from Mrs. Luce. What counts is not what Mrs. Luce said 15 years ago, but what she will do now and in the days ahead.

Long ago the American people made clear what they thought of attacks on Mr. Roosevelt and Mr. Truman by electing and re-electing both men. I dare say that Mrs. Luce knows even now that Brazilians cherish the memory of Franklin Delano Roosevelt no less than do the people of the United States. After years of deteriorating relations, it is one of the few assets which she will have in conducting the Nation's affairs with Brazil, and I fully expect her to preserve it and to use it with the greatest of care.

As for her record as Ambassador to Italy, I believe it compares with that of other Ambassadors during the Eisenhower administration and is distinctly superior to many, career and non-career.

Whatever significant errors she may have made, if indeed any are directly traceable to her, they are more than counterbalanced by her constructive achievements in Italy. She was hard-working, imaginative, and dedicated to the pursuit of the policies of this Government and to the furtherance of friendly relations between Italy and the United States. Her part in solving the Trieste question was a diplomatic effort of the highest order, as were also her efforts in helping to bring about a satisfactory Austrian State Peace Treaty.

I believe Mrs. Luce will make a similar constructive contribution with respect to our policies and relations with Brazil. I urge the confirmation of her nomination.

Mr. MORSE. Mr. President, I yield myself the remainder of my time.

I say most respectfully to the distinguished Senator from Montana that the issue is not what Mrs. Luce said on October 13, 1944. The issue is what she said on April 15, 1959. Let me read it to the Senator from Montana and to other Senators from the public hearings:

> The CHAIRMAN. You think he lied us into a war?
>
> Mrs. LUCE. I stand by my statement.
>
> The CHAIRMAN. I was hoping that time had mellowed your judgment a bit, but it hasn't. That is quite clear.
>
> Mrs. LUCE. Time has mellowed my language, I hope, my judgment; but the accuracy, historical accuracy, I must stand by.

Again I say to my Democratic colleagues: I will await with interest their acceptance of invitations to speak at Roosevelt memorial dinners in the future if they vote to confirm the nomination of this slanderer of the great memory of the great humanitarian, Franklin Roose-

velt, whose memory is revered all over Brazil.

This woman has beclouded her usefulness in Brazil. This woman, in my judgment, has destroyed her effectiveness in Brazil.

I say further to the Senator from Montana: I know of no member of the Committee on Foreign Relations who has stood out more emphatically for career diplomats than he has. It is said that we are asked to confirm today the nomintation of a career diplomat; but we are really being asked to confirm the nomination of a political appointee, who, in my judgment, has demonstrated that she has neither the tact nor the diplomacy nor the qualifications to serve as Ambassador to Brazil.

Last of all, I wish to say that Mrs. Luce's record in Italy was such that she does not deserve to have her nomination confirmed by the Senate.

The PRESIDING OFFICER (Mr. HART in the chair). The hour of 2 o'clock has arrived; all available time on this question has expired.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. 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. JOHNSON of Texas. Mr. President, for the information of the Senate, I should like to announce that immediately following the vote on the question of confirmation of the nomination of Mrs. Luce, we shall proceed to consider the treaty which is on the Executive Calendar. The distinguished chairman of the Foreign Relations Committee [Mr. FULBRIGHT] has informed me that his statement on the treaty will be very brief; and the senior Senator from New York [Mr. JAVITS] expects to speak for less than 5 minutes; and then we anticipate taking a yea-and-nay vote on the question of ratification of the treaty. So I should like to have all Senators be on notice not to leave the Chamber after the yea-and-nay vote on the question of confirmation of the nomination of Mrs. Luce.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Mrs. Clare Boothe Luce, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil.

Mr. JOHNSON of Texas. Mr. President, I hope the vote will not be taken until the Senate is in order.

The PRESIDING OFFICER. The Senate will be in order.

On this question, the yeas and nays have been ordered. Senators who are in favor of advising and consenting to the nomination will vote "yea." Senators who are opposed to advising and consenting to the nomination will vote "nay."

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAVEZ (when his name was called). Mr. President, on this vote I have a pair with the Senator from Kentucky [Mr. MORTON]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

The rollcall was resumed and concluded.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Idaho [Mr. CHURCH], the Senator from Michigan [Mr. MCNAMARA], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

I also announce that the Senator from Nevada [Mr. BIBLE] is absent because of a death in his family.

I further announce that the Senator from Delaware [Mr. FREAR] is absent because of illness.

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. MORTON] is necessarily absent, and his pair has been previously announced by the Senator from New Mexico [Mr. CHAVEZ].

The result was announced—yeas 79, nays 11, as follows:

YEAS—79

Aiken	Hart	Monroney
Allott	Hartke	Moss
Anderson	Hayden	Mundt
Beall	Hennings	Muskie
Bennett	Hickenlooper	Neuberger
Bridges	Hill	Pastore
Bush	Holland	Prouty
Butler	Hruska	Proxmire
Capehart	Humphrey	Robertson
Carlson	Jackson	Russell
Case, N.J.	Javits	Saltonstall
Case, S. Dak.	Johnson, Tex.	Schoeppel
Cooper	Jordan	Scott
Cotton	Keating	Smathers
Curtis	Kefauver	Smith
Dirksen	Kennedy	Sparkman
Dodd	Kerr	Stennis
Douglas	Kuchel	Symington
Dworshak	Langer	Talmadge
Eastland	Lausche	Thurmond
Ellender	Long	Wiley
Engle	McCarthy	Williams, N.J.
Ervin	McClellan	Williams, Del.
Fulbright	McGee	Yarborough
Goldwater	Magnuson	Young, N. Dak.
Gore	Mansfield	
Green	Martin	

NAYS—11

Bartlett	Clark	Murray
Byrd, W. Va.	Gruening	Randolph
Cannon	Johnston, S.C.	Young, Ohio
Carroll	Morse	

NOT VOTING—8

Bible	Church	Morton
Byrd, Va.	Frear	O'Mahoney
Chavez	McNamara	

So the nomination of Mrs. Clare Boothe Luce was confirmed.

Mr. DIRKSEN. Mr. President, I move to reconsider the vote by which the nomination was confirmed.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified forthwith of the confirmation of the nomination.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the President will be notified immediately.

TREATY OF AMITY, ECONOMIC RELATIONS, AND CONSULAR RIGHTS BETWEEN THE PRESIDENT OF THE UNITED STATES OF AMERICA AND THE SULTAN OF MUSCAT AND OMAN AND DEPENDENCIES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive A, the treaty between the President of the United States of America and the Sultan of Muscat and Oman.

I am informed the Senate is likely to vote on the treaty within the next 10 minutes. Then we shall proceed to the consideration of the supplemental appropriation bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the treaty (Ex. A, 86th Cong., 1st sess.), a treaty of amity, economic relations, and consular rights between the President of the United States of America and the Sultan of Muscat and Oman and dependencies, together with a protocol relating thereto, signed at Salalah on December 20, 1958, which was read the second time, as follows:

TREATY OF AMITY, ECONOMIC RELATIONS, AND CONSULAR RIGHTS BETWEEN THE PRESIDENT OF THE UNITED STATES OF AMERICA AND THE SULTAN OF MUSCAT AND OMAN AND DEPENDENCIES

The President of the United States of America and Sultan Said bin Taimur bin Faisal, Sultan of Muscat and Oman and Dependencies, desirous of promoting friendly relations between the two countries and of encouraging mutually beneficial trade and closer economic intercourse generally have resolved to conclude a Treaty of Amity, Economic Relations, and Consular Rights, and have appointed as their plenipotentiaries:

The President of the United States of America:

Walter K. Schwinn, Consul General of the United States of America;

The Sultan of Muscat and Oman and Dependencies, Sultan Said bin Taimur bin Faisal, in person,

Who have agreed as follows:

ARTICLE I

There shall be firm and enduring peace and sincere friendship between the United States of America and the Sultanate of Muscat and Oman and Dependencies.

ARTICLE II

1. Nationals of either party shall, subject to the laws relating to the entry and sojourn of aliens, be permitted to enter the territories of the other party, to travel therein freely, and to reside at places of their choice. Nationals of either party shall in particular be permitted to enter the territories of the other party and to remain therein for the purpose of: (a) Carrying on trade between the territories of the two parties and engaging in related commercial activities; or (b) developing and directing the operations of an enterprise in which they, or companies of their nationality by which they are employed and which they represent in a responsible capacity, have invested or are actively in process of investing a substantial amount of capital. Each party reserves the right to exclude or expel aliens on grounds relating to public order, morals, health, and safety.

2. Nationals of either party shall receive all possible protection and security within

the territories of the other party. When any such national is in custody, he shall receive reasonable and humane treatment, and, on his request, the nearest consular representative of his country shall be notified as soon as possible. He shall be promptly informed of the accusations against him, allowed ample facilities to defend himself and given a prompt and impartial disposition of his case.

3. Nationals of either party within the territories of the other party shall, either individually or through associations, enjoy freedom of conscience and religious toleration and enjoy the right to engage in religious worship. They shall be accorded most-favored-nation treatment with respect to engaging in philanthropic, educational and scientific activities. They shall be enabled to communicate by legal means with other persons inside or outside such territories. The provisions of this paragraph shall be subject to the right of either party to apply measures that are necessary to maintain public order and to protect public morals and safety.

ARTICLE III

1. Companies constituted under the applicable laws and regulations of either party shall be deemed companies thereof and shall have their juridical status recognized within the territories of the other party. As used in the present treaty, "companies" means corporations, partnerships, companies, and other associations, whether or not with limited liability and whether or not for pecuniary profit.

2. Nationals and companies of either party shall have free access to the courts of justice and administrative agencies within the territories of the other party, in all degrees of jurisdiction, both in defense and in pursuit of their rights. Such access shall be allowed upon terms no less favorable than those applicable to nationals and companies of such other party or of any third country, including the terms applicable to requirements for deposit of security. It is understood that companies not engaged in activities within the country shall enjoy the right of such access without any requirement of registration or domestication.

ARTICLE IV

1. Each party shall at all times accord fair and equitable treatment to nationals and companies of the other party, and to their property and enterprises, and shall refrain from applying unreasonable or discriminatory measures that would impair their legally acquired rights and interests.

2. Property of nationals and companies of either party, including direct and indirect interests in property, shall receive all possible protection and security within the territories of the other party. Such property shall not be taken except for a public purpose, nor shall it be taken without the prompt payment of just compensation. Such compensation shall be in an effectively realizable form and shall represent the full equivalent of the property taken; and adequate provision shall have been made at or prior to the time of taking for the determination and payment thereof.

3. The dwellings, offices, warehouses, factories, and other premises of nationals and companies of either party located within the territories of the other party shall not be subject to entry or molestation without just cause. Official searches and examinations of such premises and their contents shall be made only according to law and with all possible regard for the convenience of the occupants and the conduct of business.

ARTICLE V

1. Nationals and companies of either party shall be accorded national treatment with respect to establishing, as well as with respect to acquiring interests in enterprises for engaging in commercial activities within the territories of the other party. Moreover, nationals and companies of such party shall in no case be accorded treatment less favorable than that accorded to nationals and companies of any third country with respect to establishing or acquiring interests in enterprises for engaging in industrial and other business activities within the territories of such other party. The provisions of this paragraph do not include the practice of professions.

2. Neither party shall discriminate against enterprises established within its territories that are owned or controlled by nationals and companies of the other party, as compared with any other enterprises engaged in like activities, in the application of any laws, rules, or regulations affecting the conduct of such enterprises.

3. Nationals and companies of either party shall enjoy the right to continued control and management of their enterprises within the territories of the other party; shall be permitted to engage accountants and other technical experts, executive personnel, attorneys, agents, and other specialized employees of their choice, regardless of nationality but subject to the provisions of article II regarding the entry and sojourn of aliens; and shall be permitted without discrimination to do all other things necessary or incidental to the effective conduct of their affairs.

ARTICLE VI

1. Nationals and companies of either party shall be accorded most-favored-nation treatment within the territories of the other party with respect to leasing real property needed for their residence or for the conduct of activities pursuant to the present Treaty, and national treatment with respect to: (a) purchasing or otherwise acquiring personal property of all kinds, subject to any limitations on acquisition of shares in enterprises that may be imposed consistently with Article V; and (b) disposing of property of all kinds by sale, testament, or any other legal manner.

2. Nationals and companies of either party shall be accorded within the territories of the other party effective protection in the exclusive use of inventions, trade marks and trade names, upon compliance with the applicable laws and regulations, if any, respecting registration and other formalities.

ARTICLE VII

1. Nationals and companies of either party shall not be subject to the payment of taxes, fees or charges within the territories of the other party, or to requirements with respect to the levy and collection thereof, more burdensome than those borne by nationals, residents and companies of any third country. In the case of nationals of either party residing within the territories of the other party, and of nationals and companies of either party engaged in trade or other gainful pursuit or in nonprofit activities therein, such taxes, fees, charges and requirements shall not be more burdensome than those borne by nationals and companies of such other party.

2. Each party, however, reserves the right to: (a) extend specific tax advantages only on the basis of reciprocity, or pursuant to agreements for the avoidance of double taxation or the mutual protection of revenue; and (b) apply special requirements as to the exemptions of a personal nature allowed to nonresidents in connection with income and inheritance taxes.

3. Companies of either party shall not be subject, within the territories of the other party, to taxes upon any income, transactions or capital not reasonably allocable or apportionable to such territories.

ARTICLE VIII

1. Each party shall accord to products of the other party, from whatever place and by whatever legally authorized carrier arriving, and to products destined for exportation to the territories of such other party, by whatever route and by whatever legally authorized carrier, treatment no less favorable than that accorded like products of, or destined for export to, any third country, in all matters relating to: (a) customs duties, as well as any other charges, regulations and formalities levied upon or in connection with importation and exportation; and (b) internal taxation, sale, distribution, storage and use.

2. Neither party shall impose restrictions or prohibitions on the importation of any product of the other party, or on the exportation of any product to the territories of the other party, unless the importation of the like product of, or the exportation of the like product to, all third countries is similarly restricted or prohibited.

3. Either party may impose prohibitions or restrictions on sanitary or other customary grounds of a noncommercial nature, or in the interest of preventing deceptive or unfair practices, provided such prohibitions or restrictions do not arbitrarily discriminate against the commerce of the other party.

4. Each party reserves the right to accord special advantages: (a) to adjacent countries in order to facilitate frontier traffic, or (b) by virtue of a customs union or free trade area of which either party may become a member, so long as it informs the other party of its plans and affords such other party adequate opportunity for consultation. Each party, moreover, reserves rights and obligations it may have under the General Agreement on Tariffs and Trade, and special advantages it may accord pursuant thereto.

ARTICLE IX

1. The parties recognize that the development of their economic relations will benefit from conditions of maximum freedom with respect to carrying out financial payments and transfers between their respective territories and between nationals and companies of the two parties. Accordingly, each party undertakes to refrain from applying restrictions on such payments except to the extent that shortages of foreign exchange may require. In that event, the party applying restrictions undertakes to administer them in a manner not to influence disadvantageously the competitive position of the commerce, transport, or investment of capital of the other party in comparison with the commerce, transport, or investments of any third country.

2. Nationals and companies of either party shall be accorded treatment no less favorable than that accorded nationals and companies of the other party, or of any third country, with respect to all matters relating to importation and exportation.

3. Neither party shall impose any measure of a discriminatory nature that hinders or prevents the importer or exporter of products of either country from obtaining marine insurance on such products in companies of either party.

ARTICLE X

1. Between the territories of the two parties there shall be freedom of commerce and navigation.

2. Vessels under the flag of either party, and carrying the papers required by its law in proof of nationality, shall be deemed to be vessels of that party both on the high seas and within the ports, places, and waters of the other party.

3. Vessels of either party shall have liberty, on equal terms with vessels of the other party and on equal terms with vessels of any third country, to come with their cargoes to all ports, places, and waters of the other party open to foreign commerce and navigation. Such vessels and cargoes shall in all respects be accorded national treatment and

most-favored-nation treatment within the ports, places, and waters of such other party; but each party may reserve exclusive rights and privileges to its own vessels with respect to the coasting trade and inland navigation.

4. Vessels of either party shall be accorded national treatment and most-favored-nation treatment by the other party with respect to the right to carry all products that may be carried by vessel to and from the territory of such other party; and such products shall be accorded treatment no less favorable than that accorded like products carried in vessels of such other party, with respect to (a) duties and charges of all kinds, (b) the administration of the customs, and (c) bounties, drawbacks, and other privileges of this nature.

5. Vessels of either party that are in distress shall be permitted to take refuge in the nearest port or haven of the other party, and shall receive all possible friendly treatment and assistance.

6. The term "vessels," as used herein, means all types of vessels, whether privately owned or operated, or publicly owned or operated; but this term does not, except with reference to paragraphs 2 and 5 of the present article, include fishing vessels or vessels of war.

ARTICLE XI

1. The present treaty shall not preclude the application of measures:

(a) regulating the importation or exportation of gold or silver;

(b) relating to fissionable materials, the radioactive byproducts thereof, or the sources thereof;

(c) regulating the production of or traffic in arms, ammunition, and implements of war, or traffic in other materials carried on directly or indirectly for the purpose of supplying a military establishment;

(d) necessary to fulfill the obligations of a party for the maintenance or restoration of international peace and security, or necessary to protect its essential security interests;

(e) denying to any company in the ownership or direction of which nationals of any third country or countries have directly or indirectly the controlling interest, the advantages of the present treaty, except with respect to recognition of juridical status and with respect to access to courts of justice and to administrative tribunals and agencies; and

(f) regarding its national fisheries and the landing of the products thereof.

2. The present treaty does not accord any rights to engage in political activities.

3. The most-favored-nation provisions of the present treaty relating to the treatment of goods shall not extend to advantages accorded by the United States of America or its Territories and possessions, irrespective of any future change in their political status, to one another, to the Republic of Cuba, to the Republic of the Philippines, to the Trust Territory of the Pacific Islands or to to the Panama Canal Zone.

ARTICLE XII

Each party shall have the right to send consular representatives to the other party, subject to the approval of such other party as to the persons appointed and the places at which they reside. Such consular representatives shall be permitted to perform such consular functions and shall enjoy such privileges and immunities as are in accordance with international law and practice and as provided in the protocol to this treaty.

ARTICLE XIII

Each party shall accord sympathetic consideration to, and shall afford adequate opportunity for consultation regarding, such representations as the other party may make with respect to any matter affecting the operation of the present treaty.

ARTICLE XIV

The territories to which the present treaty extends shall comprise all areas of land and water under the sovereignty or authority of the United States of America, other than the Panama Canal Zone and the Trust Territory of the Pacific Islands, and of the Sultan of Muscat and Oman and Dependencies.

ARTICLE XV

The present treaty shall replace and terminate as between the United States of America and the Sultan of Muscat and Oman and Dependencies the treaty of amity and commerce signed at Muscat September 21, 1833.

ARTICLE XVI

1. The present treaty shall be ratified, and the ratifications thereof shall be exchanged at Muscat as soon as possible.

2. The present treaty shall enter into force 1 month after the day of exchange of ratifications. It shall remain in force for 7 years and shall continue in force thereafter until terminated as provided herein.

3. Either party may, by giving 1 year's written notice to the other party, terminate the present treaty at the end of the initial 7-year period or at any time thereafter.

In witness whereof Walter K. Schwinn, Consul General of the United States of America, on behalf of the President of the United States of America, Dwight D. Eisenhower, and Sultan Said bin Taimur bin Faisal, Sultan of Muscat and Oman and Dependencies, on his own behalf, have signed the present treaty and have affixed thereto their respective seals.

Done in duplicate in the English and Arabic language, both equally authentic, at Salalah in the Kingdom of Oman, this 20th day of December, 1958, which corresponds to the 9th day of Jumada II, 1378.

WALTER K. SCHWINN.
SAID BIN TAIMUR.

PROTOCOL

With respect to the provisions for the exchange of consular representatives contained in article XII of the Treaty of Amity Economic Relations and Consular Rights between the President of the United States of America and the Sultan of Muscat and Oman and Dependencies, it is understood that consular officers of either party serving in the territories of the other party are permitted to exercise the following functions and to enjoy the following rights, privileges, and immunities:

1. In connection with the protection of nationals of the sending state, a consular officer may:

(a) Interview, communicate with, advise or assist citizens of the sending state;

(b) Visit and communicate with citizens of the sending state who are taken into custody.

2. In the event of the death of a citizen of the sending state, a consular officer may, within the discretion of the appropriate judicial authorities and if permissible under local laws.

(a) Take provisional custody of personal property left by the deceased;

(b) Represent the interests of absent heirs in estates of deceased persons;

(c) Receive for transmission to his nonresident countrymen money or movable property of all kinds due them from estates.

3. With respect to shipping:

(a) A consular officer may visit vessels of the sending state or be visited by their masters and crews;

(b) Without prejudice to the right of the administrative and judicial authorities of the receiving state to take cognizance of crimes or offenses which disturb the peace of the port or to enforce the laws of the receiving state applicable to vessels of any state in its ports and territorial waters, it is the intention of the Parties that a consular officer shall have jurisdiction over controversies, including wage and contract disputes, on board vessels of the sending state in the territorial waters of the receiving state; and

(c) A consular officer shall be informed by the local authorities in case vessels of the sending state are wrecked in the territorial waters of the receiving state, so that he may help to safeguard the interests of persons on board and of the owners of the vessels and cargoes.

4. In connection with notarials and miscellaneous services, a consular officer may:

(a) Issue notices to and receive declarations from citizens of the sending state required by the law of that state;

(b) Validate acts, documents, or other legal instruments;

(c) Take evidence in behalf of courts of the sending state;

(d) Administer oaths;

(e) Obtain copies or extracts from documents of public registry; and

(f) Inquire into matters pertaining to the interests of citizens of the sending state.

5. A consular officer may renew and issue passports and issue visas.

6. A consular officer has the right to communicate with his government and other consular and diplomatic establishments of the sending state:

(a) By public means;

(b) By courier;

(c) By sealed official pouches or other official containers; and

(d) By public telegraph either in clear or in coded language.

7. Throughout the period of his assignment in the receiving state, a consular officer who is a national of the sending state and who does not have the status in the receiving state of an alien lawfully admitted for permanent residence and who is not engaged in any other business, shall have the privilege of duty-free import of baggage, effects and other articles, including vehicles and vessels (but not larger than motor launches) for the personal use of himself and his immediate family. Such consular officer shall also be exempt from all manner of direct taxes or similar charges except with respect to:

(a) The acquisition, ownership, or occupation of immovable property situated in the receiving state;

(b) Income received from sources within the receiving state; and

(c) The passing of property at death.

8. The immunities of a consular officer or employee who is a citizen of the sending state and not a permanent resident of the receiving state and who is not engaged in any other business include:

(a) Exemption from the jurisdiction of the courts of the receiving state with respect to acts performed within the scope of his official duties;

(b) Exemption from having to produce documents from consular archies or give evidence on matter falling within the scope of official duties;

(c) Exemption from arrest or prosecution except when charged with crimes other than misdeameanors;

(d) Exemption from having him or his dependents subject to the requirements of alien registration, residence permits, and similar regulations applicable generally to aliens;

(e) Exemption from all estate, inheritance, succession, or similar taxes imposed in the receiving state with respect to movable property belonging to the estate of a deceased consular officer or employee and used by him in the performance of his official duties, and which does not exceed in value two times the amount of all salary and allowances received by such consular officer or employee in the year immediately preceding his death.

9. The rights of the sending State include:

(a) The right to own, lease, or build buildings and appurtenances necessary for consular offices and staff residences;

(b) Inviolability of archives;

(c) Inviolability of official correspondence.

(d) Immunity from entry or search except in case of a disaster, or unless there is ground for belief that a crime of violence has been or is about to be committed or that an individual suspected of a crime has taken refuge in a consular building;

(e) Exemption from taxation, other than charges levied for services or local public improvements by which the premises are benefited;

(f) Duty-free import of materials and equipment for the construction and operation of consular buildings and appurtenances, including residences; and

(g) Duty-free import of all articles, including vehicles and vessels (but not larger than motor launches) for the official use of the consular establishment.

In witness whereof Walter K. Schwinn, consul general of the United States of America, on behalf of the President of the United States of America, Dwight D. Eisenhower, and Sultan Said bin Taimur bin Faisal, Sultan of Muscat and Oman and Dependencies, on his own behalf have signed the present protocol and have affixed thereto their respective seals.

Done in duplicate in the English and Arabic languages, both equally authentic, at Salalah in the Kingdom of Oman, this twentieth day of December one thousand nine hundred fifty-eight, which corresponds to the ninth day of Jumada II one thousand three hundred seventy-eight.

WALTER K. SCHWINN.
SAID BIN TAIMUR.

Mr. JOHNSON of Texas. Mr. President, the chairman of the Committee on Foreign Relations has a brief statement to make on the treaty. I hope the Senate will come to order. It would save us time.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, the proposed treaty of amity, economic relations, and consular rights with the Sultan of Muscat and Oman would supersede a comparable treaty of friendship and commerce signed at Muscat in 1833. The State Department feels that the old treaty is no longer adequate. It was originally designed to guarantee the rights and security of American seamen and shipowners whose vessels might have foundered on the Omani Coast or dropped anchor in the harbor of Muscat. There was, of course, little economic intercourse at that time between this country and the territory of Oman, then as now a backward and feudal area.

The new treaty is similar to 17 that have been formed since the war, and comparable to about 18 other treaties made before the war. The purpose of this treaty is to provide rules and guarantees for the day-to-day conduct of business and trade in the city of Muscat and the territory of Oman. The Department of State expects that such an agreement will in turn provide conditions favorable to investment in the area. It will also provide a basis for an agreement to reopen a U.S. consulate in the area.

Mr. GORE. Mr. President, I make the point of order that the Senate is in confusion, not in order.

The PRESIDING OFFICER. The Senator is quite correct in his observation. The Senate will please come to order.

The Senator from Arkansas may proceed.

Mr. FULBRIGHT. Mr. President, Muscat and Oman is an independent state, with traditional associations with Great Britain. Yet both the boundaries and sovereignty of the territory of Oman are matters of considerable dispute. The British contend that Oman, both the coastal and inner mountain region, comes under the suzerainty of the city of Muscat and its Sultan. The Arab League has been arguing on the side of an independent status. The question was brought before the United Nations in 1957, and the United States abstained, on the ground that the legal character of Oman's boundaries was in doubt.

However, the Committee on Foreign Relations has been assured by the Department of State that this treaty is nothing more than what it purports to be, and will have no political repercussions in the Arab world. Indeed, the neighboring Arab states have been informed, and none of them has offered any objections. This is a remote, largely underdeveloped territory. But it is bordered by areas rich in oil and may itself contain rich fields. It is likely that American investment in Muscat and Oman is on the rise. The Department of State wishes to establish consular representation in the country, and the committee is confident that this will be a useful move.

Mr. JAVITS. Mr. President, I wish to speak for a few moments about the treaty, because it may present an analogy—and I want to be sure it does not—to a treaty we entered into with Saudi Arabia in June of 1951, under which that government has excluded American personnel, even American military personnel, on the ground that they were of the Jewish faith.

Mr. President, I know of nothing more antithetical to our institutions and traditions than such an attitude. Whatever may be said for our practical situation with the Saudi Arabian Government, in view of the fact that we have an air base at Dhahran, and that we may face other problems in the Arab world, I would certainly not wish to be a party to agreeing to the resolution of ratification of a treaty under which the kind of inequity and the kind of attitude which prevail in Saudi Arabia, and which are so opposed to all our traditions and institutions, could exist.

Mr. President, I also point out that under the Saudi Arabian treaty the particular section under which it is alleged the action can take place is section 14, which says that all American personnel must obtain Saudi Arabian visas. There is also a provision in subsection (d) of section 2 of the treaty that a detailed list of names and identities of personnel and employees who are to enter the country must first be submitted to the Saudi Arabian Government.

Mr. President, I understand that the particular treaty which is before the Senate now follows a classic pattern for such treaties. Indeed, it is compared with the treaty which we made with Iran. In respect to Iran there is no such situation as I have described with respect to Saudi Arabia, so far as I know, but I should like to ask the distinguished chairman of the Committee on Foreign Relations a question, if I may have his attention.

The PRESIDING OFFICER. The Senator from New York will suspend. The Senate will be in order.

The Chair understands that the Senator from New York desires to address a question to the Senator from Arkansas.

Mr. JAVITS. If I may have the attention of the chairman of the Committee on Foreign Relations, I should like to ask whether there is any provision in the treaty presently under consideration, with the Sultan of Muscat and Oman, which could lead us into the same kind of cul-de-sac we face as to the Saudi Arabian treaty. That is the first part of my question. The second part is whether the Senator feels we might get into such a situation, based upon his own inquiry and investigation with respect to the treaty before us.

Mr. FULBRIGHT. I respond to the Senator from New York that I am confident we will not. This is a very simple treaty, and it does not involve anything similar to the considerations which led to the situation in Saudi Arabia, to which the Senator has referred. I am quite sure this will not be the same.

Mr. JAVITS. Though I speak unilaterally, I am sure that the Senator from Arkansas deprecates as much as I do the situation we encountered in Saudi Arabia.

Mr. FULBRIGHT. The Senator from New York is quite correct. He knows that problem grew out of a very difficult situation related to the airbase at Dhahran. There is nothing with regard to the treaty presently under consideration, which is comparable to the other situation.

Mr. JAVITS. I thank the Senator from Arkansas.

The PRESIDING OFFICER. If there be no objection, the treaty will be considered as having passed through the various parliamentary stages up to and including the presentation of the resolution of ratification, which the clerk will read.

The Chief Clerk read as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive A, 85th Congress, 1st session, a treaty of amity, economic relations, and consular rights between the President of the United States of America and the Sultan of Muscat and Oman and dependencies, together with a protocol relating thereto, signed at Salalah on December 20, 1958.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification of the treaty?

Mr. FULBRIGHT. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the resolution of ratification of the treaty? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Idaho [Mr. CHURCH], the Senator from Michigan [Mr. McNAMARA], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Georgia [Mr. RUSSELL] are absent on official business.

I also announce that the Senator from Nevada [Mr. BIBLE] is absent because of a death in his family.

I further announce that the Senator from Delaware [Mr. FREAR] is absent because of illness.

I further announce that, if present and voting, the Senator from Nevada [Mr. BIBLE], the Senator from Virginia [Mr. BYRD], the Senator from Idaho [Mr. CHURCH], the Senator from Delaware [Mr. FREAR], the Senator from Michigan [Mr. McNAMARA], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Georgia [Mr. RUSSELL] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. MORTON] is necessarily absent, and, if present and voting, he would vote "yea." The Senator from Arizona [Mr. GOLDWATER] is detained on official business, and if present and voting, would vote "yea."

The yeas and nays resulted—yeas 89, nays 0, as follows:

YEAS—89

Aiken	Gore	Martin
Allott	Green	Monroney
Anderson	Gruening	Morse
Bartlett	Hart	Moss
Beall	Hartke	Mundt
Bennett	Hayden	Murray
Bridges	Hennings	Muskie
Bush	Hickenlooper	Neuberger
Butler	Hill	Pastore
Byrd, W. Va.	Holland	Prouty
Cannon	Hruska	Proxmire
Capehart	Humphrey	Randolph
Carlson	Jackson	Robertson
Carroll	Javits	Saltonstall
Case, N.J.	Johnson, Tex.	Schoeppel
Case, S. Dak.	Johnston, S.C.	Scott
Chavez	Jordan	Smathers
Clark	Keating	Smith
Cooper	Kefauver	Sparkman
Cotton	Kennedy	Stennis
Curtis	Kerr	Symington
Dirksen	Kuchel	Talmadge
Dodd	Langer	Thurmond
Douglas	Lausche	Wiley
Dworshak	Long	Williams, N.J.
Eastland	McCarthy	Williams, Del.
Ellender	McClellan	Yarborough
Engle	McGee	Young, N. Dak.
Ervin	Magnuson	Young, Ohio
Fulbright	Mansfield	

NAYS—0

NOT VOTING—9

Bible	Frear	Morton
Byrd, Va.	Goldwater	O'Mahoney
Church	McNamara	Russell

The PRESIDING OFFICER. Two-thirds of the Senators present concurring therein, the resolution of ratification of Executive A is agreed to.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be immediately notified.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

ARMED FORCES NOMINATIONS REPORTED FAVORABLY AND PLACED ON THE VICE PRESIDENT'S DESK

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that sundry nominations in the armed services reported favorably and placed on the Vice President's desk be considered and confirmed en bloc.

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

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

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, communicated to the Senate the intelligence of the death of Hon. JAMES G. POLK, late a Representative from the State of Ohio, and transmitted the resolutions of the House thereon.

MODIFICATION OF REORGANIZATION PLANS II OF 1939, AND NO. 2 OF 1953—VETO MESSAGE (S. DOC. 25)

Mr. JOHNSON of Texas. Mr. President, I ask that the President's veto message withholding his approval from Senate bill 144 be laid before the Senate.

The PRESIDING OFFICER (Mr. HART in the chair) laid before the Senate the message from the President of the United States withholding his approval from Senate bill 144, to modify Reorganization Plan No. II of 1939, and Reorganization Plan No. 2 of 1953, which was read.

(For veto message, see CONGRESSIONAL RECORD of April 27, 1959, p. 6816.)

The Senate proceeded to a reconsideration of the bill.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that debate be limited to 30 minutes, the time to be divided equally between the majority leader and the minority leader.

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

The time of 30 minutes is divided equally.

The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. DIRKSEN. Mr. President, the time for debate has been fixed at 30 minutes with 15 minutes to each side. At the end of the debate we shall vote on the President's veto of the REA reorganization bill. The veto message is short, and it seems to me that it states the whole case very well. In returning the bill without his approval the President analyzes the whole matter when he says:

> The bill provides that, in the approval and disapproval of loans, the Administrator of the Rural Electrification Administration (REA) shall not be subject to the supervision, direction or other control of the Secretary of Agriculture. In all other respects the functions and activities of the REA would be exercised within the Department of Agriculture under the general direction and supervision of the Secretary.

Mr. ALLOTT. Mr. President, may we have order?

The PRESIDING OFFICER. The Senator from Illinois will suspend until the Senate is in order. The Senate will be in order. The Senator from Illinois may now proceed.

Mr. DIRKSEN. The President uses one phrase which I believe expresses the whole story. He states that the enactment of the bill into law would mark "a major retreat from sound administrative policy and practice."

I thoroughly concur in the sentiment expressed by the President in his message. I point out that REA was placed in the Department of Agriculture, under the Secretary of Agriculture, 20 years ago. It was done in the administration of Franklin Roosevelt. It has worked well, and it is working well today. The operation is quite in accord with the recommendation which was made by the Commission on Organization of the Executive Branch. They felt that one of the weaknesses in the executive branch of the Government was the lack of a clear line of responsibility from the top to the bottom in some of our agencies and departments.

In placing REA in the Department of Agriculture, with authority vested in the Secretary, we conformed to the recommendation of that Commission, consisting of some of the finest administrative brains in the country, and we followed out a long line of practice which goes back to the Roosevelt administration. Nothing has appeared in the record to indicate that the bill should have been enacted by Congress in the first instance.

The REA Administrator appeared before the committee, and among other things he said that the Secretary and the Director have never interfered with his position and that he, the Administrator, makes the loans. I point out that there is something more involved here than just this matter.

If we can do this in this instance, what is to prevent us from saying to Secretary Seaton, of the Department of the Interior: "You supervise and control all of the Interior Department except projects which come within the jurisdiction of the Bureau of Reclamation"? What is to permit Congress from saying to the Secretary of the Treasury: "You run your show, but when it comes to loans for defense purposes, you shall have nothing to say about them"? What is to prevent Congress from saying to Secretary Benson, "You run your show, but when it comes to loans made under the Farmers Home Administration, there, of course, you shall have nothing to say whatever"?

This, then, becomes a weapon, which, in my judgment sets a dangerous precedent which will one day haunt the National Legislature if it fails to sustain the veto today.

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

Mr. DIRKSEN. I yield to the Senator from New Mexico.

Mr. ANDERSON. The Senator from Illinois was a Member of Congress during the time I was Secretary of Agriculture. At that time the Administrator of the Rural Electrification Administration had the same authority he now has. Certain authority would be taken away from the Secretary of Agriculture by the bill. I do not like to embarrass the Senator from Illinois, but did the Administrator have any complaints from any of the Senator's constituents that the Secretary of Agriculture then was interfering with the work of the Rural Electrification Administration? I can only say to the Senator from Illinois that, so far as I recall I never interfered with a single loan made by the Rural Electrification Administrator, except one time, and then, on that loan, he subsequently told me he thought I was right. I gave him support hundreds of times when he needed help in particular situations. I believe that the Secretary of Agriculture can help more than hinder the Administrator if he has the authority which he now has and which he would lose if the Humphrey bill were enacted. Therefore, I say to the Senator from Illinois that I intend to support the veto of the President of the United States.

Mr. DIRKSEN. I remember when the distinguished Senator from New Mexico became the Secretary of Agriculture while we were both in the House of Representatives. I remember the days when we stood together on the House Appropriations Committee, and I recall many felicitous conferences we had when he was Secretary of Agriculture and I was chairman of the Subcommittee on Agricultural Appropriations of the Committee on Appropriations. We always found a common ground. We did so because the line of authority ran from the top to the bottom whenever any difficulty arose.

That is all that the President of the United States is asking for with respect to the veto. It ought to be sustained.

No case can be made that the REA has suffered as a result of the present arrangement. The power output has doubled. In the past 6 or 7 years the agency made the greatest progress it has ever made. In excess of a billion dollars have been loaned. There has been no interference. Delinquencies are almost at the vanishing point. The net worth of the cooperatives has practically tripled. There has been no quarrel whatever on that score. There has been a little difficulty with respect to a cooperative in Indiana. Suddenly there comes a proposal to shear a Cabinet member of his authority over a component agency.

I wonder what would be said if in a large corporation the board of directors said to the president, "You run the show, but you will have nothing to say about the sales department." How efficient would it be? How far would any suggestion like that get? Yet it is proposed to say to a Cabinet member, "You can supervise, you can do all these things, but you cannot touch a very important function in one of your component agencies."

I point out that under the law the REA Administrator is appointed for 10 long years. He cannot be disciplined by the Secretary. He cannot be removed. I can think of all sorts of difficulties which might arise unless, in the first instance, there is supervisory authority from top to bottom, so that difficulties will never eventuate and have to fall into the lap of the President of the United States. It is bad practice to enact his kind of legislation.

I hope that as we realize the long-range implications of the bill there will be enough votes in the Senate today to sustain the veto of the President of the United States.

Mr. HICKENLOOPER. Mr. President, I agree with what the Senator from Illinois has said, and also with what the Senator from New Mexico has said. As a Senator who favored the establishment of a separate agency for REA when the issue was before the Senate a few weeks ago, I voted against the bill as it passed, which left REA in the Department of Agriculture but took away from the Secretary any rights to loan supervision.

I believe that the bill as it passed fails to provide good administrative practice. What it proposes is not good business practice in any sense of the term.

As I said a moment ago, I favored establishing a separate agency, if that is what they wanted, but not to leave it in the Department of Agriculture and shear the head of the Department of administrative power while at the same time he had the responsibilities as head of that Department.

I believe the President's veto is utterly sound, and I certainly hope that it will be sustained. It is a matter of good business, good administrative policy, and plain commonsense.

Mr. ANDERSON. I find myself in agreement with what the Senator from Iowa has said. I did not vote for a separate agency. However, if we are to give a man authority and put him off by himself, we should provide him a separate agency. However, if he is supposed to be under the head of a department, we had better let the head of the department have some jurisdiction over him.

I am a member of the Committee on Interior and Insular Affairs, and I am very much interested in reclamation, as most Senators know. I would not for a moment favor legislation which would give Mr. Dominy, who is the new head of the Bureau of Reclamation, authority to decide what reclamation projects shall go through, with the Secretary of the Interior having no authority over that subject.

I could go through the other Departments. My friend Bob Anderson has authority over the Treasury Department. I would not think of setting up a Bureau of Internal Revenue, so that the Director of that Bureau would be under the Secretary of the Treasury but that the Secretary of the Treasury could never have a word to say to him. He might be appointed for 10 years.

That, I think, is the tragic administrative error which is contained in the bill which was passed and which the President, most properly, has vetoed.

Mr. HUMPHREY. Mr. President, the majority leader is in control of the time on this side, but he has given me the privilege of using some of it. I yield myself 5 minutes.

I have listened to the arguments which have been advanced again today in support of the President's veto message. The arguments are the same as were made at the time S. 144 was passed. Let us look at them for a moment.

I know there is serious concern in this body over the administrative practice. The truth is that there was a group of Senators who wanted a completely independent agency for REA. The argument for the independent agency was as follows: That the REA is a bank, in fact; that REA is in the business of lending money; and that, therefore, REA should be separate and distinct from and clear of any political consideration.

Congress, in establishing REA, provided that the Administrator would be appointed on a nonpartisan, 10-year basis, so that no matter what administration was in power, the REA administrator would have more years of tenure of position than the two terms of any administration. This is the only way we have of insulating an administratve agency from political control.

I repeat: There is a strong feeling in the Senate that, on the one hand, REA should be in the Department of Agriculture, with which I agree. On the other hand, there is a feeling that REA should be a completely independent agency. So what was done by S. 144 was to keep REA, for purposes of accounting, personnel, bookkeeping, budgeting, and presentation of REA policy to Congress under the jurisdiction of the Secretary of Agriculture. That fulfills the requirement of the Hoover Commission in its relationship to what is called good housekeeping—the housekeeping functions of an agency within a department.

The second feature which was recommended by certain Senators—and I believe a substantial number voted for it—was an independent agency, which made REA, so far as its loanmaking functions are concerned, and so far as the granting of funds to local rural cooperatives is concerned, independent of any kind of political control. The REA Administrator has complete authority, as he had at the inception of the REA act. Second, the REA Administrator has complete authority, as he had under the Reorganization Act of 1939.

Why was it that S. 144 was brought before us? Because at the time of the Reorganization Act of 1953, the Secretary of Agriculture said, and the record so reveals, that if any administrative changes were to be made in REA—administrative changes about which many Senators worried, and so expressed themselves—the Secretary would notify the appropriate committees of Congress

before anything was done. He also said he intended to do nothing in that respect. He intended only, as he said, under the terms of the overall Reorganization Act, to keep REA as it was under the act of 1939.

What happened? The Secretary of Agriculture did do something. He appointed a man who did not require Senate confirmation to be the supervisor of all farm credit services. One of those farm credit services was REA. That supervisor, a Mr. Scott, who, I am certain, is a very fine man, found himself in the position of having supervisory control over a presidentially appointed, Senate-confirmed REA Administrator. In other words, for the first time since the beginning of REA, an official was appointed who had supervisory power over the REA Administrator exclusive of the Secretary of Agriculture.

The Senator from Georgia [Mr. RUSSELL] testified before our committee as to the possibilities of this happening. Other Senators did the same. The Secretary assured them it would not happen. The Secretary assured me that it would not happen. But it did. Therefore, what we have attempted to do is to protect the administrative soundness of this agency, on the one hand, and the fiscal independence of the agency, on the other hand.

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

Mr. HUMPHREY. I yield myself 2 minutes more.

This procedure is not unusual. The best argument which can be made in this body is for an independent REA agency, in terms of the complete independence of the agency. But that would violate what are called administrative procedures of management, personnel, budgeting, and accounting.

I call the attention of the Senate to the fact that the Small Business Administration grants money and makes loans. It does not have over it a Secretary who has the right to counteract the making of such loans or grants. The Small Business Administration, which is a loan-making agency, and has on its board the Secretary of Commerce, does not permit the Secretary of Commerce to deny the making of loans.

We are asking the same thing for REA: That the REA Administrator, who is not a political appointee, whose term overlaps those of the Secretary of Agriculture and the President, be granted complete independence in the loanmaking functions.

Let us consider another great agency in the Government. I should like to know how some Senators would feel if TVA were under the thumb of the Secretary of the Interior in some of its activities relating to its financing. No; they want independence for TVA when it comes to its financing. So do I. I think this is exactly where a sound principle of fiscal management is involved. We do not want to have political considerations advanced where loans or grants are to be made available. That is why we have selected means and methods, in this particular measure, to keep the administration of REA in the Department of Agriculture, but the loan-making functions in the independence of the REA Administrator.

No one is trying to insult the Secretary of Agriculture. No one is trying to say there has been corruption in REA, or even mismanagement. All we are saying is: An ounce of prevention is worth a pound of cure.

We are saying that some Senators in 1953 were worried that someone would tamper with REA, and found their worries being fulfilled. There was some tampering. The agreement was not kept. What we are doing is exactly what was done in 1939, because from 1939 to 1953, while it is true that the Secretary of Agriculture had the overall, general supervision, he did not appoint somebody to be supervisor over REA, as in the present situation. He left the REA autonomous; he left it independent. What we are attempting to do is to blend the original act of 1936 with the Reorganization Act of 1939. Both of them were sound. Both of them worked well. I think we have a good objective.

I regret that the President has seen fit to veto the bill, because the bill does not violate sound principles of administration. If it does violate sound principles of administration, then so does the Small Business Administration; so does the Housing and Home Finance Administration. I think the bill contains good principles, principles which should be maintained.

The PRESIDING OFFICER. The additional time of the Senator from Minnesota has expired.

Mr. DIRKSEN. Mr. President, will the Senator from Minnesota yield? I had 3 minutes, which I have already yielded.

Mr. HUMPHREY. I yield.

Mr. DIRKSEN. There is no analogy between REA and TVA. TVA is an independent body, created by Congress. It has always been independent.

But the REA is a component agency in a Cabinet Department, and there is no analogy whatsoever between it and the TVA.

Mr. HUMPHREY. I say most respectfully that in the financing functions of the two there is an analogy. The analogy is that when it comes to the money the REA is a loaning agency, and the TVA is a financing agency. Furthermore, I point out that, under the urging of the Senator from Nebraska [Mr. CURTIS] and the Senator from Georgia [Mr. RUSSELL] we have taken the first step, namely, that of preserving the independence of the loan-making functions of the Administrator. Then we have taken the second step; we have acted on the basis of the recommendations of the Hoover Commission reports—in particular, one of the fundamental principles of those reports, to the effect that the housekeeping functions, the budgeting, the purchasing, the procurement, the minutiae—the total functions of the Administration—be kept within the Department of Agriculture.

This measure provides for good administration, and at the same time it protects the independence of the REA in its vital function of granting loans.

Mr. DIRKSEN. Mr. President, the greatest study of administration ever made disagrees with the Senator from Minnesota.

Mr. HUMPHREY. I appreciate that.

Mr. KEFAUVER. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield 1 minute to the Senator from Tennessee.

Mr. KEFAUVER. Is it not true that the Administrator of the REA is picked on the basis of his special qualifications to handle the affairs of the REA, particularly its loans; and his nomination is confirmed by the Senate?

Mr. HUMPHREY. That is correct.

Mr. KEFAUVER. Whereas the supervisor whom the Secretary of Agriculture can, and recently has, placed over the Administrator of the REA is not confirmed by the Senate and need not have any special qualifications in connection with the REA; is that not true?

Mr. HUMPHREY. The Senator from Tennessee is absolutely correct.

Mr. KEFAUVER. Is it not also true that the supervisor, over whom the Senate has no power of confirmation, and who is not particularly selected on the basis of his ability in connection with REA matters, has been using this power of supervision over the Administrator of the REA?

Mr. HUMPHREY. He has testified that he has the power.

The PRESIDING OFFICER. The time yielded to the Senator from Tennessee has expired.

Mr. SYMINGTON. Mr. President, will the Senator from Minnesota yield to me?

Mr. HUMPHREY. I yield 1 minute to the Senator from Missouri, for whatever purpose he wishes.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 1 minute.

Mr. SYMINGTON. Mr. President, as a member of the Government Operations Subcommittee in the last Congress, I had the opportunity to hear the members and leaders of REA cooperatives from all over the country.

These experienced men had come to Washington to ask Congress to restore to their REA Administrator the full authority for making loans and handling other financial matters.

This bill as originally conceived, was in response to the requests—the pleas—of these REA people. It was not—as some have said recently—a slap at the Secretary of Agriculture. It is sound legislation that gives to the REA Administrator—nominated by the President and approved by Congress—the authority to handle the most important function of this program—that of loan making.

I supported this bill in committee; I voted for it and spoke in its behalf on the Senate floor, because I believe it is a sound bill and is in the best interests of the future of REA.

I regret that the President saw fit to veto this bill, and believe it important for the future of the REA that the Congress take prompt action to override this veto.

Mr. President, I now wish to ask the distinguished Senator from Minnesota whether it is true that the Secretary of Agriculture has not done what he agreed he would do in regard to the handling of the REA?

Mr. HUMPHREY. Yes. In fact, the Senator from Missouri has raised the point which precipitated this bill. The Secretary of Agriculture, in response to an inquiry by the distinguished Senator from Georgia [Mr. RUSSELL], said that if any changes relating to the REA were to be made under the Reorganization Act of 1953, he, the Secretary, would first come to the committees of Congress and would propose the changes and would obtain congressional advice and consent before such changes were made. But nothing of that sort ever occurred. Instead, the changes were made. A supervisor was placed in charge—one who is not appointed by the President or confirmed by the Senate. The supervisor has testified that he has supervisory control, even if he has not exercised it. I believe the Senator from Missouri has put his finger directly on the reason for this proposed legislation. It is not proposed because there has been maladministration. It is proposed because there has been a violation of the understanding which the Senate had as to the reorganization.

Mr. SYMINGTON. Mr. President, will the Senator from Minnesota yield further?

Mr. HUMPHREY. I yield.

Mr. SYMINGTON. Does the distinguished Senator from Minnesota recall that last February, the Secretary of Agriculture agreed to present an omnibus farm bill to the Committee on Agriculture and Forestry.

Mr. HUMPHREY. He did, indeed.

The PRESIDING OFFICER. The time yielded to the Senator from Missouri has expired.

Mr. HUMPHREY. Mr. President, how much time remains under my control?

The PRESIDING OFFICER. Five minutes.

Mr. HUMPHREY. I yield 2 additional minutes to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 2 additional minutes.

Mr. SYMINGTON. Mr. President, the Senator from Minnesota does not know, does he, that up to this time any omnibus bill has come to us from the Department of Agriculture?

Mr. HUMPHREY. I know of none. In fact, I know to the contrary; I believe the Department has indicated that it is not going to send such a bill to us.

Mr. SYMINGTON. Mr. President, in view of past experience it is no surprise to me to find that REA members throughout the Nation and so many Members of this body want to return to the REA Administrator the loan making functions now in the hands of the Secretary of Agriculture.

I hope that in the interest of the future effectiveness of the REA the Senate will override the President's veto.

I thank the Senator from Minnesota for yielding to me.

The PRESIDING OFFICER. Does the Senator from Minnesota desire to use further of the time remaining under his control?

Mr. HUMPHREY. Mr. President, I suggest that those who favor supporting the veto now use the time available to them.

Mr. DIRKSEN. Mr. President, how much time remains to our side?

Mr. HUMPHREY. Mr. President, let me ask how much time remains to our side.

The PRESIDING OFFICER. The Chair is advised that the proponents have 3 minutes remaining and the opponents have 3 minutes remaining.

Mr. DIRKSEN. Mr. President, I yield the remaining time under my control to the distinguished Senator from Vermont [Mr. AIKEN].

The PRESIDING OFFICER. The Senator from Vermont is recognized for 3 minutes.

Mr. AIKEN. Mr. President, I cannot vote to override the President's veto of this bill. The bill itself does nothing to improve the program of the REA. The bill violates the concepts of good government, by delegating authority to a subordinate official of the Department—in this case the Administrator of REA—and by giving the head of the Department no control over the action of such official, for whose acts he is otherwise responsible.

If the veto were overridden, such action would be interpreted by the country as simply an expression of malice toward the Secretary of Agriculture. I do not like such tactics at all.

I realize that the Secretary has antagonized many persons, and that some are justly provoked with him. But I do not like the idea of getting even in this way.

Mr. President, congressional action to override this veto would not hurt Secretary Benson in the least. On the contrary, it probably would enhance his stature in the eyes of the public, who will recognize this measure for what it is.

But congressional action to override the veto of this bill would hurt the REA and the work of that great organization, and would arouse in the minds of the people a suspicion that perhaps the promoters of this bill are not particularly interested in the extension of light and power to the rural areas, but are more interested in getting even with an administration which they disapprove.

Mr. President, I hope Members who are so ardently supporting the bill and are so ardently advocating overriding the veto of the President will have equal ardor when it comes to protecting the just rights of the REA and the provisions which are necessary if it is to continue the good work it has done up to now.

So, Mr. President, I think Senators who vote to override the veto will not be proud of themselves; and I do not believe the people of the country will be proud of them, either. Instead of helping the REA, an overriding of the veto would be bound to hurt the work of that great organization.

The PRESIDING OFFICER. All time under the control of the proponents has been consumed.

The opponents have 3 minutes remaining under their control.

Mr. HUMPHREY. Mr. President, I yield to myself the time remaining under my control.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. HUMPHREY. Mr. President, I should like to have the attention of my colleagues during the 3 remaining minutes available on this question.

I deeply regret that this question has been turned into a sort of popularity contest as between the Secretary of Agriculture, on the one hand, and good administration, on the other.

Of course there are differences of opinion as between the Secretary of Agriculture and many Members of the Senate. The Secretary of Agriculture expresses his opinion with deep conviction and, at times, with a very sharp and pointed pen; and some of us express our views with equally deep conviction and with sharp words.

Mr. President, in this case we are talking about the Reorganization Act of 1953 and what has been done under it, in violation of an agreement relating to that act. In that connection, I call attention to pages 24 and 25 of the hearings, where we find that the distinguished Senator from Georgia [Mr. RUSSELL] pointed out the very possibilities we now face and where, let me add, the distinguished Senator from New Mexico [Mr. ANDERSON] likewise said:

> It requires the Secretary, to the extent practicable, to give appropriate advance public notice of delegations of functions, and to afford opportunity for interested persons or groups to place their views before the Department. In view of this very clear mandate, it would be most unrealistic to think that any Secretary of Agriculture might disregard the will of Congress by using the "to the extent practicable" provision as an excuse to avoid the notice of hearings. Actually, hearings should generally be required. This is a sound provision which will insure careful consideration of any proposed transfers or delegations.

That was the interpretation which was given to the Reorganization Act; and the position taken by those Senators was taken in good faith.

So, Mr. President, in this case we are concerned with the question of good and proper administration. The issue now confronting us is not whether we are in favor of, or are opposed to, the President and his administration. The vote is entirely upon whether the Reorganization Plan No. 2 of 1953 was good legislation. A majority of this body did not think so in 1952, because the same proposed Act was presented then. They did think so after the election of 1953. But even then a substantial number of Senators were dubious. That substantial number later on were proven to be right.

Some of the most ardent advocates of responsible administration in the Department of Agriculture raised a warning flag to us. I was one of those who voted with the Senator from Georgia [Mr. RUSSELL] and other Senators, with doubt as to the efficacy of Reorganization Plan No. 2 of 1953.

The time is at hand to correct the original wrong and to set the house in order.

The PRESIDING OFFICER. The time of the Senator from Minnesota has expired. All time allotted for the debate has expired.

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

The PRESIDING OFFICER. The absence of a quorum has been suggested, and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gore	Monroney
Allott	Green	Morse
Anderson	Gruening	Morton
Bartlett	Hart	Moss
Beall	Hartke	Mundt
Bennett	Hayden	Murray
Bridges	Hennings	Muskie
Bush	Hickenlooper	Neuberger
Butler	Hill	Pastore
Byrd, W. Va.	Holland	Prouty
Cannon	Hruska	Proxmire
Capehart	Humphrey	Randolph
Carlson	Jackson	Robertson
Carroll	Javits	Russell
Case, N.J.	Johnson, Tex.	Saltonstall
Case, S. Dak.	Johnston, S.C.	Schoeppel
Chavez	Jordan	Scott
Church	Keating	Smathers
Clark	Kefauver	Smith
Cooper	Kennedy	Sparkman
Cotton	Kerr	Stennis
Curtis	Kuchel	Symington
Dirksen	Langer	Talmadge
Dodd	Lausche	Thurmond
Douglas	Long	Wiley
Dworshak	McCarthy	Williams, N.J.
Eastland	McClellan	Williams, Del.
Ellender	McGee	Yarborough
Engle	McNamara	Young, N. Dak.
Ervin	Magnuson	Young, Ohio
Fulbright	Mansfield	
Goldwater	Martin	

The PRESIDING OFFICER. A quorum is present.

Mr. JOHNSON of Texas. Mr. President, will the Chair state the question?

The PRESIDING OFFICER. The question is, Shall the bill, Senate bill 144, pass, the objections of the President of the United States to the contrary notwithstanding?

All time has been exhausted. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. ANDERSON (when his name was called). I have a pair with the senior Senator from Nevada [Mr. BIBLE] and the senior Senator from Wyoming [Mr. O'MAHONEY]. I am informed that if they were present and voting they would vote "yea." If I were at liberty to vote I would vote "nay." I therefore withhold my vote.

The rollcall was resumed and concluded.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD] and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

I also announce that the Senator from Nevada [Mr. BIBLE] is absent because of a death in his family.

I further announce that the Senator from Delaware [Mr. FREAR] is absent because of illness.

The yeas and nays resulted—yeas 64, nays 29, as follows:

YEAS—64

Bartlett	Clark	Engle
Byrd, W. Va.	Cooper	Ervin
Cannon	Curtis	Fulbright
Carroll	Dodd	Gore
Case, S. Dak.	Douglas	Green
Chavez	Eastland	Gruening
Church	Ellender	Hart
Hartke	McCarthy	Randolph
Hayden	McClellan	Robertson
Hennings	McGee	Russell
Hill	McNamara	Smathers
Holland	Magnuson	Sparkman
Humphrey	Mansfield	Stennis
Jackson	Monroney	Symington
Johnson, Tex.	Morse	Talmadge
Johnston, S.C.	Moss	Thurmond
Jordan	Mundt	Williams, N.J.
Kefauver	Murray	Yarborough
Kennedy	Muskie	Young, N. Dak.
Kerr	Neuberger	Young, Ohio
Langer	Pastore	
Long	Proxmire	

NAYS—29

Aiken	Cotton	Martin
Allott	Dirksen	Morton
Beall	Dworshak	Prouty
Bennett	Goldwater	Saltonstall
Bridges	Hickenlooper	Schoeppel
Bush	Hruska	Scott
Butler	Javits	Smith
Capehart	Keating	Wiley
Carlson	Kuchel	Williams, Del.
Case, N.J.	Lausche	

NOT VOTING—5

Anderson	Byrd, Va.	O'Mahoney
Bible	Frear	

The PRESIDING OFFICER. On this vote, the yeas are 64, and the nays 29. Two-thirds of the Senators present and voting having voted in the affirmative, the bill, on reconsideration, is passed, the objections of the President of the United States to the contrary notwithstanding, and the Secretary will notify the House of Representatives.

Mr. HUMPHREY. Mr. President, as author of S. 144—the Humphrey-Price REA bill—I am extremely gratified by the Senate's decision to override the President's veto of this constructive legislation designed to protect REA cooperatives throughout the country.

The vote was a reassuring demonstration of the unity of the Democratic Party and its dedication to the best interests of agriculture. I want to express my appreciation for the close cooperation of the Majority Leader Senator LYNDON JOHNSON and chairmen of both the Senate Committee on Agriculture Senator ELLENDER and the Senate Committee on Government Operations Senator MCCLELLAN for all three were helpful in obtaining this overwhelming victory. I also wish to thank every Senator, Republican or Democrat, who voted to override.

I am confident similar action will now be taken by the House of Representatives, to enact this legislation into law.

Actually, it is a victory for good government—for the purpose of the bill was to protect REA loans against political manipulation, either by the present Secretary of Agriculture or any future Secretary of either party. It serves notice on this or any future administration that the legislative branch is not willing to let politically-appointed Cabinet members arbitrarily defy the intent of Congress in administering programs enacted by the Congress.

SECOND SUPPLEMENTAL APPROPRIATIONS, 1959

Mr. JOHNSON of Texas. Mr. President, I ask that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 5916) making supplemental appropriations for the fiscal year ending June 30, 1959, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I am informed that the senior Senator from Oregon desires to make a personal statement. At the conclusion of the statement to be made by the Senator from Oregon, we expect to proceed with the consideration of the supplemental appropriation bill.

PERSONAL STATEMENT BY SENATOR MORSE

Mr. MORSE. Mr. President, I rise to a point of personal privilege.

I have in my hand a very interesting news release. I happen to be one of those politicians who can take it as well as dish it out. Whenever a politician reaches the point where he cannot laugh at himself, then he ought to get out of politics. I hope my colleagues who voted against me a few minutes ago will pardon my chuckle at their expense in view of their votes. I say that because not so soon did I expect that those of us who voted against the nomination of Clare Boothe Luce would be proved so right. We had pointed out in the debate her complete lack of tact and diplomacy and we have been proven right by this very interesting bit of news on the wires. It reads:

> Mrs. Luce said in New York: "I am grateful for the overwhelming vote of confirmation in the Senate. We must now wait until the dirt settles. My difficulties, of course, go some years back and began when Senator WAYNE MORSE was kicked in the head by a horse."

[Laughter.]

Mr. President, I was confronted with that Republican smear all through my 1956 campaign. It came out by the reams. It was a whispering campaign with such a windy blow to it that it not only rustled the leaves of Oregon but, in some parts of the State, almost tore the sage brush up by its roots. The people of Oregon answered that smear by a large majority of votes for me against the hand-picked candidate of the President of the United States, who was taken right out of his Cabinet to "get me." They thought that this smear was one of the devices they could use. But, Mr. President, the people of Oregon passed upon my mental judgment.

I am not surprised that this slanderer, whose nomination the Senate confirmed only a few minutes ago, would make this kind of statement, because yesterday, for three hours and a half, I documented her record. This is an old, old pattern of emotional instability on the part of this slanderer; the same pattern which caused her to put on a scene in the Roman Parliament after her candidate for President of Italy was defeated. We read the newspaper statements about her conduct, and the widespread comment at the time that if she had been a male ambassador, she would have been recalled.

But the issue is settled. I simply happen to be one of those persons, whether before the final bar of the court when the decision is rendered, or before the

final bar of the U.S. Senate when a decision is rendered, who believe in government by law. I take the decision.

As chairman of the Subcommittee on American Republics Affairs of the Committee on Foreign Relations, I am much concerned about Mrs. Luce's relations with all the Latin American countries, including Brazil.

The nomination of Mrs. Luce has been confirmed. I wish her well. So far as my subcommittee is concerned, on a strictly impersonal, professional relationship, she will have the full cooperation of my committee.

I promise to the Nation that each night in my prayers I will pray for God's guidance to this lady, so that for the welfare of our Nation she will be more stable in her ambassadorial duties than she was when she issued this press release this afternoon. [Applause.]

Mr. DIRKSEN. Mr. President, so long as we have great Senators like my friend, the Senator from Oregon, with a durable sense of humor, and so long as we have Ambassadors and Ambassadresses with an equal sense of humor, I am confident that the whole continent will be safe for freedom. [Laughter.]

Mr. CAPEHART. Mr. President, I suspect that the able Senator from Oregon feels a little bit the way I felt when I was in Chicago in 1952. I lost, there; and, today, he has lost, here.

I remember that I was then a member of the Indiana delegation, and we were supporting Senator Taft for the Republican nomination for the Presidency. Back in those days, the able Senator from Oregon was a Republican. I remember that the Oregon delegation sat just ahead of the Indiana delegation. And I remember——

Mr. MORSE. Mr. President, will the Senator from Indiana yield for an interruption?

The PRESIDING OFFICER (Mr. McCARTHY in the chair). Does the Senator from Indiana yield to the Senator from Oregon?

Mr. CAPEHART. I ask the Senator from Oregon to wait a minute, please.

Mr. MORSE. Mr. President, let me say that that was after I was kicked by the horse. [Laughter.]

Mr. CAPEHART. Mr. President, I remember that the chairman of the Oregon delegation—the able Senator from Oregon [Mr. MORSE]—was in favor of the nomination of General Eisenhower; and I remember that the Oregon delegation wore big, high hats. In fact, I believe the one the able Senator from Oregon wore was perhaps a little higher than the others. At any rate, the Oregon delegation sat just ahead of the Indiana delegation; and we could not see anything over their high hats, particularly because the able Senator from Oregon and the other Oregon delegates kept jumping up and cheering and cheering and cheering for Eisenhower. And we lost. I think one of the reasons why we lost was that we could not see what was going on—because of those high hats.

On that day I felt the same way, I am sure, that the able Senator from Oregon feels today, after having lost on the question of confirmation of the nomination of Mrs. Luce. I am sure his memory is not so short that he does not remember the days when he was a Republican. I recall the days when he used to attack former President Roosevelt; and I remember that in those days he had the most glowing things to say about General Eisenhower, in fact, more so than anyone else in the entire world, even to the point of jumping up and down and keeping the Indiana delegation at the convention, who favored Senator Taft, from seeing what was going on there.

Mr. MORSE. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. MORSE. I wish to thank the Senator from Indiana for relating that little bit of history; I am very appreciative of his action. It shows that I have the kind of mind that can change when I find out what the facts are. [Laughter.]

Mr. CAPEHART. But, Mr. President, I am not too certain that I can agree with the able Senator from Oregon. [Laughter.]

Mr. LAUSCHE. Mr. President, I regret very much that I cannot look upon this incident with the lightness with which it has been generally regarded. To me, it is a matter of gravity; and I do not contemplate letting the statement go unchallenged.

I voted in favor of confirmation of the nomination of Mrs. Luce. I did so on the basis that she was cleared by the Senate in 1953; and after she had been cleared by the Senate in 1953, I did not feel that the Senate would be justified in making a search now into what happened prior to 1953.

I never doubted the sincerity of purpose of the Senator from Oregon [Mr. MORSE]; and I felt that, as a Senator—and I am certain that my colleagues feel the same way—he had a right and duty to express his honest views.

When the vote was taken, I voted in favor of confirmation of the nomination of Mrs. Luce.

But, Mr. President, I think the statement she made following the Senate's confirmation of her nomination indicates an absence of rationality so serious that if she had made such a statement before the vote was taken, I would not have voted in her favor. Certainly one who makes a statement which implies what her statement did violates every precept of propriety. Somewhere in the Bible it is written that one should beware of making statements of that character in regard to any person.

So, despite the power of this lady, I do not think the Senate can stand idly by and can consider this incident lightly.

In the Foreign Relations Committee, the Senator from Oregon stated that this matter is of grave importance. He said "I realize the power of this lady." I said to him, "WAYNE, there will not be the audacity to use that power to harm you." I regret to say that today there are evidences that that is what is contemplated.

I disagreed with the Senator from Oregon. But I would not be true to myself if I remained silent after the occurrence of this incident. If the nomination of Mrs. Luce were now before the Senate, I would vote against confirmation.

Mr. YARBOROUGH. Mr. President, I wish to commend the distinguished senior Senator from Ohio [Mr. LAUSCHE] for having stated so well what I think many of us on the floor of the Senate feel at this time.

I am among the Senators who voted in favor of confirmation of the nomination of Mrs. Luce. But I wish to commend the Senators who showed the good judgment of voting against confirmation of her nomination.

I had hoped that after her intemperate statements in 1952—which, after all, were made in the heat of a political campaign—and after her experience in Italy, where she served as the representative of our nation to that great nation, she would have obtained enough judgment not to engage in intemperate remarks. But as we have learned today that experience has not profited her. We are sending to one of the largest nations in Latin America an Ambassador who is apparently more skilled in invective than in diplomacy.

I wish to pay tribute to the Senators who have had the courage to call this matter to the attention of the Senate.

Furthermore, if I now had the opportunity to do so, I would join the Senator from Ohio in voting with the group of Senators who voted against confirmation of the nomination of Mrs. Luce, and who did so because they believed that she had demonstrated her unfitness for ambassadorial service. If at this time I had a chance to vote on the question of confirmation of her nomination, I, too, would vote "nay."

Mr. McGEE subsequently said: Mr. President, I should like to inject at this point the question which was brought up by the distinguished Senator from Oregon. It seems to me that we in this body have an obligation not only to represent our own political following, not only the people of the United States, but we have an obligation to take a stand before the eyes of the world, because when an Ambassador or an Ambassadress is appointed, he or she will speak for all the people of a united America, and that person should be chosen with great care.

Like the Senator from Texas [Mr. YARBOROUGH] I, as one who voted for the confirmation of Mrs. Luce, am somewhat reluctant to see the Senate dismiss this matter with so little thought and with such slight consideration.

This is not a matter for Democrats or for Republicans. It is a matter now for Americans. Our one hope, and that represented to us in the hearings, which I read carefully, was that, with all the mistakes of the past, the years had brought a maturity of judgment to the nominee. God knows, if ever in our history we ever needed maturity of judgment in these troubled hours of the world, it is now. And we are now being asked to send to Brazil this lady who, on her first opportunity to illustrate her judgment on the confirmation of her nomination by this body makes the intemperate declaration which we heard as reported by the press.

I not only regret my vote, as my colleagues have likewise expressed their

sentiments, but I urge that the proper authorities in this administration now give due weight to this intemperate remark and possibly reconsider the appointment of the nominee who it is now contemplated will go to Brazil.

What is to prevent this Ambassadress from making the same kind of a comment in a release south of the border, so to speak? What is to prevent her touching off another kind of intemperate series of incidents such as those I noted published in her husand's magazine not many weeks ago?

For those reasons, I think the Senate would do well to heed the significance of what has happened. I applaud the Senator from Oregon for his gracious spirit of good humor and good sportsmanship. Mr. President, this is not a matter of political give and take, or a matter of good humor or sportsmanship, but it is a matter of concern to the people of the United States.

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

Mr. McGEE. I yield.

Mr. CHAVEZ. I feel in my heart if Brazil had known that Mrs. Luce would make this kind of statement, Brazil would have notified the State Department she would not be received as Ambassador.

SECOND SUPPLEMENTAL APPROPRIATIONS, 1959

The Senate resumed the consideration of the bill (H.R. 5916) making supplemental appropriations for the fiscal year ending June 30, 1959, and for other purposes.

Mr. HAYDEN. Mr. President, the bill as reported to the Senate makes appropriations of $2,820 million, which is an increase of $162,600,000 over the House version of the bill, but is still $80,750,000 under the budget estimates.

The bill contains an item of $1,336 million for reimbursement to the Commodity Credit Corporation for costs of various farm programs.

It contains an item of $200 million for the Development Loan Fund—an increase of $100 million over the House version of the bill.

The bill contains, in title II, an item of $414 million for increased pay costs. The total cost of increased pay is estimated to be $1,059 million, including $176 million for increased pay costs as a result of wage-board action. Much of the cost was absorbed or transferred, so it is not necessary to recommend appropriations for the full costs.

Some other major items in the bill are: Defense education activities, $75,300,000; payments to and assistance for schools, $44,600,000; grants for public assistance, $151,560,000; Veterans' Administration costs, $120,265,000; Department of Defense costs, $188,329,500.

Mr. President, I ask unanimous consent that the committee amendments to the bill be agreed to en bloc, and that the bill as thus amended be regarded for the purpose of amendment as original text; provided that no point of order be considered to have been waived by reason of agreement to this order.

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

Mr. DOUGLAS. Mr. President, will the Senator from Arizona modify his request with the understanding that, although the Senate agrees to the committee amendments en bloc, individual amendments may be taken up individually?

Mr. HAYDEN. Yes; and that points of order will not apply.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

On page 2, line 7, after the word "Research", to strike out "$3,666,700, to" and insert "including not to exceed $35,000 for the alterations to the meat laboratory at Beltsville, Maryland, $4,174,110, of which $4,074,110 shall", and in line 12, after the word "control", to strike out "$2,180,700" and insert "$2,423,000".

On page 3, at the beginning of line 4, to strike out "$146,000" and insert "$162,255".

On page 3, line 21, after the word "estimates", to strike out "$1,144,100" and insert "$1,208,100", and in line 25, after the word "services", to strike out "$1,918,600" and insert '$1,954,600".

On page 4, after line 2, to insert:

"FOREIGN AGRICULTURAL SERVICE

"Salaries and expenses

"Subject to allocation in such manner as may now or hereafter be prescribed by the President, foreign currencies which have accrued under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704), may be used without fiscal year limitation for the purposes of section 104(m) of that Act, including administrative expenses directly related thereto, in an amount not to exceed the equivalent of $1,275,000."

On page 4, at the beginning of line 21, to strike out "The" and insert "For an additional amount for "Acreage allotments and marketing quotas", $2,375,000, to be derived by transfer from the appropriation for "Conservation reserve program", fiscal 1959 and the", and on page 5, line 4, after the word "to", to strike out "$6,837,000" and insert "$6,886,300".

On page 6, at the beginning of line 23, to strike out "$71,100" and insert "$77,000".

On page 7, line 5, after the word "management", to strike out "$12,282,800" and insert "$15,326,000".

On page 7, after line 10, to insert:

"Forest roads and trails

"For an additional amount for "Forest Roads and Trails", $500,000."

On page 7, line 19, after the word "amended", to strike out "$100,000,000" and insert "$200,000,000".

On page 7, line 24, after the word "exceed", to strike out "$18,650,000" and insert "$18,700,000".

On page 8, line 5, after the word "subsidies", to strike out "$5,000,000" and insert "$10,000,000".

On page 9, line 4, to strike out "$1,651,500" and insert "$1,683,000".

On page 9, after line 4, to insert:

"NATIONAL BUREAU OF STANDARDS

"Construction of laboratories

"For an additional amount for 'Construction of laboratories', $19,793, to remain available until expended."

On page 9, line 14, to strike out "$521,500" and insert "$535,000".

On page 9, line 24, after the word "maintenance", to strike out "$38,160,000" and insert "$39,900,000".

On page 10, line 5, to strike out "$10,300,000" and insert "$13,200,000".

On page 10, line 9, after the word "Navy", to strike out "$33,061,000" and insert "$36,735,000".

On page 10, line 12, to strike out "$18,000,000" and insert "$18,624,900".

On page 10, line 15, to strike out "$18,000,000" and insert "$20,000,000".

On page 10, line 18, to strike out "$3,822,000" and insert "$4,246,000".

On page 10, line 24, to strike out "$3,330,000" and insert "$3,732,000".

On page 11, line 3, after the word "finance", to strike out "$14,682,000" and insert "$16,313,000".

On page 11, line 6, to strike out "$5,153,000" and insert "$5,685,600".

On page 12, line 2, after the word "appropriated", to strike out "$5,000,000' and insert "$8,100,000".

On page 12, line 11, after the word "Professions", to strike out "$20,450" and insert "$26,200".

On page 12, line 13, after the word "schools", to strike out "$4,295,668" and insert "$4,095,668".

On page 13, line 6, after the word "Welfare", to strike out "$750,700" and insert "$1,012,200".

On page 13, line 12, after "(45 Stat. 1160; 46 Stat. 500; 65 Stat. 131)", to strike out "$20,197" and insert "$24,131".

On page 13, line 15, after the word "in", to insert "Senate Document Numbered 20 and" and in line 17, after the word "Congress", to strike out "$30,219" and insert "$118,285".

On page 14, line 21, to strike out "$1,072,000" and insert "$1,150,000".

On page 15, line 23, after the word "facilities", to strike out "$1,700,000" and insert "$1,886,000".

At the top of page 16, to insert:

"Construction of surgical facilities

"For an additional amount for 'Construction of surgical facilities', $370,000, which together with funds heretofore appropriated under this head shall remain available until expended."

On page 16, after line 5, to insert:

"Saint Elizabeths Hospital

"For an additional amount for 'Salaries and expenses', $43,000."

On page 18, line 20, after the word "Aging", to strike out "$790,000" and insert "$844,000", and in the same line, after the word "which", to strike out "$756,000" and insert "$810,000".

On page 19, after line 1, to insert:

"ALASKA INTERNATIONAL RAIL AND HIGHWAY COMMISSION

"Salaries and expenses

"For an additional amount for 'Salaries and expenses', $200,000 and said appropriation shall remain available until March 1, 1960."

On page 19, line 11, after the word "carriers", to strike out "$12,000,000" and insert "$16,189,000".

On page 19, at the beginning of line 16, to strike out "$1,491,500" and insert "$1,730,000"; in line 20, after the word "to", to strike out "$76,300" and insert "$77,000", and on page 20, line 2, after the word "to", to strike out "$486,000" and insert "$500,000".

On page 20, line 17, after the word "Procedure", to strike out "$25,000" and insert "$50,000".

On page 20, after line 18, to insert:

"FEDERAL AVIATION AGENCY

"Grants-in-aid for airports (liquidation of contract authorization)

"For an additional amount for 'Grants-in-aid for airports (liquidation of contract authorization),' $20,000,000, to remain available until expended."

On page 21, line 11, after "(5 U.S.C. 630g)", to strike out "$10,000,000" and insert "$15,000,000".

On page 21, after line 16, to insert:

"Refunds under Renegotiation Act

"For refunds under section 201(f) of the Renegotiation Act of 1951 (50 U.S.C. App. 1231(f)), $1,400,000, to remain available until expended."

On page 21, after line 20, to insert:

"HISTORICAL AND MEMORIAL COMMISSIONS

"Civil War Centennial Commission

"For an additional amount for expenses necessary to carry out the provisions of the Act of September 7, 1957 (71 Stat. 626), as amended, $23,492."

At the top of page 22, to insert:

"NATIONAL MEDIATION BOARD

"Arbitration and emergency boards

"For an additional amount for 'Arbitration and emergency boards', $100,000."

On page 22, line 21, after "(Public Law 85-850)", to strike out "$80,000" and insert "$100,000".

On page 23, line 6, after the word "care", to strike out "$47,455,000" and insert "$48,651,000".

On page 23, line 24, after the word "resources", to strike out "$3,682,600" and insert "$3,787,600 and in addition $100,000 to be derived by transfer from the appropriation 'Salaries and Expenses, Office of Minerals Mobilization': *Provided,* That not to exceed $3,500 shall be available for reimbursing the American Falls Irrigation District Numbered 2, Shoshone, Idaho, for reconstruction of a bridge damaged by the Bureau of Land Management during fire-suppression activities".

On page 24, after line 6, to insert:

"Construction

"For an additional amount for 'Construction,' $1,000,000, to remain available until expended."

On page 24, after line 10, to insert:

"Road construction and maintenance

"(Liquidation of Contract Authorization)

"For an additional amount for 'Road construction and maintenance (liquidation of contract authorization)', for liquidation of obligations incurred pursuant to the Act of August 23, 1958 (72 Stat. 834), $1,000,000, to remain available until expended."

On page 25, line 8, after the word "protection", to strike out "$1,270,000" and insert "$1,388,500".

On page 28, line 2, after "(72 Stat. 997)", to strike out "$720,600" and insert "$729,000".

On page 28, at the beginning of line 6, to strike out "$572,800" and insert "$630,500".

On page 28, after line 10, to insert:

"Temporary unemployment compensation

"The appropriation granted under this head in chapter II of the Act of June 13, 1958 (Public Law 85-457), shall remain available until September 30, 1959, for carrying into effect the provisions of the Temporary Unemployment Compensation Act of 1958, as amended."

On page 28, after the heading "Legislative Branch", to insert a new subhead "Senate", and, on the same page, after the amendment just above stated, to insert:

"Salaries of Senators, mileage of the President of the Senate and of Senators, expense allowance of the majority and minority leaders of the Senate, and salary and expense allowance of the Vice President

"Compensation of Senators

"For an additional amount for 'Compensation of Senators', $23,980."

At the top of page 29, to insert:

"SALARIES, OFFICERS AND EMPLOYEES

"Office of the Sergeant at Arms and Doorkeeper

"For an additional amount for Office of Sergeant at Arms and Doorkeeper, $1,055 for the employment from May 1, 1959, of an Assistant Superintendent, Periodical Press Gallery, at $3,000 basic per annum."

On page 29, after line 6, to insert:

"CONTINGENT EXPENSES OF THE SENATE

"Furniture

"For an additional amount for 'Furniture', $34,385."

On page 29, after line 9, to insert:

"Miscellaneous items

"For an additional amount for 'Miscellaneous items', $81,290: *Provided,* That effective May 1, 1959, the basic salaries of the research assistants to the majority and minority leaders, as authorized by S. Res. 158, agreed to December 9, 1941, may be fixed by the respective leaders at not to exceed $8,820 basic per annum each."

On page 29, after line 16, to insert:

"Postage stamps

"For an additional amount for maintenance of a supply of stamps in the Senate Post Office, $2,000."

On page 29, after line 19, to insert:

"Stationery (revolving fund)

"For an additional amount for 'Stationery (revolving fund)', $1,780, to remain available until expended."

At the top of page 31, to insert:

"ARCHITECT OF THE CAPITOL

"Extension of the Capitol

"To enable the Architect of the Capitol, under the direction of the Commission for Extension of the United States Capitol, to continue to provide for the extension, reconstruction, and replacement of the central portion of the United States Capitol and other improvements authorized under the heading "Extension of the Capitol" in the Act of August 5, 1955 (69 Stat. 515, 516), as amended, $4,000,000."

On page 31, after line 9, to insert:

"Furniture and furnishings, additional Senate Office Building

"To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to continue to provide furniture and furnishings for the additional office building for the United States Senate, in accordance with the provisions of the Act of July 10, 1957 (Public Law 85-93, Eighty-fifth Congress), $283,550, to remain available until expended."

On page 31, after line 18, to insert:

"Additional office building for the United States Senate

"Construction and Equipment of Additional Senate Office Building

"To enable the Architect of the Capitol, under the direction of the Senate Office Building Commission, to continue to provide for the construction and equipment of a fireproof office building for the use of the United States Senate, in accordance with the provisions of the Second Deficiency Appropriation Act, 1948 (62 Stat. 1029), as amended by the Legislative Branch Appropriation Act, 1958 (71 Stat. 252, 253), $750,000: *Provided,* That no part of the funds herein appropriated shall be obligated or expended for construction of the rear center wing of said building, from the ground floor up, provided for under the building plans heretofore approved by such Commission: *Provided further,* That the amount of $23,446,000 fixed by the Second Deficiency Appropriation Act, 1948 (62 Stat. 1029), as amended by the Legislative Branch Appropriation Act, 1958 (71 Stat. 252, 253), as the limit of cost for construction and equipment of an additional office building for the United States Senate is hereby increased by $750,000.

On page 33, after line 21, to strike out:

"OTHER

"Payment to the Philippine Government

"For payment in full and final settlement to the Government of the Philippines as authorized by the Act of June 19, 1934 (48 Stat. 1115), $23,862,751, to be derived from receipts under section 7 of the Gold Reserve Act of 1934 (31 U.S.C. 408b)."

On page 34, after line 3, to insert:

"Third Pan American Games

"For necessary expenses of the Third Pan American Games, 1959, $500,000, to remain available until June 30, 1960."

On page 34, at the beginning of line 12, to strike out "$303,300" and insert "$337,000".

On page 34, line 19, to strike out "$4,481,000" and insert "$4,519,000".

On page 34, at the beginning of line 23, to strike out "$29,595,000" and insert "$30,600,000".

On page 35, line 22, after the word "in", to insert "Senate Document Numbered 20 and", and in line 23, after the word "Congress", to strike out "$2,570,198" and insert "$4,931,024".

On page 36, at the beginning of line 20, to strike out "$37,800" and insert "$42,000"; at the beginning of line 23, to strike out "$5,781,600" and insert "$6,424,000"; on page 37, line 4, after the word "expenses", to strike out "$61,200" and insert "$65,800"; in line 11, after the word "expenses", to strike out "$551,700" and insert "$613,000"; in line 14, after the word "expenses", to strike out "$1,989,450" and insert "$2,210,500", and in line 22, after the word "expenses", to strike out "$56,340" and insert "$62,600".

On page 39, after line 4 to strike out:

"General provisions: The Secretary of Commerce is authorized to transfer not to exceed $900,000 between appropriations of the Department of Commerce available for Salaries and expenses for the purpose of providing for increased pay costs in the fiscal year 1959."

And in lieu thereof, to insert the following:

"General provisions: The Secretary of Commerce is authorized to transfer not to exceed $833,075 from the appropriation 'Ship construction (liquidation of contract authorization) maritime activities', to other appropriations of the Department of Commerce for the purpose of providing for increased pay costs in the fiscal year 1959."

On page 39, line 19, after the word "general", to strike out "$1,024,200" and insert "$1,138,000"; in line 22, after the word "expenses", to strike out "$941,400" and insert "$1,096,000, of which $50,000 shall be derived by transfer from the appropriation "United States section, Saint Lawrence River Joint Board of Engineers"; on page 40, line 3, after the word "of", to strike out "$215,100" and insert "$239,000"; in line 6, after the word "expenses", to strike out "$28,800" and insert "$32,000"; in line 9, after the word "expenses", to strike out "$1,013,760" and insert "$1,126,400", and in line 11, after the word "of", to strike out "$311,760" and insert "$346,400".

On page 40, line 22, after the word "development", to strike out "$8,190,000" and insert "$9,100,000"; in line 25, after the word "maintenance", to strike out "$158,400" and insert "$176,000"; on page 41, line 2, after the word "expenses", to strike out "$2,367,000" and insert "$2,630,000"; in line 4, after the word "development", to strike out "$8,994,600" and insert "$9,994,000", and in line 9, after the word "maintenance", to strike out "$62,100,000" and insert "$69,000,000".

On page 41, line 19, after the word "Department", to strike out "$129,900" and insert "$173,200"; on page 42, line 1, after the word "Health", to strike out "$1,409,775" and insert "$1,937,000"; in line 8, after the word "Highways", to strike out "$259,500, which

shall be payable from the highway fund" and insert "$279,500, of which $259,500 shall be payable from the highway fund"; in line 11, after the word "Traffic", to strike out "$62,400" and insert "$76,400"; in line 20, after the word "parks", to strike out "$185,925" and insert "$247,900"; and in line 21, after the word "Park", to strike out "$50,775" and insert "$60,775".

On page 43, line 16, to strike out "$116,000" and insert "$136,500".

On page 45, line 20, to strike out "$464,400" and insert "$516,000"; on page 46, line 1, after the word "of", to strike out "$144,000" and insert "$160,000"; in line 4, after the word "Expenses", to strike out "$15,424,200" and insert "$17,138,000"; in line 12, after the word "expenses", to strike out "$700,200" and insert "$778,000"; on page 47, line 4, to strike out "$486,000" and insert "$540,000"; in line 6, after the word "expenses", to strike out "$49,500" and insert "$55,000"; in the same line, after the word "which", to strike out "$6,480" and insert "$7,200"; in line 12, to strike out "$3,189,960" and insert "$4,079,960"; in line 20, after the word "Service", to strike out "$575,100" and insert "$639,000"; on page 48, line 11, after the word "expenses", to strike out "$648,000" and insert "$720,000"; in line 18, after the word "of", to strike out "$32,400" and insert "$36,000"; in line 22, after the word "of", to strike out "$47,700" and insert "$53,000"; on page 49, line 5, after the word "of", to strike out "$513,000" and insert "$570,000"; in line 6, after the word "and", to strike out "$2,731,500" and insert "$3,035,000"; in line 14, after the word "expenses", to strike out "$1,371,600" and insert "$1,524,000"; in line 16, after the word "expenses", to strike out "$3,018,600" and insert "$3,354,000"; on page 50, line 4, after the word "of", to strike out "$13,500" and insert "$15,000"; in line 7, after the word "expenses", to strike out "$573,300" and insert "$637,000"; in line 9, to strike out "$1,948,500" and insert "$2,165,000"; in line 19, after the word "expenses", to strike out "$141,300" and insert "$157,000", and in line 24, after the word "expenses", to strike out "$3,057,300" and insert "$3,290,225".

On page 51, line 11, to strike out "$32,400" and insert "$36,000"; in line 13, to strike out "$228,600" and insert "$254,000"; in line 17, to strike out "$2,520" and insert "$2,800"; in line 23, after the word "management", to strike out "$832,500" and insert "$925,000"; in line 24, after the word "which", to strike out "$360,000" and insert "$400,000"; on page 52, line 3, after the word "expenses", to strike out "$238,500" and insert "$265,000"; in line 10, after the word "expenses", to strike out "$324,540" and insert "$360,600"; in line 13, after the word "research", to strike out "$2,911,500" and insert "$3,235,000"; in line 16, after the word "resources", to strike out "$1,490,400" and insert "$1,656,000"; in the same line, after the word "which", to strike out "$1,175,400" and insert "$1,306,000"; in line 20, after the word "safety", to strike out "$438,300" and insert "$487,000"; in line 21, after the word "expenses", to strike out "$91,800" and insert "$102,000"; on page 53, line 3, after the word "facilities", to strike out "$286,290" and insert "$318,100"; in line 4, after the word "expenses", to strike out "$94,050" and insert "$104,500"; in line 11, to strike out "$711,000" and insert "$790,000"; in line 12, after the word "expenses", to strike out "$54,450" and insert "$60,500"; in line 18, after the word "Islands", to strike out "$139,320" and insert "$154,800", and in line 23, to strike out "$184,940" and insert "$200,940"

On page 55, line 5, to strike out "$112,500" and insert "$125,000"; in line 6, after the word "expenses", to strike out "$190,800" and insert "$212,000"; in line 9, after the word "expenses", to strike out "$41,400" and insert "$46,000"; in line 11, after the word "expenses", to strike out "$292,500" and insert "$325,000"; in line 14, after the word "program", to strike out "$35,100" and insert "$39,000"; in line 16, after the word "program", to strike out "$117,000" and insert "$130,000"; in line 19, after the word "expenses", to strike out "$231,300" and insert "$257,000"; in line 24, to strike out "$535,500" and insert "$595,000"; on page 56, line 1, after the word "expenses", to strike out "$39,600" and insert "$44,000", and in line 4, to strike out "$825,300" and insert "$917,000."

On page 56, after line 5, to insert:

"Senate:

" 'Salaries, officers and employees', $1,488,605;

" 'Office of the Legislative Counsel of the Senate', $18,740;

"Contingent expenses of the Senate:

" 'Legislative reorganization', $10,650;

" 'Senate policy committee', $24,010;

" 'Joint Economic Committee', $13,590;

" 'Joint Committee on Atomic Energy', $16,625;

" 'Joint Committee on Printing', $7,605;

" 'Vice President's automobile', $560;

" 'Automobile for the President pro tempore', $560;

" 'Automobiles for the majority and minority leaders', $1,120;

" 'Reporting Senate proceedings', $18,825;

" 'Inquiries and investigations', $209,900;

" 'Folding documents', $2,900;"

On page 57, after line 18, to insert:

" 'Joint Committee on Reduction of Nonessential Federal Expenditures', $2,295, to remain available during the existence of the committee and to be disbursed by the Secretary of the Senate;"

On page 59, line 22, after the word "expenses", to strike out "$222,750" and insert "$247,500", and on page 60, line 5, after the word "expenses", to strike out "$271,350" and insert "$301,500."

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

Mr. HAYDEN. I yield to the Senator from Montana.

Mr. MANSFIELD. I compliment the chairman and members of the Senate Appropriations Committee for the action they have taken on this bill. The total amount suggested is about $81 million below the amount requested by the President, but, at the same time, the bill contains adequate funds. The saving on the President's request which the committee suggests, amounts to almost 50 cents for each man, woman, and child in our Nation.

I should like to ask a few questions about certain funds added for the Forest Service by the committee.

There are two increases, $2,500,000 for Forest Land Management and $500,000 for forest roads and trails to be used in areas especially burdened with unemployment. Is it the position of the chairman that Montana, with the unenviable record of leading the Nation in unemployment, would rank high in the allocation of these funds?

Mr. HAYDEN. I would not want to say that any particular State would receive any particular allocation.

Mr. President, in recommending that $2,500,000 be appropriated for the development of the national forest under the appropriation "Forest land management" and that $500,000 for the same purpose be provided for the construction of forest roads and trails, the committee had in mind the following situation:

There are national forests situated in many areas of the country which are especially burdened with unemployment, and to me this means that the rate of unemployment is substantially greater than the national average. There is a tremendous backlog of work existing in these forests, as is true of all the national forests.

The committee felt that an appropriation of $3 million for the remainder of fiscal year 1959—that is, until July 1—would create a sizable number of job opportunities in these areas, and at the same time provide for a better development of the resources of the forests concerned. These funds would be used, for the most part, for the thinning and pruning of timber, which would result in more and better timber to meet the increasing demand for quality timber; the elimination of excessive forest fire fuel, a very wise conservation practice; the development and rehabilitation of recreational areas; the rehabilitation of physical structures, such as fire towers and warehouses; and the construction of a limited number of roads and the replacement of bridges. I want to make it clear that all of these projects are included in the present work plans of the Forest Service and will be done at sometime.

Mr. President, this is the type of work which needs to be done in our national forests to conserve this priceless resource, and it is the type of work which will create the maximum number of job opportunities for the funds provided.

It is my hope that the Senate will adopt the committee amendment so the Congress will have an actual experience on which to base further action of this nature.

Mr. MANSFIELD. Mr. President, I thank the chairman. I think he has answered my next and last question.

There is no specific mention made of using the funds for reforestation, treestand improvement, range improvement, and similar work on the soil conservation efforts. Is such work also possible?

Mr. HAYDEN. Yes; so long as it is planned work, and in an area burdened with unemployment.

Mr. MANSFIELD. I thank the chairman, and wish only to add that both he and his counterparts in the other body have consistently demonstrated wisdom in their handling of these important money bills. They always find places to make savings which have escaped the attention of the President's staff. Moreover, they always find places where insufficient funds have been allocated, and the committee endeavors to correct the deficiency. I congratulate the committee again for an excellent job.

Mr. MURRAY. Mr. President, I call attention to the item in line 5, page 7, "Forest land management."

In his usual careful way our own "director of the budget"—the senior Senator from Arizona [Mr. HAYDEN]—has again demonstrated that he and his nonpartisan team, the Committee on Appropriations, have both superior fiscal understanding and a heart. The American people are fortunate that we have in our Appropriations Committee men of such broad interest and deep understanding.

I am particularly pleased by the committee action adding $3 million to the Forest Service budget. These funds are

to help relieve some of the critical unemployment we have in the Nation. I regret that I must stand on the floor of this body today and say that Montana again leads the Nation in unemployment. On behalf of those in my State who are unemployed, I thank the committee for the consideration they have shown. I particularly commend the new Senator from West Virginia [Mr. BYRD] for his leadership in this matter.

Every cent provided by the committee could be used on "Operation Outdoors" alone.

Is it not correct to say that when this program was announced by the Secretary of Agriculture it was planned to spend for capital investment in forest recreation $6,600,000 in 1958 and $10,300,000 in 1959?

Mr. HAYDEN. The Senator is correct.

Mr. MURRAY. Is it not also true that only $7,300,000 has been available for this part of the program?

Mr. HAYDEN. That is true.

Mr. MURRAY. Thus today we are already $9,600,000 behind the administration's schedule. Is it also true that use of the forests is well above original estimates and our campgrounds are badly overcrowded?

Mr. HAYDEN. According to the latest information, the Senator is correct.

Mr. MURRAY. Am I correct that there is no doubt this money can be effectively used for an already planned program?

Mr. HAYDEN. There is no doubt about that.

Mr. MURRAY. Montana leads the Nation in unemployment, and we have recreation areas such as the Crystal Lake forest camp near Lewiston, which badly need full development.

I know the chairman agrees with me that this supplemental appropriation should enable us to push ahead on projects such as this, which are vital from a conservation standpoint, and work on which will help alleviate unemployment.

Mr. HAYDEN. That was the intent of the committee.

Mr. President, a typographical error appears on page 24, line 1, of the bill. It now reads, "Salaries and Expenses, Office of Minerals Mobilization." It should read, "Salaries and Expenses, Office of Minerals Exploration."

I ask unanimous consent that the bill be corrected accordingly.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Arizona on page 24, line 1.

The amendment was agreed to.

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

Mr. HAYDEN. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to ask the chairman of the Appropriations Committee or the chairman of the Subcommittee on Defense a question on the Air Force portion of the bill. The Senator from Arizona and the Senator from New Mexico will recall that the committee denied the request of the Department of the Air Force for a restoration of $9,100,000 reduced by the House in the appropriation "Military Personnel." We did this on the assumption that in such a large appropriation, the $9,100,000 could be absorbed. But we certainly did not intend that it would be necessary for the Air Force to reduce military strength in order to absorb this amount. I should like to ask the chairman, as a point of clarification, if he does not agree with me on this matter.

Mr. HAYDEN. I do. While the Air Force has made considerable adjustments in its military personnel program to reduce costs under this appropriation, and even though it is getting toward the end of the fiscal year, it is felt that perhaps some additional action can be taken which will permit the absorption of the $9,100,000 reduced by the House and concurred in by the Senate Committee on Appropriations. It is not the intent of the committee by this action to require the Air Force to reduce military strength below that planned in fiscal year 1959 to meet minimum mission capability.

Mr. CHAVEZ. Mr. President, if the Senator will yield, that is the understanding of the subcommittee.

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

Mr. HAYDEN. I yield.

Mr. ANDERSON. Mr. President, I congratulate the able Senator from Arizona and the senior Senator from New Mexico.

There is contained in this appropriation bill an item of $1 million for Navajo-Hopi roads. I desire to ask the Senator from Arizona three questions. The first is: Does the Bureau of Indian Affairs now have the money to contract for the highway job for which bids were opened this month?

Mr. HAYDEN. Mr. President, anticipating favorable action by the Congress on the 1959 supplemental, the Bureau advertised 28.7 miles of road on Route 3. Bids were opened and disclosed a low bid of $663,000. This is considered to be a very good bid, as the Bureau estimate was $905,000. There can be no award of this contract until funds are made available.

Mr. ANDERSON. Mr. President, I ask unanimous consent that at this point in the RECORD, at the conclusion of the statement just made by the able chairman of the Committee on Appropriations, there be printed in the RECORD a financial statement with reference to the sums the Senator has mentioned, and also a brief statement as to the situation with regard to these funds.

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

Financial statement—Indian Bureau road construction and maintenance, Apr. 21, 1959

(Fund 14x2364 (liquidation of contract authorization)—section 104(c) of the Federal-Aid Highway Act of 1956)

Total contract authority available for obligation, July 1, 1958	$10,248,686
Obligations through March 31, 1959	6,142,625
Unobligated balance April 1, 1959	4,106,061

Financial statement—Indian Bureau road construction and maintenance, Apr. 21, 1959—Continued

Programing of the unobligated balance:	
(a) Non-contract-construction items, such as engigineering, supervision, and miscellaneous force account construction for April, May, and June	$850,000
(b) Road maintenance for April, May, and June	590,000
(c) Contracts scheduled for award April, May, and June, regular Federal-Aid Highway Act program	2,666,061
Obligations scheduled for regular Federal-Aid Highway Act program, April–June	4,106,061
Federal-Aid Act cash available July 1, 1958	15,882,114
Cash disbursements through March 31, 1959	11,002,502
Unexpended cash balance April 1, 1959	4,879,612
Unpaid outstanding obligations, March 31, 1959	3,377,728
Unobligated cash, April 1, 1959	1,501,884
Estimated cash requirements for April, May, and June obligations:	
(a) Non-contract construction	783,000
(b) Maintenance (mostly force account)	492,000
(c) Estimated contract earning due for payment	226,884
Total estimated cash need	1,501,884

SUMMARY OF UNFUNDED OBLIGATIONS

Scheduled obligations for April, May, and June	4,106,061
Unobligated cash, April 1, 1959	-1,501,884
Unfinanced contract authority, June 30, 1959	2,604,177

There is available to the Bureau of Indian Affairs $15,882,114 for liquidation of obligations incurred under the Federal Aid Highway Act. On March 31, 1959, there has been expended $11,002,502 which leaves a balance of $4,879,612 available for meeting contract obligations of $7,582,661, for the balance of the fiscal year.

This would allow for a balance of $2,604,177 in unfunded obligations on June 30, 1959. This is a reasonable amount and is based upon work yet to be accomplished by contractors for which payment would not be required until the following fiscal year, 1960.

It is estimated that expenditure of the unexpended balance of $4,879,612 on March 31 will be as follows:

1. $3,377,728 will be required to meet outstanding obligations in the same amount and for which earnings will accrue during the period April through June.

2. $1,501,884 will be required to meet contractor earnings and other expenses under obligations amounting to $4,106,061 which will be incurred during the period April through June.

The expenditures reflected above are those estimated and required to meet earnings under obligations incurred under the Federal-Aid Highway Act. The fund requirements are such as to leave no balance for funding Navajo-Hopi Routes 1 and 3.

Mr. ANDERSON. Why is it important that those roads be constructed without delay, I will ask the chairman?

Mr. HAYDEN. Contract authority for those road improvements was granted by an amendment to the Navajo-Hopi Act which will terminate soon. Therefore, it is important that the contract now pending be awarded as rapidly as possible. Delay also permits rising costs to reduce the overall usefulness of the authorization earmarked for these roads.

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

Mr. HAYDEN. I yield.

Mr. CHAVEZ. While the general appropriation will be beneficial to the Navajos as such, it will also be beneficial to the economy of the area of the four States of New Mexico, Colorado, Arizona, and Utah. There are many operations going on in that area because of uranium. Hence, this will not only benefit the Navajos with respect to their own ideas of roads, but it will also be of help because they will be provided an opportunity to work.

Mr. ANDERSON. I thank my colleague for his comments.

My third question to the chairman of the committee is, Will the benefits extend to surrounding States—Colorado, Utah, and New Mexico—or will they be limited to the reservations and to Arizona?

Mr. HAYDEN. The benefits created by improvement of these roads will be felt throughout the region. The highways will permit commerce between Colorado, Utah, New Mexico, and Arizona and the Indian tribes to begin on a modern scale. Improvement of these roads will link newly developed oil fields, uranium holdings, and tribal activities with markets in the surrounding States. They also will provide modern access to Glen Canyon Reservoir area.

Mr. ANDERSON. I thank the able chairman of the committee, and I again express my appreciation to him and to my colleague from New Mexico.

The able Senator from Arizona [Mr. GOLDWATER] and I were both very much interested in the road project. We went to the reservation and participated in the project. We both appreciate very much what the able Senators on the Appropriations Committee have done.

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

Mr. HAYDEN. I yield.

Mr. GOLDWATER. I wish to point out for the RECORD that Federal funds are the only funds available, I believe, to complete this road program. The Indian reservations have no money of their own, and the State cannot tax them. These reservations are not eligible for any regular Federal grants. As I understand the situation, it was necessary to come to the Congress for these special appropriations.

Mr. HAYDEN. That is correct, but there is an agreement that after the roads are built the roads will be maintained by the State of Arizona.

Mr. GOLDWATER. The Senator is absolutely correct.

Several Senators addressed the Chair.

Mr. HAYDEN. I yield first to a member of the committee, the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. SALTONSTALL. Mr. President, I desire to make a motion, which has the approval of the chairman of the committee.

Mr. President, I move that the following provision be included in the bill on page 33, after line 21:

OTHER

Payment to the Philippine Government

For payment in full and final settlement to the Government of the Philippines as authorized by the Act of June 19, 1934 (48 Stat. 1115), $23,862,751, to be derived from receipts under section 7 of the Gold Reserve Act of 1934 (31 U.S.C. 408b).

The reason for the motion is as follows: This language was put into the bill by the House of Representatives, and it came to the Senate. We held no hearings on the question, because there was no objection to it and no requested change in it by the executive department.

On the day the committee went into executive session an article was published in the newspapers to the effect that the Vice President of the Philippines had said that if this money were put into the gold reserve it would be a waste.

Consequently, on motion of the Senator from New Hampshire, the committee unanimously deleted the language from the bill and decided it wanted to know more about the matter.

Since that time the State Department representative and General Romulo, the Philippine Ambassador, have informed the committee further about the item.

This comes about as a result of the act of June 19, 1934. When the United States went off the gold standard, the Philippine Government had in the United States a gold standard fund of $19,112,253.42, and a Treasury certificate fund of $37,163,803.50, or a total of $56,276,056.92; that is, the gold bullion value of these deposits prior to diminuation of the gold content of the dollar was $56,276,056.92.

If this were converted into currency at the new valuation of the dollar, as computed by the Treasury Department, there would be a value of $95,282,398.87.

Therefore, the gross adjustment to the Philippine Government deposits if the reserves had been in gold, as computed by the Treasury Department, would be $39,006,341.95.

The Philippine Government received, from January 1, 1923, to the close of business January 30, 1934, on the gold standard fund and the Treasury certificate fund deposited in the United States the sum of $15,143,591.17.

This leaves a net adjustment to the Philippine Government deposits, as shown in Public Law 73-419, of $23,862,750.78.

This had been asked for by the Executive before World War II; I believe in 1937, 1941, and 1942. It was not approved at those times because it was felt there was no urgency.

During World War II, and after the war, with the large rehabilitation program, the Philippine Government did not press for these funds, but it did start to press for them 2 or 3 years ago. When President Garcia visited in the United States in July of last year he discussed this matter with the President and with the Secretary of State. The President made a commitment at that time that he would try to obtain these funds. The Philippine Islands need the funds now, because of the difficulties they are having with the foreign exchange rate.

That is the reason the matter is submitted now. It could not be submitted last year, because it was considered too late, so it was submitted in the supplemental request.

That is the explanation for the motion.

Mr. HAYDEN. Mr. President, I have no objection to the amendment offered by the senior Senator from Massachusetts. The sum recommended to be paid to the Philippine Government was authorized by Public Law 419 of June 19, 1934, and is payable out of receipts already set aside in the Treasury following the devaluation of the dollar in 1934. I recall the Senate's approval of this authorization very distinctly, as I had submitted on May 28, 1934, for the Committee on Territories and Insular Affairs, its favorable report on the bill.

I will say to the Senate that I recall this matter distinctly now, upon refreshing my mind. I had completely forgotten about it, to tell the truth. The committee report which was submitted on May 23, 1934, was submitted in the 73d Congress. That was quite a long time ago, and I hope Senators will pardon an old man for forgetting a little bit. I had forgotten about the exact provisions.

I stated in the report the reason why the appropriation should be made.

In order that Members may have some of the background on this proposed payment, I ask unanimous consent, Mr. President, that the report, No. 1209, from the Committee on Territories and Insular Affairs, be printed in the RECORD.

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

REPORT NO. 1209—PHILIPPINE CURRENCY RESERVES ON DEPOSIT IN THE UNITED STATES

The Committee on Territories and Insular Affairs, to whom was referred the bill (S. 3530) relating to Philippine currency reserves on deposit in the United States, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

The bill is as follows:

"A bill relating to Philippine currency reserves on deposit in the United States

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed, when the funds therefor are made available, to establish on the books of the Treasury a credit in favor of the treasurer of the Philippine Islands for $23,862,750.78, being an amount equal to the increase in value (resulting from the reduction of the weight of the gold dollar) of the gold equivalent at the opening of business on January 31, 1934, of the balances maintained at that time in banks in the continental United States by the government of the Philippine Islands for its gold-standard fund and its treasury-certificate fund less the interest received by it on such balances.

"SEC. 2. There is hereby authorized to be appropriated out of the receipts covered into

the Treasury under section 7 of the Gold Reserve Act of 1934, by virtue of the reduction of the weight of the gold dollar by the proclamation of the President on January 31, 1934, the amount necessary to establish the credit provided for in section 1 of this Act."

The purpose of this bill is to readjust the currency reserves of the Philippine Islands to meet the effect of the order of the President of January 31, 1934, revaluating the American dollar. The monetary system of the Philippine Islands is interlocked with our own by an act of Congress of March 2, 1903, as follows:

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the unit of value in the Philippine Islands shall be the gold peso consisting of twelve and nine-tenths grains of gold, nine-tenths fine, said gold peso to become the unit of value when the government of the Philippine Islands shall have coined and ready for, or in, circulation not less than five million of the silver pesos hereinafter provided for in this Act, and the gold coins of the United States at the rate of $1 for two pesos hereinafter authorized to be coined shall be legal tender for all debts, public and private, in the Philippine Islands."

On January 31, 1934, the insular government had on deposit in American banks $56,276,056.92, a fund constituting the major portion of the currency reserves of the Philippine Government, on which the circulation of the insular government is based. This fund, deposited in dollars, has always been considered as the equivalent of gold. Applying the same revaluation as given the U.S. gold dollar by the proclamation of the President, this fund now amounts to $95,282,393.87, or an increase, had the fund been in actual gold, of $39,006,341.95.

It is obvious that any change in the value of our dollar automatically changes in the same proportion the value of the peso, the standard unit of value in the Philippine Islands. It is also obvious that the Presidential proclamation of January 31, 1934, in effect, expanded the currency reserves of the United States, but contracted the reserves of the Philippine Government, since the Philippine reserves are in dollars.

In a conference between officials of the Treasury Department, the Bureau of Insular Affairs, acting for the Secretary of War, and the Budget Officer, it was decided that the full amount of this credit should not be given to the reserve funds of the insular government, but from this $39,006,341.95 should be deducted $15,143,591.17, the interest which was accrued to the insular government since January 1923. This leaves a balance of $23,862,750.78, which it is thought by the President and the above-named officials represents the sum which should be credited to the Philippine Government on the books of the Treasury in order to restore the gold value of the Philippine currency reserves as of January 31, 1934.

When the gold content of the U.S. dollar was diminished, we took credit on our books for approximately $2,811,013,126. Had the insular government had on deposit on the date of the above-mentioned proclamation, gold bullion, or actual gold coins, as their currency reserve, there would have been no need for this legislation, or any adjustment for the reason that their gold would have increased in value as did the U.S. gold.

During the fall of 1932 the government of the Philippine Islands made representations to this Government with a view of including specific stipulation in the depository agreements that withdrawal of its currency reserve funds should be in gold coin of the United States at the election of the Philippine Government. The Secretary of War, through the Bureau of Insular Affairs, acting for this Government, stated that he did not deem as expedient the amendment of the depository agreement as suggested by the Philippine Government.

In March 1933, 10 months prior to the President's proclamation, other representations were made on the part of the Philippine Government seeking the assurance that deposits of the Philippine Government in the United States stand on an equal basis with the deposits of the U.S. Government and recommended that all deposits of the insular government, except $10 million required for ordinary expenses, be deposited in the Treasury of the United States. Under conditions obtaining in this country in 1932 and 1933, the officials of our Government deemed it inadvisable to accede to any of these requests, although the Philippine Government had every right to make these requests and to expect them to be granted.

Again on June 29, 1933, the Governor General of the Philippine Islands officially requested that "our gold standard and Treasury certificate funds be converted into gold coin of the standard existing at the time these deposits were made with the depository banks; this coin to be deposited in the U.S. Treasury or Federal Reserve banks and authority of the President secured to earmark it for their account, by amending the Executive order of April 5, 1933 (which was the first order of the President restricting the circulation of gold). There will be, however, no necessity for withdrawing the above-mentioned deposits from the present depository banks at this time if it is possible to obtain Government assurance that conversion into gold of the standard existing, as above outlined, may be made at a later date."

From time to time between June 29, 1933, and January 17, 1934, numerous cables were sent by the Governor General of the Philippine Islands expressing concern and stressing the necessity for assuring the gold content of the Philippine reserves on deposit in the United States. Likewise a letter on January 16, 1934, from the Acting Secretary of Finance of the Philippine Islands was sent to the Secretary of War again expressing the desire of the Philippine Government that its deposits be treated by the U.S. Treasury as deposits of coined gold. This request was in turn sent to the Secretary of the Treasury by the Secretary of War on January 17, 1934.

On January 17, 1934, 2 weeks prior to the Presidential proclamation, the following cable was sent by Governor General Murphy to the Secretary of War.

"Referring to telegram from this office June 29, No. 212, in particular, as well as other previous cables pertaining to Philippine currency. Have you further information relative to earmarking in gold Treasury certificates funds and the gold-standard fund? Believe allotment of gold to these funds on the basis of present gold content is but fair to Philippines, thus granting Philippine Government same advantage as United States in reduction of content of gold dollars backing gold-standard fund and Treasury-certificate fund. Am exceedingly anxious to receive definite decision."

At any time, following these representations, prior to January 31, 1934, the Treasury Department could have lawfully sold to the Philippine Government gold in the amount of their currency reserves on deposit in the United States at the old value of $20.67 an ounce, or could have authorized the earmarking of gold to be paid for by the Philippine Government with the funds on deposit in the United States. This, however, was not done, although the insular government from time to time has been given assurance by our officials that their interests would be equitably adjusted.

Our Government, not having acceded to these suggestions and requests is certainly morally obligated to expand the base of the currency reserves of the dependent government, and to do so without further delay in order to avoid further possible domestic and international financial complications.

It should be borne in mind that we are dealing in this bill exclusively with the currency reserve funds of the Philippine Islands, and that question should not be confused with the question of individual transactions between the people of the two governments.

In the case of the Filipino people, they have been forced to take the personal loss—their gold has been turned in just as was the gold of our own citizens—but no benefits will accrue to them or their government until the value of their gold reserve is reestablished by the Government of the United States. In the case of our own citizens, while the individual may not have been credited, nevertheless, the credit goes to the Federal Government, or the whole of the American people, each State of course having the same currency system as the Federal Government. It is quite certain that if any State had a separate monetary system tied in with the national money by an act of the Federal Government the government of such a State would undoubtedly have the same rights and equities as are sought to be established by this bill.

The Philippine National Bank now owns Liberty bonds and other obligations of our Government amounting to approximately $17,000,000. Likewise, many American securities are held by individual Filipinos. Those obligations will be paid, not in gold, but in legal currency, which means that they will be paid with a devaluated dollar. It should also be stated that the insular government has outstanding bonds of the Manila Railroad payable in pounds, guilders, and Swiss francs. In amortizing these bonds in foreign currencies, due to the difference in exchange, as a result of the action of the American Government in revaluing its money, a loss of approximately $10 million will be sustained by the insular government. Surely no one can fail to see the inequity in a failure of our Government to make the insular government whole in a loss occasioned by our own action.

The currency reserves of the Philippine Government are by law held in two funds, namely: The gold-standard fund, the legal limits of which are not less than 15 percent nor more than 25 percent of all the money in circulation and available for circulation by the Philippine Government; the treasury-certificate fund, which by law must consist of peso for peso, or $1 for every 2 pesos, for every Philippine treasury certificate issued or available for issue. Of the $56,276,056.92 Philippine currency reserves on deposit in the United States as of January 31, 1934, $19,112,253.42 pertained to the gold-standard fund and $37,163,803.50 to the treasury-certificate fund. The amount held in the gold-standard fund is approximately $8 million more than was actually required by law to be held in this fund on January 31, 1934, with the amount of money in circulation on that date.

However, should increased business demand an increase of money in circulation in amount in excess of $32 million, the excess of the gold-standard fund over the legal maximum limit of 25 percent would be wiped out immediately. Thus, in order to maintain the maximum limit of 25 percent in the gold-standard fund it has been the policy to have an excess to allow for an increase in the money in circulation and to always insure the parity of the peso with the dollar.

The experts of our Government have decided that the credit of $23,862,750.78 is just, equitable, and fair, and the committee feels that no great government can do less than what is proposed in this bill for its dependent people. It is in no wise suggested that any and all funds on deposit in this country to the credit of individuals and the insular government, over and above the funds actu-

ally held as currency reserve funds, should be enhanced in value by an act of Congress.

Coincident with the Independence Act, a refusal on the part of the American Government to meet its moral obligation in readjusting the currency reserves of the insular government, the value of which is interlocked with our own monetary system, is inconceivable. Such refusal would be an omission unworthy of a great Government and of the Congress, on whom this responsibility now rests.

Following are certain letters and memoranda from the Secretary of the Treasury, the Secretary of War, and the Director of the Bureau of the Budget, explaining the purpose of the bill and recommending its enactment:

TREASURY DEPARTMENT,
Washington, May 10, 1934.

Hon. DUNCAN U. FLETCHER,
Chairman, Banking and Currency Committee, U.S. Senate.

DEAR MR. CHAIRMAN: Receipt is acknowledged of your clerk's letter of May 4, 1934, transmitting a copy of the bill (S. 3530) relating to Philippine currency reserves on deposit in the United States, and requesting a report thereon.

I understand that this bill has been recommended by the War Department. In view of the circumstances surrounding the deposits in the continental United States, of the currency reserves of the Philippine Islands, a dependency of the United States, the bill meets with the approval of the Treasury Department.

Respectfully,
H. MORGENTHAU, Jr.,
Secretary of the Treasury.

WAR DEPARTMENT,
Washington, May 4, 1934.

Hon. DUNCAN U. FLETCHER,
Chairman, Committee on Banking and Currency, U.S. Senate, Washington, D.C.

DEAR SENATOR FLETCHER: I am writing to your committee to request favorable consideration of S. 3530 which was introduced in the Senate at the request of this Department.

The purpose of this bill is to credit the Philippine Government with the profits, due to the reduction of the weight of the gold dollar, on its currency reserve deposited in the United States at the opening of business on January 31, 1934, and authorizing the appropriation of funds for this purpose.

The draft of this bill was prepared in consultation by officials of the Treasury Department and of this Department, and has received the approval of the Secretary of the Treasury and of the Governor General of the Philippine Islands.

At the suggestion of the War Department the major portion of the currency reserves of the Philippine monetary system has been maintained in the form of U.S. currency deposited in banks in the continental United States. The Philippine Government has always considered these deposits as the equivalent of a gold reserve.

The proclamation of the President issued on January 31, 1934, reduced the gold content of the dollar. The effect of this proclamation was not only to reduce in terms of gold, the value of the Philippine currency reserve funds, but indirectly to devalue, in terms of gold, the entire currency circulation of the Philippine Islands. The United States, on the other hand, enjoyed an increase in the value of the currency reserves corresponding to the decrease in the value of the dollar. As the Philippine currency is interlocked with the U.S. gold dollar under laws enacted by the U.S. Congress, it is equitable that any change in the dollar which produces a profit on the currency reserves of the General Government should produce a corresponding profit on the currency reserves of this dependency.

The reestablishment of its currency reserves as of their former gold value of January 31, 1934, would be of great advantage to the Philippine Government in their affairs at the present time. It is hoped that an appropriation providing for this purpose can also be secured at the present session of Congress.

I am enclosing copy of a letter from the Director of the Budget in which he advises me that the expenditures contemplated by the proposed bill would not be in conflict with the financial program of the President.

There is also enclosed for your information a copy of a memorandum prepared in the Bureau of Insular Affairs, which sets forth in detail the necessity for this legislation. Should you desire further information regarding this matter, it is suggested that you call upon Brig. Gen. Creed F. Cox, Chief of the Bureau of Insular Affairs of this Department.

I urgently recommend the early enactment of S. 3530.

Sincerely yours,
GEORGE H. DERN,
Secretary of War.

WAR DEPARTMENT,
BUREAU OF INSULAR AFFAIRS,
Washington, April 30, 1934.

Memorandum for the Secretary of War.
Subject: Philippine currency reserves.

The monetary system of the Philippine Islands was originally established by Public, No. 137, of the U.S. Congress approved March 2, 1903. The unit of value prescribed was the gold peso which was definitely interlocked with the U.S. gold dollar at the rate of $1 for 2 pesos.

Act No. 938 of the Philippine Commission, approved October 10, 1903, which was enacted under authority granted by Public, No. 137, of the U.S. Congress, placed the Philippine Islands upon a gold-exchange basis and provided that part of the gold-standard fund should be deposited in the United States.

A portion of the currency reserve funds of the Philippine Islands have therefore been deposited in the United States under authority granted by the U.S. Congress, for over 30 years.

It became necessary in 1922 to reconstitute the currency reserve funds of the Philippine Islands which had been dissipated due to the operations of the Philippine National Bank. This was done by the sale of bonds in the United States.

Act No. 3058 of the Philippine Legislature approved June 13, 1922, issued pursuant to authority contained in the Philippine Organic Act (Public No. 240, 64th Cong., approved Aug. 29, 1916), reconstituted the currency reserves of the Philippine monetary system into two funds, namely, the gold-standard fund and the Treasury certificate fund. The inauguration of these reconstituted funds took place on January 2, 1923, and upon the suggestion of the then Secretary of War, the major portion of these funds were placed on deposit in the United States in member banks of the Federal Reserve System, which were approved by the Secretary of War as depositories of Philippine public funds and designated by the Governor General of the Philippine Islands as branches of the treasury of the Philippine Islands in the United States.

This memorandum refers to these reconstituted monetary reserve funds.

The laws of the Philippine Islands require certain reserves to be maintained against the currency of the Philippine Islands in circulation or available for circulation. So long as the United States was redeeming its currency in gold, that portion of the currency reserves deposited in the United States was equivalent to a gold reserve. The Philippine Government has always considered dollars of the United States as in every way equivalent to gold coins and for this reason has maintained since January 2, 1923, the major portion of its currency reserve funds on deposit in the United States.

The Philippine Government since October 1932 has been interested in trying to have these accounts made payable in gold coin. When this was discouraged by this Government, the Philippines expressed a desire to transfer their funds to the U.S. Treasury. The Treasury Department expressed the view that it was not authorized to take deposits of such funds.

The proclamation of the President issued on January 31, 1934, reduced the gold content of the dollar. The effect of this proclamation, as far as the Philippines were concerned, was not only to reduce, in terms of gold, the value of accounts representing its gold-standard fund and Treasury-certificate fund, but indirectly to devalue, in terms of gold, the entire circulation of the Philippine Islands. The United States enjoyed an increase in the value of its currency reserves corresponding to the decrease in the value of the dollar. The Philippine Islands enjoyed no corresponding increase with respect to the reserves maintained in this country for its currency, the reason being that with the consent of this Government those reserves were maintained as bank balances in this country.

On January 30, 1934, the Philippine Government had on deposit in the U.S. currency reserves of a gold value of $56,276,056.92. It therefore requests this amount of its currency reserves be made available, either in the form of additional credits or in gold coin, dollar for dollar, so as to rehabilitate, in its gold value as of January 30, 1934, the currency reserves of the Philippine monetary system. This could be accomplished in either of the following ways:

(a) For the Secretary of the Treasury to establish on the books of the U.S. Treasury a credit in dollars in favor of the Philippine Government equivalent to the profits on the amount of its deposits in the United States as of the opening of business on January 31, 1934, due to the diminution of the gold content of the dollar; or

(b) The Treasury of the United States to sell to the Philippine Government gold bullion, figured at the rate of 25.8 grains of gold, nine-tenths fine, to the dollar, equivalent to the amount of its deposits in the United States as of January 30, 1934.

Either of these methods would serve the purpose of reestablishing the currency reserves of the Philippine Government at their former level, and in the same relative relation to the currency circulation in the Philippine Islands as the gold reserves of the United States have assumed to the currency in circulation in the United States.

This question has been discussed with the Treasury Department and that Department agrees that the preferable way to make this adjustment is to establish on the books of the U.S. Treasury a credit in dollars in favor of the Philippine Government equivalent to the profits on the amount of the deposits representing Philippine currency reserves, less the interest that has accrued thereon since their reestablishment in 1923 (the interest being deducted because the Philippines would not have had the benefit of this interest if its reserves had been maintained in metal). This Bureau believes this would be an equitable arrangment in view of all the circumstances connected with the maintenance of the Philippine currency reserves in the United States. The Governor General of the Philippine Islands has been consulted and has expressed his approval of this arrangement.

The following computation shows the status of the balances of the Philippine currency reserves on deposit in the United

States at the opening of business on January 31, 1934:

(a) Gold-standard fund	$19,112,253.42
(b) Treasury certificate fund	37,163,803.50
Total	56,276,056.92
The gold bullion value of these deposits prior to the diminution of the gold content of the dollar	56,276,056.92
Converted into currency at the new valuation of the dollar as computed by the Treasury Department	95,282,398.87
Profit to the Philippine Government (if the reserve had been in gold) as computed by the Treasury Department	39,006,341.95
Less the total interest received by the Philippine Government from Jan. 1, 1923, to close of business on Jan. 30, 1934, on the gold-standard fund and Treasury certificate fund deposited in the United States	15,143,591.17
Net profit to the Philippine Government as shown in the proposed bill	23,862,750.78

There is enclosed herewith the draft of a bill designed to authorize the Secretary of the Treasury to set up a credit on the books of the Treasury in favor of the treasurer of the Philippine Islands for $23,862,750.78, which is the amount equal to the increase in value, resulting from the reduction of the weight of the gold dollar, of the gold equivalent at the opening of business on January 31, 1934, of the balances maintained at that time in banks in the continental United States by the Government of the Philippine Islands for its gold-standard fund and its Treasury certificate fund less the interest received by it on such balances. The bill also provides for the necessary appropriation to establish the credit.

This draft has been prepared in consultation with representatives of the Treasury Department and the War Department has received the approval of the Secretary of the Treasury, the Secretary of War, and of the Governor General of the Philippine Islands.

To summarize, and to emphasize the salient points of this claim of the Philippine Government, the equities involved are:

(a) The Philippine currency is interlocked with the U.S. gold dollar under laws enacted by the U.S. Congress, and any changes in the dollar which effect a corresponding change in the Philippine peso that produces a profit on the reserves of the general government should produce a corresponding profit on the reserves of this dependency.

(b) The major portion of the Philippine currency reserves have been maintained in this country in the form of bank balances since 1923 at the suggestion of the War Department.

(c) The Philippine Government has always considered their currency reserves deposited in the United States as a gold reserve, and prior to the banking crisis in the United States these reserves could have been withdrawn in gold at any time.

(d) That the conversion of these currency reserves into gold coin when conditions in this country appeared to make such conversion desirable could have been legitimately done, except that the interests of this Government made it undesirable to do so at the time.

(e) That the claim involves the currency reserves only and does not take into account the other Philippine public funds deposited in the United States.

It is recommended that the bill be transmitted to the chairman of the Insular Committees of the Senate and House, requesting its immediate introduction in the Congress.

Drafts of letters for your signature herewith.

CREED F. COX,
Chief of Bureau.

BUREAU OF THE BUDGET,
Washington, May 3, 1934.

The SECRETARY OF WAR.

MY DEAR MR. SECRETARY: Reference is made to your letter of April 25, concerning the proposed bill relative to Philippine currency reserves deposited in the United States, and to the informal submission by your Bureau of Insular Affairs on April 30 of a draft of a new bill (being a redraft of sec. 2 of a bill submitted to the President on Mar. 23) reading as follows:

"A bill relating to Philippine currency reserves on deposit in the United States

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to establish on the books of the Treasury a credit in favor of the treasury of the Philippine Islands for $23,862,750.78, being an amount equal to the increase in value (resulting from the reduction of the weight of the gold dollar) of the gold equivalent at the opening of business on January 31, 1934, of the balances maintained at that time in banks in the continental United States by the government of the Philippine Islands for its gold-standard fund and its treasury certificate fund less the interest received by it on such balances. There is hereby appropriated, out of the receipts to be covered into the Treasury under section 7 of the Gold Reserve Act of 1934, by virtue of the reduction of the weight of the gold dollar by the proclamation of the President on January 31, 1934, an amount necessary to establish such credit."

In reply you are informed that the expenditures contemplated by the proposed bill would not be in conflict with the financial program of the President.

Very truly yours,

L. W. DOUGLAS,
Director.

The President has recommended the enactment of the bill in the following letter:

THE WHITE HOUSE,
Washington, May 7, 1934.

Hon. DUNCAN U. FLETCHER,
Chairman, Committee on Banking and Currency, U.S. Senate, Washington, D.C.

DEAR SENATOR FLETCHER: With the approval of the United States, the Government of the Philippine Islands has for many years maintained in banks in this country the major portion of the currency reserves of its monetary system, and has always considered these deposits the equivalent of a gold reserve.

The effect of my proclamation of January 31, 1934, was not only to reduce, in terms of gold, the value of these currency reserves, but indirectly to devalue, in terms of gold, the entire currency circulation of the Philippine Islands. The United States enjoyed an increase in the value of its currency reserves corresponding to the decrease in the value of the dollar.

As the Philippine currency is interlocked with the U.S. gold dollar under laws enacted by the U.S. Congress, it would be equitable to reestablish the Philippine currency reserves on deposit in the United States at their former gold value as of January 31, 1934.

I am advised that S. 3530, now under consideration before your committee, is designed to accomplish this purpose.

I recommend its enactment.

Very sincerely yours,

FRANKLIN D. ROOSEVELT.

Mr. BRIDGES. Mr. President, will the Senator yield to me?

Mr. HAYDEN. I yield.

The PRESIDING OFFICER. Will the Senator from Massachusetts send his motion to the desk?

Mr. SALTONSTALL. Mr. President, I move that the amendment be included in the bill. That was my motion.

The PRESIDING OFFICER. We do not have the amendment at the desk.

Mr. BRIDGES. Mr. President, I want to speak on the amendment.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 33, after line 21, it is proposed to insert:

OTHER

Payment to the Philippine Government

For payment in full and final settlement to the Government of the Philippines as authorized by the act of June 19, 1934 (48 Stat. 1115), $23,862,751, to be derived from receipts under section 7 of the Gold Reserve Act of 1934 (31 U.S.C. 408b).

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. BRIDGES. Mr. President, I was asking recognition on this item, and the Senator yielded to me.

The PRESIDING OFFICER. The amendment has not been acted upon. The Senator from New Hampshire is recognized.

Mr. BRIDGES. Mr. President, I was the member of the Appropriations Committee who asked that this item be eliminated from the bill, and almost unanimously the committee agreed to do so. Why did we take that action? Because there was not a single word of testimony to substantiate the appropriation.

When we start passing out $23 million in lump sums, such action should be supported by substantial testimony. Since that time, informally and directly, I have obtained the information which would justify me in approving this $23 million appropriation, but I still say that it was the responsibility of the agencies of Government which were involved to see that the proper testimony was presented to the Appropriations Committee, and not stick an item of $23 million in the bill, to go to the Philippines or any other country, unless it was supported by evidence. That was why the action was taken. Now I am perfectly willing to take other action.

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

Mr. BRIDGES. I yield.

Mr. HILL. The Senator from New Hampshire is absolutely correct in the position he has taken, but now we have the facts in the matter, as they have

been so clearly stated by the distinguished Senator from Massachusetts [Mr. SALTONSTALL] and the distinguished Senator from Arizona [Mr. HAYDEN]. I very much hope that the amendment of the Senator from Massachusetts will be agreed to. Payment of these funds is overdue, and they should be paid. I am sure, as the Senator from New Hampshire has indicated, that had these facts been before the committee, he and the committee would not have taken the position they did. But we now have the facts.

We know that the funds are due and that they should be paid, and therefore that the Senate should adopt the amendment of the Senator from Massachusetts.

Mr. BRIDGES. I agree with the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. SALTONSTALL].

The amendment was agreed to.

MILITARY PROCUREMENT INFORMATION RELATING TO SMALL BUSINESS

Mr. SPARKMAN. Mr. President, at a time when the question of how wisely the Department of Defense uses its appropriations to promote our national security has become of some concern, and at a time when the adequacy or inadequacy of the military budget holds the attention of the Congress, of Government officials and of every thoughtful citizen, I feel compelled to bring to the notice of the Senate this fact:

The Department of Defense, systematically and by force of long habit, is throwing away taxpayers' money just as effectively as though the actual dollar bills were tossed on a bonfire.

This waste is accomplished by the simple expedient of avoiding the savings which invariably accrue from competitive bidding and relying instead upon giving contracts without competition to favored companies which, as sole sources of supply, ask and receive for their products sold to the Department of Defense prices which bear no relation to reality.

I shall illustrate this procurement evil, Mr. President, with facts and figures furnished me as chairman of the Small Business Committee by the Department of the Navy. First, however, I desire to emphasize that pouring good money down the sole source drain is not a new problem, nor will the information I provide today come as a shocking surprise to purchasing officials and contracting officers of the Department of Defense and its components.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table entitled "Sole Source Awards Compared with Competitive Awards, 1958, Ships Parts Control Center, Mechanicsburg, Pa."

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

Sole source awards compared with competitive awards, 1958, ships parts control center, Mechanicsburg, Pa.

[A=Small business. B=Large business]

Stock No.	Nomenclature	Previous	Size of company	Present	Size of company	Previous quantity	Present quantity	Previous unit price	Present unit price	Savings
HS 2030-516-6462	Bearing sleeve	Welin Davit & Boat	B	Gatke Corp	A	4	6	$18.25	$4.05	$85.20
HS 2030-516-6461	do	do	B	do	A	8	10	13.00	2.81	101.90
HE 5306-274-3093	Bolt shoulders	Diamond Power	B	Control Mechanisms	A	250	250	1.80	1.15	162.50
HM 2825-152-7027	Gear assembly	Westinghouse	B	Globe Gear Co	A	15	60	277.44	27.50	14,996.40
NSI	Carbon packing	General Electric Co	B	Chas. E. Chapin Co	A	48	48	82.00	15.00	3,216.00
NSI	do	do	B	do	A	48	48	82.00	17.00	3,120.00
NSI	do	do	B	do	A	48	48	82.00	15.00	3,216.00
HM 4320-337-0738	Coupling assembly	Worthington Corp	B	Rubright Machine Co	A	15	30	134.05	81.88	1,565.10
HS 5950-647-6520	Reactor	Federal Telephone & Radio	B	Airdesign Corp	A	12	38	41.60	8.12	1,272.24
588-2997	do	do	B	do	A	12	33	74.33	13.45	2,009.04
645-3342	do	do	B	do	A	22	60	29.60	7.65	1,317.00
647-6518	do	do	B	Atlantic Transformer	A	24	65	41.60	6.83	2,260.05
647-6514	do	do	B	do	A	6	29	69.50	7.85	1,787.85
647-6590	do	do	B	do	A	6	24	75.82	7.90	1,630.08
HM 5950-647-6428	do	do	B	do	A	45	25	14.60	8.60	150.00
HF 4320-398-6260	Ring casing	Buffalo Pump Inc	B	August Spindler & Sons	A	75	275	32.00	9.20	6,270.00
HF 2010-036-3082	Thrust bearing shoe	Kingsbury	A	Merriman Bros	A	165	100	7.85	3.59	426.00
HF 2010-119-2655	do	do	A	do	A	40	520	7.50	3.74	1,955.20
HM 6105-218-4706	Bearing sleeve	Allis-Chalmers	B	Waukesha Bearings Corp	A	4	6	425.00	189.85	1,410.90
HM 2825-388-6847	Liner assembly	Westinghouse	B	do	A	5	5	317.20	144.85	861.75
HM 3120-216-9343	Bearing	do	B	do	A	7	7	156.00	74.85	568.05
HF 5310-208-3332	Nut, plain round	Dravo Corp	B	Merriman Bros	A	90	220	3.95	.72	710.60
HF 4730-582-3335	Packing, preform	Buckeye Iron & Brass	A	Minnesota Rubber Co	A	1,000	1,000	2.16	.43	1,730.00
3386	do	do	A	do	A	1,000	1,000	2.00	.47	1,530.00
HR 2010-389-7134	Bearing shell	New York Shipbuilding	B	Pioneer Motor Bearing	A	4	4	1,800.00	758.68	4,165.28
HF 5330-252-9214	Gasket	Leslie Co	A	Johns-Manville	B	250	630	3.65	(C) 121.15	1,536.26
HS 825-300-6259	Preformed packing	Worthington Corp	B	Chas. E. Chapin Co	A	20	20	15.85	10.00	117.00
HM 2815-343-2433	Bushing sleeve	Cleveland Diesel (GM)	B	Manistique Tool & Manufacturers.	A	10	94	109.31	17.20	8,658.34
HF 2815-146-7513	Shaft drive	Sherwood Brass Works	A	do	A	275	240	8.38	7.10	307.20
HF 4310-216-7711	Bearing sleeve	Ingersoll-Rand	B	True Alloys, Inc	A	60	105	30.00	2.59	2,878.05
HF 4320-148-1430	do	Buffalo Pump Inc	B	Vargo Manufacturing Co	A	20	42	40.65	18.00	951.30
HM 2825-388-1181	Liner assembly	Westinghouse	B	Waukesha Bearing Corp	A	30	26	210.60	89.85	3,139.50
HS 6115-338-7400	Bearing	General Electric Co	B	American Metal Bearing Co. of Louisiana.	A	3	3	910.45	285.41	1,875.12
HM 2010-399-3456	Bearing thrust	Dravo Corp	B	Merriman Bros	A	30	60	84.70	22.40	3,738.00
HM 5945-549-6934	Relay armature	Signal Transformer, Inc	A	Phillips Control	B	10	31	13.00	6.70	195.30
HM 5945-549-6935	Relay	do	A	do	B	10	15	12.00	6.24	86.40
HM 5945-549-6936	do	do	A	do	B	10	15	11.00	7.89	46.65
H 2825-388-6904	Guide piston	Vickers	B	Craftswell, Inc	A	30	45	96.20	18.75	3,485.25
HM 1075-383-8303	Shaft hanger	O. G. Kelly Co	A	R. M. Kerner Co	A	15	20	60.28	24.95	706.60
4820-393-4335	Bushing seat	Minnesota Mining & Manufacturing.	B	Manistique Tool & Manufacturing.	A	355	280	41.05	21.60	5,446.00
HF 5310-262-4386	Washer, flat	Dravo Corp	B	American Metal Bearing Co. of Louisiana.	A	1,070	1,070	3.37	1.09	2,439.60
H 4730-142-2691	Plug, tube repair	Babcock-Wilcox	B	Interstate Forging & Supplies	A	40	40	2.75	2.00	30.00
Total										92,153.71

Mr. SPARKMAN. At my request, the committee staff has added to this table the last column, headed "savings."

As long ago as June 26, 1957, I addressed the Senate on this subject, stating then that "the Department of Defense conducts a large portion of its purchasing activities with a reckless disregard for the very rudiments of sound purchasing methods. These practices would be intolerable in the world of business for the simple reason that no business could be conducted at a profit which consistently and as a matter of method paid outrageously inflated prices for its raw materials, its supplies, and its equipment. Yet the payment of premium prices, over and above a reasonable market price, is a common custom of the Department of Defense."

The only evidence, Mr. President, that has come to my attention between then and now that this serious flaw in the purchasing practices of the Department of Defense has received the attention it deserves reached me in a letter dated February 24, from Rear Adm. J. W. Boundy, Chief of the Bureau of Supplies and Accounts, Department of the Navy. To this letter was attached a

list of 42 products which, during the year 1958, had been bought for the first time on a competitive bid basis as opposed to noncompetitive awards to sole sources of supply the previous time these same items had been purchased at the Navy's Ships Parts Control Center at Mechanicsburg, Pa.

The summary shows that during 1958, some 19 small business concerns bid for the first time on 38 of the 42 items purchased and the dollar value of these successful bids was $38,026.25. Four large concerns bid for the first time last year on four items with a value of $1,182.90.

The total paid out by the Navy for these items was therefore $39,209.15.

This is the point: Had these selfsame items been bought in the same quantities from the previous sole source suppliers on a noncompetitive basis, the cost to the Navy would have been $131,362.25.

It may be clearly seen that simply by opening up these purchases to competitive bidding, the Navy in this one series of contract actions saved $92,153.71.

The percentage savings, Mr. President, averages 70 percent. This means, based on the Navy's experience at its Ships Parts Control Center, that for thousands of common-use items bought at military purchasing installations throughout the country, military contracting officers are paying $100,000 for supplies and equipment from unnecessary sole-source suppliers which, under competitive bidding, could probably be bought for $30,000.

For the start which the Navy has made to eradicate unnecessary and costly sole-source buying, as evidenced by these data from the Ships Parts Control Center at Mechanicsburg, it would seem that the Bureau of Supplies and Accounts, and especially Comdr. O. R. Blanton of the Ships Parts Control Center, are entitled not only to official commendation, but also to the grateful thanks of the Nation's taxpayers.

It is edifying, Mr. President, to examine a few of the specific transactions reflected in this table. We find, for instance, that as a sole source the Welin Davit and Boat Co. received $18.25 per unit for a certain type of bearing sleeve, the stock number of which is listed in the table. When competitive bids were solicited on this product for the first time last year, the Gatke Corp., of Chicago, supplied the Navy with this item for $4.05 per unit. Here the saving to the taxpayer amounted to 77 percent.

Again, as a sole-source supplier, the Westinghouse Corp. was paid $277.44 per unit for a gear assembly which, under competitive bidding for the first time in 1958, was sold to the Navy by the Glove Gear Co. of Royal Oak, Mich., for $27.50 per unit. Competition here resulted in an astonishing 90-percent saving to the Government.

As a former sole supplier, the General Electric Co. sold carbon packing to the Navy for $82 per unit. Last year, the Navy was able to buy this carbon packing from the Charles E. Chapin Co., of Hackensack, N.J., for $15 per unit, with the taxpayers again benefiting by an 82-percent saving.

The Navy bought a specific type of coupling assembly from the Worthington Corp., as an alleged only source of supply, for $134.05 per unit. When this item was opened up to competitive bidding in 1958, the Navy was able to purchase the same coupling assembly from the Rubright Machinery Co., of Baltimore, for $81.88 per unit. In this instance, the saving to the Treasury amounted to 39 percent.

Last year the Navy bought bearing sleeves from the Waukesha Bearing Corp., of Waukesha, Wis., on a competitive basis for $189.85 per unit. Previous noncompetitive awards for this item had gone to the Allis-Chalmers Manufacturing Co. at a unit price of $425. Thanks once again to a little competition, the net saving to the Government on this item amounted to 55 percent.

As a final specific example of the wanton waste which the taxpayers of this Nation have been forced to shoulder because of the predilection of military contracting officers to rely on unnecessary sole sources as a means of handing out military contracts, I refer again to a purchase action by the Ships Parts Control Center for bearing sleeves during 1958. These were bought from True Alloys, Inc., on a competitive basis for $2.50 per unit. Prior to the presence of True Alloys, Inc., as a competitive factor in this particular procurement picture, the Navy had paid the Ingersoll-Rand Co. an even $30 per bearing sleeve. This, Mr. President, would amount to a 91-percent premium.

So far, the specific examples I have cited have shown what happens to prices when the procurement doors of the military purchasing installations are opened to competition from small business concerns. An examination of the list from which these examples have been taken, however, will reveal that whereas the greater share of the savings resulted from small business competition, there are instances where a large company has underbid a small company and where one small company has offered prices lower than those of a competing small concern.

The point is, Mr. President, that it is competition and competition alone, regardless of the size of the selling companies, which is essential if our military officials want to avoid having to pay two and three times what a product is worth.

Every year the top supply and logistics personnel of the Department of Defense and its components come before the Subcommittee on Government Procurement of the Senate Small Business Committee and proclaim the loftiest of intentions to bring new sources of small business supply into the mlitary procurement system. So far, however, the only concrete evidence that any organized effort in this direction is being made has come to us from the Navy's Ships Parts Control Center.

There are, I believe, between 500 and 600 Department of Defense offices throughout the country which conduct purchasing activities. Our minds must shrink from contemplating how many millions upon millions of dollars the officials of these hundreds of installations have squandered throughout the years because of their lack of success in finding new sources of supply to compete with unnecessary single source producers. We have seen how just one such office saved 70 percent on the cost of 42 common-use items through competition. It seems proper to inquire to what extent the Department of Defense is today continuing to pay $100,000 for products which through competition could be bought for $30,000? Commonsense dictates that this sole source giveaway be brought to a halt.

Here is a situation, if I ever saw one, Mr. President, that cries out for management control at the highest level. One cannot expect a busy Secretary of Defense to be intimately aware of everything that goes on in every one of his Department's farflung purchasing offices. Yet the reputation of Secretary McElroy for business acumen is such that we know without having to be told what he would have done as president of Procter & Gamble had he found one of his company's purchasing agents consistently paying a premium to one supplier when he could have made the same purchase at a 70-percent saving from another supplier. A competitive purchasing system would have been installed immediately and negligent personnel would have been fired or replaced. Similar corrective changes should take place in the Department of Defense.

I am writing to Secretary McElroy for the purpose of calling this procurement problem to his attention. In the last analysis, the only way to lick this problem is for the Department of Defense to attack it with all possible vigor. It may be that the Secretary will want to send instructions to every purchasing official of the Department, requiring a written justification for every sole source purchase when there is any reason whatever to believe that additional sources for the product may be available.

This is a matter which should be of vital concern to every Member who wants to see the Government run on a business-like basis. Such wasteful practices as I have described today and documented should also be of particular interest to the members of the Appropriations Committee and the Armed Services Committee. Needless to say, this problem is of the greatest concern to the members of the Small Business Committee, all of whom realize that year by year the share of small firms in military procurement has dwindled from a high of 25 percent in fiscal year 1954 to 17 percent in fiscal year 1958. In the first quarter of fiscal 1959 there was a further decrease to 16.6 percent.

This downward trend of small business participation in military purchases can be reversed, provided the Department of Defense bestirs itself. One way would be to increase the share of small firms in research and development contracts which is currently running at about 3 per cent of the total spent for such purposes. A second way to make it possible for small concerns to bid on military contracts would be to provide specifications, drawings, and engineering data for a long list of products which are now sold

to the Department by sole sources because the information on which other potential suppliers might submit is lacking.

Yet a third way to broaden the base of military procurement would be for the Army, Navy, and Air Force to place greater emphasis on the Small Business Administration's set-aside program, which has a great unrealized potential.

It is my intention, Mr. President, to offer an amendment to the Department of Defense appropriation bill for fiscal year 1960 when it comes before the Senate. My amendment will propose that of the estimated $20,200 million to be made available to the Military Establishment during fiscal year 1960 for supplies and services to be procured in the United States and its Territories, not less than $4,040 million of that amount shall be expended for supplies and services with qualified small business concerns. This is a modest goal. To reach it will only require the additional expenditure of approximately $311 million more with small firms than the dollar value of the contracts such firms obtained in fiscal year 1958, which was $3,729,018,000.

In conclusion, I want to make this observation: In my years of experience as chairman of the Small Business Committee I have yet to encounter any military procurements wherein a newly introduced element of competition did not result in the Government's being able to buy the products involved at a lower price than formerly. For the Department of Defense to continue to pay noncompetitive sole source suppliers of common use items premiums ranging as high as 90 percent on items obtainable elsewhere is not only fiscal madness, it is an utter abrogation by the military of its moral duty not to squander public funds.

Mr. RANDOLPH. Mr. President, I am appreciative of the fact that I am given the opportunity to follow the distinguished chairman of the Select Committee on Small Business. The subject which he has brought to the attention of the Senate is an important one, and I emphasize what he has so well said, that at the present time small business is not receiving its proportionate share of Government contracts.

Mr. President, although the Congress has often set forth its desire with respect to awarding the small-business concerns, a fair proportion of the appropriated dollar for supplies and services in the continental United States, the Department of Defense records of awards going to small business as prime contractors has progressively decreased year after year at an alarming rate: Fiscal 1954, 25.3 percent of $11,448 million; fiscal 1955, 20.5 percent of $14,930 million; fiscal 1956, 19.6 percent of $17,750 million; fiscal 1957, 16.6 percent of $19,133 million; fiscal 1958, 17.1 percent, of $21,827 million; first half of 1959, 13.3 percent of $10,050 million.

The small business firms should at least get 20 percent of the appropriated dollars for fiscal 1959 and 1960 and we in Congress should insist that this be done. This could mean only an increase of approximately $300 million on what they receive in fiscal 1958. There are many ways to do this. For instance, in fiscal 1958 there were $508,732,000 in awards on which small concerns could not bid because of proprietary controls or standardized specifications. In fiscal 1958 there were awards made amounting to $13,971,326,000 which had no known small business sources. Efforts should be made by the Department of Defense to find more sources.

There should be more procurement made on an advertised competitive basis. During the past 5 years only 15 percent of the total dollars awarded have been advertised. Some 85 percent of the awards made were without competition and one reason why small business is not receiving a fair share of the Government business.

The net awards to the first 100 large companies amounted to 74.2 percent of the dollars spent in the continental United States; 25 of these 100 companies received 57.5 percent of the dollars spent. These awards were largely made under what is known as the "Weapons System Concept" of procurement and there is some question as to whether this system when used is in the best interest of the Government and the small business community.

In fiscal 1958 there were $635,422,000 awards made in which small business could not participate because it could not meet quantitative or delivery requirements. The requirements should be broken down into smaller quantities and delivery dates extended to allow small business to participate.

Mr. President, it was my privilege, a few days ago, to chair the Subcommittee on Government Procurement and I was surprised and worried by the documented statements by small-business men as to the unfair conditions faced in an effort to secure and process Government contracts.

SECOND SUPPLEMENTAL APPROPRIATIONS, 1959

The Senate resumed the consideration of the bill (H.R. 5916), making supplemental appropriations for the fiscal year ending June 30, 1959, and for other purposes.

Mr. BRIDGES. Mr. President, I offer the amendment which I send to the desk and ask to have it stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New Hampshire will be stated.

The LEGISLATIVE CLERK. On page 15, line 6, after the word "facilities", it is proposed to insert : "; no part of this appropriation shall be available for the purchase of science, mathematics, and modern language teaching facilities, which are sold, manufactured, or otherwise identified as originating in Communist or Communist-dominated countries."

Mr. BRIDGES. Mr. President, I have offered an amendment proposing limitation of expenditure of part of the appropriation provided for defense educational activities in the Department of Health, Education, and Welfare appropriation in this so-called second supplemental Appropriations bill, H.R. 5916.

Mr. President, I recently, on March 12, brought to the attention of this body the Soviet invasion of the American market with various scientific and laboratory equipment for use in American secondary schools and colleges. We have now for some time been aware of the declared Soviet economic offensive against us. We would, indeed, have to be very sound asleep not to be aware of it because the Soviets themselves have told us in no uncertain terms and they have suited their actions to their words. I pointed out on March 12 the Soviet techniques concentrating on different phases of free world economy. By selective dumping and underselling tactics, industries could be destroyed one by one.

Mr. President, important as is the aspect of piecemeal economic destruction, there is in their latest incursion into the field of scientific laboratory equipment a far greater significance. Cold war and economic war offensives are only a part of what is the overall struggle for the minds of men. The flooding of our secondary schools and colleges with Soviet scientific equipment is a direct frontal assault in that never-ending struggle.

The youth of America is daily treated to stories of Soviet scientific superiority. Hardly a day passes but what someone is hailing some new Soviet achievement. Much of this is propaganda, witting or unwitting, but nevertheless it does have its impact. What effect, Mr. President, do you think it will have on the young people entering upon careers in the field of science, after reading those stories to find that indeed in the pursuit of their studies, they are using Soviet-made scientific demonstration apparatus? To my mind, it would merely confirm to them the propaganda stories to which they have been subjected. Certainly in the expenditure of Federal public funds, expressly earmarked for the purchase of such equipment, the least we can do, as prudent legislators, is to try to safeguard the use of those funds so that we are not in any way aiding the Soviet effort for world domination.

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

Mr. BRIDGES. I yield.

Mr. GORE. Has the administration taken a position on this subject?

Mr. BRIDGES. I do not think it has. At least I am not aware of it.

Mr. GORE. Is the Senator proposing, on the one hand, that Congress appropriate money to give aid to the States in developing a program of scientific education, and, on the other hand, telling the States, "You must not spend this money in the most economical way; you must spend the money to 'buy American'; you must not buy these products from a foreign country; you must use the money to buy American equipment"? Is this not an innovation in the Federal-State relationship in the field of aid to education?

Mr. BRIDGES. In answer to my very able and distinguished colleague from Tennessee, I will say I am not attempting to stop the use of scientific equipment purchased from various countries of the world, and used in teaching in the

laboratories and schools. I am trying to stop the use of Federal funds for the purchase of such equipment from the Soviet Union or other Communist countries. These countries are attempting to dump this material into our schools. All of it is marked, "Made in Russia," and has the Communist imprint on it. The amendment provides: "which are sold, manufactured, or otherwise identified as originating in Communist or Communist-dominated countries." That to me clearly states, as was my intention, the prohibition against the purchase of identifiable items.

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

Mr. BRIDGES. Certainly.

Mr. GORE. How is the superintendent of education in a county in Alabama, for example, to know whether a stirring rod or glass tube or a mixing pot has been made behind the Iron Curtain, or whether it has not been made behind the Iron Curtain? Is not the Senator proposing an unworkable amendment? Is not the Senator proposing an innovation in the Federal-State relationship in this field?

Mr. BRIDGES. I do not know that I am proposing an innovation in the Federal-State relationship; we certainly make drastic wage stipulations in Federal funds to States for road building. I am doing a very practical thing in trying to shut off the use in our schools, in which boys and girls at a very impressionable age attend classes, of equipment which is being dumped into this country by Russia and which is marked as Soviet-produced products. It would not be surprising if the students gathered the idea that we in this country are unable to make the equipment or that the Soviets make it better.

Mr. GORE. The Senator's amendment is not confined to artices which are marked. I wonder how a child in a chemistry class could be impressed by a glass tube, whether it was made in Czechoslovakia or Germany or Tennessee. It seems to me that it is a bit far-fetched to suggest that our children will be subverted by the use of a test tube or mixing pot or stirring rod or, perchance, a microscope, manufactured in Czechoslovakia or Poland.

Mr. BRIDGES. I am sure that the boys and girls in New Hampshire schools would prefer to use a microscope made in Tennessee rather than one made in Russia.

Mr. GORE. That is not the question. Congress is appropriating money in the bill now before the Senate to aid States in the development of a science education program. Yet the Senator proposes to place an impossible task on the shoulders of the administrator of the program in a county of Tennessee or Alabama, by telling him he must not spend the money in buying equipment until he can ascertain that it positively was not manufactured in Poland or Czechoslovakia or the Soviet Union.

At one time I was the county superintendent of education in a county of Tennessee. I know what limited facilities the superintendent has. How could the superintendent of Smith County in Tennessee determine whether a glass tube was made in Czechoslovakia or anywhere else?

Mr. BRIDGES. The Senator from Tennessee, like the Senator from New Hampshire, taught school. I taught a class in science in secondary schools. Therefore, I am familiar with the problem. I say that this type of equipment is being dumped into this country with the intended result of its being used by schools. I have already spoken to the point about identifiability.

Mr. GORE. Does the Senator really believe that the children of our schools are going to be stirred into unpatriotic zeal by the use of some little piece of equipment which has not been made in America?

Mr. BRIDGES. I am not objecting to the fact that it has not been made in America. I am objecting to Soviet Union propaganda and I have already remarked on its probable effect.

Mr. GORE. The Senator's amendment is broader than that. It covers material manufactured outside the Soviet Union. How is the administrator of a county program to determine whether a piece of equipment is made in a foreign country? Would the Senator read his amendment again?

Mr. BRIDGES. After the word "facilities," on page 15, line 6, I proposed to insert a semicolon and then add: "No part of this appropriation shall be available for the purchase of science, mathematics, and modern language teaching facilities which are sold, manufactured, or otherwise identified as originating in Communist or Communist-dominated countries."

Mr. GORE. So it is not confined to the Soviet Union.

Mr. BRIDGES. The amendment states Communist or Communist dominated countries. As I have repeated the matter of identification is clear.

Mr. GORE. Oh, no. I beg the Senator's pardon. It says: "teaching facilities which are sold, manufactured, or otherwise identified." It is not necessary that they be so identified.

Mr. BRIDGES. Furthermore, the customs laws require that the articles be appropriately stamped as to country of origin.

Mr. KEATING. Mr. President, I am sure the interpretation of the language is that the articles would be identified in some manner. I know that there is quite a flood of this material coming into our country from the Soviet Union. I support the amendment offered by the distinguished Senator from New Hampshire. I believe the adoption of the amendment is vital in the context of our life-and-death cold war struggle with the Soviet Union.

It is important, in considering this problem, to differentiate between good faith commerce among the nations of the world and the blatant attempts by the Soviet bloc to use international trade as a political and propaganda tool.

While I strongly endorse our State Department's efforts to expand peaceful trade with the world, including the Soviet Union, I believe we would be derelict in our duty if we permitted the use of public funds to abet the economic cold war designs of the Russians.

We can and must draw the distinction between legitimate foreign trade and commerce planned as a weapon in economic warfare. The scheme of the Soviets to flood the American market with low-priced, high-quality scientific equipment is similar in some respects to their previous efforts to drop the world price of aluminum, and thus upset the market in that commodity. There appears to be a good deal of truth in the allegation that these Soviet moves are merely individual steps in a Soviet master plan to "discombobulate" one American market after another.

The fact that this Soviet scientific equipment can be sold in this country for anywhere from one-half to one-fifth the cost of products made in the United States indicates that the Soviets have priced their goods to be used for political and propaganda purposes. They seek by this move to make a two-pronged attack on America by the sale of these products.

First, they can undermine an important industry which cannot possibly turn out quality goods at the low prices at which the Russians are producing them. Many outstanding firms in the State of New York could be undermined, both directly and indirectly, by massive imports of microscopes, electronic equipment, projectors, and other scientific apparatus. Some of this material is already coming into the United States and is going into our schools directly from the Soviet Union.

The second objective is that the Russians hope to create indelible impressions on the minds of the young American scholars who would use this equipment in their schoolwork. It is complicated, well-designed equipment; it is not merely test tubes or something of that kind. With their aim to shake America's confidence through Russian scientific achievements, they hope to solidify their grasp on youthful American minds by impressing them with the scientific equipment used in the classrooms.

The total U.S. market for school laboratory equipment has been reliably estimated to be about $6 million a year. But the total sales potential, when the National Defense Education Act—which is what we are talking about—goes into effect, with its provision for the purchase of scientific equipment by schools and junior colleges, cannot be calculated. It may at least double the present market.

I, for one, do not propose to let this increased market be gobbled up by Communist manufacturers selling goods to be purchased by funds supplied by American taxpayers. This amendment should be adopted. It strikes me that the wording of the amendment is appropriate. The objective of the amendment offered by the Senator from New Hampshire is to combat Soviet tactics which are designed primarily to promote Russian political interests, to undermine American industries, and to influence young Americans.

The Soviet economic challenge cannot be measured—nor should we try to meet

it—on the same terms as the business competition of our friends around the world. Let us never forget the ultimate objective of the Soviets. Right now they are concentrating on economic infiltration. Although Soviet scientific equipment represents merely one aspect of this overall endeavor, it is a particularly disturbing endeavor.

I hope the amendment will be overwhelmingly adopted, even with such modification as may be needed. The fears of the distinguished junior Senator from Tennessee about the identification of such products are not well founded. The wording of the amendment means that the product must be identified in some manner.

It seems to me that we must show the world that we intend to fight, tooth and nail, this Communist economic cold war offensive. That is the objective of the amendment offered by the distinguished Senator from New Hampshire.

Mr. BRIDGES. I thank the Senator from New York.

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

Mr. BRIDGES. I yield to the senior Senator from New York.

Mr. JAVITS. I think I understand the purpose of the amendment. I am concerned about the effect which the Russian scientific products are having upon our national security. Therefore, I make two suggestions to the Senator from New Hampshire: First, perhaps the point made by the Senator from Tennessee could be dealt with in the amendment by requiring a specific mark of identification on the product. Second, and I think equally important, it is necessary, I believe, to make an exception for products used for demonstration and comparison. I do not think anyone would want us to be blind, even in the schools, to what the Russians are doing. I do not think that is the intention of the Senator from New Hampshire, because he has had too much experience in this field.

So merely by way of suggestion, I commend these two thoughts to the Senator from New Hampshire, so that the amendment may be whipped into shape.

Also, the Senator perhaps may wish to address himself to the national security implications. If all we were dealing with was dumping, we would have to deal with residual oil, aluminum, antimony, manganese, and tin, some of which the Russians have already dumped, and others of which they have the capability of dumping.

Mr. BRIDGES. I thank the Senator from New York.

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

Mr. BRIDGES. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I have received a number of complaints concerning the subject of which the Senator from New Hampshire has spoken. One was from a very large firm in Massachusetts, American Optical Co.; others were from smaller firms, Kirkland Instrument Co. and Cambosco Scientific Co., with which I am not so familiar. I have taken up these complaints with the Department of Health, Education, and Welfare.

Secretary Flemming has written that from the point of view of the Department the objection is that such action as is contemplated under the proposed amendment may be considered Federal interference with the local schools. But that can be balanced against the dumping by the Russian Government of scientific material, not only for school purposes, at such a low price that, even if the full tariff is imposed, the price is still as I understand, less than 50 percent of the price for which the American Optical Co. can produce and sell similar goods.

It seems to me that we should give consideration to that aspect of the matter balanced against the aspect of possible Federal interference with local schools.

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

Mr. BRIDGES. I yield.

Mr. FULBRIGHT. First, has the Department of Commerce had an opportunity to consider the amendment?

Mr. BRIDGES. So far as I know, it has not.

Mr. FULBRIGHT. Have any hearings been held on the amendment?

Mr. BRIDGES. So far as I know, no hearings have been held.

Mr. FULBRIGHT. Does the Senator from New Hampshire know how large the imports of this material have been?

Mr. BRIDGES. I know that samples of his equipment have been exhibited and I am reliably informed that orders may now be placed in sizable quantity. I am not prepared to give a complete itemization.

Mr. FULBRIGHT. Are the imports substantial in quantity?

Mr. BRIDGES. I do not know if they have been up to the moment. I hope not. I am trying to stop them. Various articles concerning this problem published in outstanding national magazines, have been called to my attention; and there have been other instances in which I have been informed personally and directly of such occurrences.

Mr. FULBRIGHT. Does not the Senator believe that this is a subject which comes within the purview of the Battle Act and the regulations which have been promulgated thereunder, in connection with our allies, in the attempt to control East-West trade?

Mr. BRIDGES. I believe that is a part of the general theory of the act but I do not know whether the Battle Act would specifically cover this.

Mr. FULBRIGHT. Is this not a field in which not only the United States has an interest, but in which our allies also have an interest?

Mr. BRIDGES. I do not know that our allies would have a particular interest in school equipment being dumped into this country.

Mr. FULBRIGHT. The Senator may remember that last summer a question was raised about the dumping of aluminum. It was not dumped specifically into this country; I think it was dumped into the London market. Also, a large quantity of benzene was sold to the Dow Chemical Co. That matter was taken up with the Department of Commerce, which is now considering it. But it strikes me that this is not a very orderly way in which to legislate in this field. I myself think there must be adopted some new policy whereby we and our allies will coordinate our efforts to meet the type of action which was encountered in the case of aluminum, tin, and lead.

I think this approach, without hearings having been held to determine where we are going and what we are doing, is subject to the criticism of shooting in the dark at something which we think threatens us.

I do not believe this matter has been sufficiently prepared for the Senate to pass upon it very intelligently. I do not believe it is an isolated case. I think it is a part of the overall policy of the protection of the free world economy against what we call dumping. I am not sure whether it is dumping.

A few days ago I had a conversation with one of the visiting members of the International Chamber of Commerce, many of whom were in Washington last week. He had recently been in Poland. I asked him about his experiences there. He was associated with the Imperial Chemical Co., and he went to Poland to visit their chemical plant there. He threw entirely new light on the question. He said, "I do not know whether they are dumping or not. In my opinion, they do not know what their costs are. Their plant is very well equipped, but in their system of economy they have developed no method of determining their costs."

He said that actually these people were very eager to discuss ways and means of discovering what their costs are; and he said, "I don't know for sure whether they are deliberately dumping these materials, or whether they don't know, and just have some on hand at a particular time, and sell them for whatever they think they will bring."

It seems to me that in this case the Senator has raised, in connection with an appropriation bill, a matter which is very serious and should be considered by the appropriate legislative committees as a part of an effort to find a solution to the overall problem of what the free world is to do in regard to, let us say, a raid by a state trading company. I am not unsympathetic with the objectives. But I do not like to accept to an appropriation bill an amendment which deals with a matter about which we know very little, and which has not been submitted to the proper department of the Government, and has not been developed in the way we usually develop legislative provisions.

Mr. BRIDGES. Mr. President, I appreciate the comment which has been made by the distinguished chairman of the Foreign Relations Committee. I would say that this is not so much a matter of trade as it is a matter which has propaganda value. If the high schools and secondary schools of our country use in their science laboratories Soviet-made equipment, which is so identified by the pupils, it will have tremendous

propaganda value on their young minds. That is the main point I am making.

Mr. FULBRIGHT. If that is the main point, then I certainly think the State Department, which is given the responsibility of dealing with such propaganda matters—in fact, the Congress appropriates more than 100 million a year in that connection, and the distinguished Senator participates in the consideration of that item—should be given an opportunity to look into this question. However, I did not think that was the main point in this connection. Instead, I thought the main point was one of trade.

I must say that I am very dubious about the propaganda effect. On the other hand, I am not very dubious about the trade effect. I think the trade problem is a very difficult one for us to solve.

Mr. KEATING. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. KEATING. The Senator from Arkansas has raised the question whether this is a serious matter, or whether the case referred to is an isolated one, and so forth.

I call attention to the fact that in late January there was, in New York City, an exhibit of Russian-made scientific equipment. It was set up at the meetings of the American Physical Society and the American Association of Physics Teachers, at the Hotel New Yorker, in New York City. The purpose of the exhibit was stated to be to promote the sale to American schools of Soviet-made equipment, such as microscopes, electronics equipment, projectors, and other apparatus for use in classrooms. In other words, it was apparently a well-planned move of a semiofficial character by representatives of the Soviet Union.

Mr. FULBRIGHT. Assuming that to be so, I still believe it would be very improvident for us to legislate in the way now proposed—in other words, to attach to an appropriation bill such a rider, which relates to a decision which obviously affects our foreign policy, and to do so in the absence of any hearings at all.

I think this matter goes far beyond the proper scope of a rider to an appropriation bill. Obviously the matter involves our basic foreign policy. If such exhibits are permitted, apparently they are in accordance with our policy, or else such exhibits would not have been permitted.

I believe this matter deserves serious consideration by the appropriate committee, which should weigh the effect of the admittance or the exclusion of such items. Perhaps they should be excluded. But I do not think the way now proposed is the proper way to handle the matter.

Mr. KEATING. Mr. President, if I may give a partial answer to what the Senator from Arkansas has said, let me ask a question: Is it not wise to act on this problem before a large volume of such items is admitted? Later, it might be more difficult to act than it is now; and such action on our part at a later time might more seriously impair the interests of those who in good faith have made commitments. Under those circumstances, congressional action, at a later time, in interferring with the admission of such equipment might be even more disastrous in its effect on those who have proceeded in good faith.

Upon referring to my notes, I find that a news item in regard to such importations states that they were made by a local company which was said to have ordered 6,000 pieces of such apparatus from the Soviet Union. The president of the company said he was sure that was the first importation of such Soviet equipment for sale in this country, and that he believed there was an American market potential of about $1 million during the next two years for the Soviet equipment, which he hopes to sell to schools and colleges. He said he first had become aware of Soviet physics teaching equipment through a photograph on the cover of an American scientific journal, and that, impressed by the apparent quality of the item, he made inquiries, and later visited the Soviet Union, to see its equipment for himself. He said he had been particularly impressed by the evidence that the Russians had set up mass production of physics-teaching equipment about 8 years ago as a part of their "crash program" in science education; and he went on to describe what the equipment consists of — namely, microscopes, projectors, a device for studying wave motion, electronic apparatus, and basic items, such as blocks for demonstration of solid geometry principles, and so forth.

It seems to me that this matter has already reached such proportions that we should face the problem now, one way or the other, and either should say we are going to let such items be imported or should take action to bar them from coming into this country from Communist countries or Communist-dominated countries.

Mr. FULBRIGHT. But does not the Senator agree that, at least, hearings should be held on the matter, so there will be some record in regard to what is being done?

Although probably the Senator's State has the greatest interest in this matter, the Senator has no specific information, other than that such items are being offered for sale.

I believe that, at the very minimum, we should obtain reports on this matter from the Department of Commerce and the Department of State.

The pending amendment is clearly legislation on an appropriation bill. Furthermore, it seems to me, the amendment would change the policy. Perhaps it should be changed; but I do not believe the way now proposed is the proper way to change it.

In the case of the items I have mentioned—for instance, in connection with the aluminum industry and other large, basic industries—I am convinced in my own mind that something should be done. But I am not convinced that what is now proposed is what should be done. I do not know how this matter should be handled; but I believe hearings should be held and the matter should be taken seriously.

On the other hand, a rider to an appropriation bill does not seem to me to be the appropriate way to proceed.

Mr. HILL. Mr. President, will the Senator from New Hampshire yield to me?

Mr. BRIDGES. I yield.

Mr. HILL. Let me say to the Senator from New Hampshire that I find myself much in sympathy with what he has said; and certainly I would not wish to have the Senate take any action which would permit such dumping in our country by the Soviet Union. Of course, not only scientific equipment but many other items have been cited in this connection—for instance, the dumping of aluminum.

Let me say that these funds are to be matched by the States and local communities; in fact, they will not be available for expenditure except as they are matched dollar for dollar by the States and the local communities. So we must consider the fact that we are not simply dealing with a matter which concerns only the Federal Government. Instead, it very definitely brings into the situation the States and the local communities.

Furthermore, we have not had an opportunity to look into this matter. We have not had any hearings at all on it.

My good friend, the Senator from New Hampshire, made a very forthright statement earlier today about the amendment which deals with the Philippine Islands, a matter about which he had taken a position in the committee. Certainly he was justified in doing so, because at that time we had had no evidence or hearings or testimony or facts. But subsequently the facts were brought to his attention, and they were subsequently brought out on the floor of the Senate. So, being a wise man, he changed his position.

Therefore, I ask the Senator from New Hampshire to give us an opportunity to hold hearings and to go into this matter and to obtain the facts, particularly since this matter really involves the States and the local communities more than it involves the Federal Government, insofar as the educational programs are concerned. So let us have an opportunity to obtain the facts.

Incidentally, the distinguished Senator from New Hampshire is a member of the Subcommittee on Labor, Health, Education, and Welfare, and that subcommittee soon will hold its hearings on the question of educational funds. The distinguished Senator from New Hampshire is ex officio a member of the subcommittee. So I think the way to handle this matter is to hold a hearing on it before the subcommittee, and have the distinguished Senator from New Hampshire be there, where he, together with the rest of us, can go into these questions and can obtain the facts.

I believe at least we would then know the basis on which we were proceeding. We would have more facts. We would know the situation with respect to the States, the local communities, and the school districts.

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

Mr. BRIDGES. I yield.

Mr. CHAVEZ. I also belong to the subcommittee of the Senator from Alabama. I believe I am sympathetic with everything the Senator from New Hampshire has said, but I hope such a study will take place.

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

Mr. BRIDGES. I yield.

Mr. CARLSON. I appreciate the discussion on the amendment of the Senator from New Hampshire. I should like to associate myself with the Senator from Arkansas [Mr. FULBRIGHT]. This problem becomes an international one, and is far more important than merely the matter now pending before the Senate. There are three committees involved, the Foreign Relations Committee, the Finance Committee, and the committee having to do with health, education and welfare.

I plead that the Senator from New Hampshire withdraw his amendment, in order that we not get into any difficulty because of this proposal.

Mr. BRIDGES. I believe it is an amendment which might well be taken to conference. If it is necessary to perfect it in any way, it could be perfected at that time.

Mr. HILL. Mr. President, will the Senator yield at that point?

Mr. BRIDGES. I yield.

Mr. HILL. The Senator and I have sat on a good many conferences. We know that when we go into conference no witnesses appear before the members of the conference and no evidence is given. Sometimes the conferees become snarled in other questions, and an opportunity is not afforded to get to the facts of a particular matter. There are many different items in this supplemental bill, dealing with many activities and phases of the Federal Government.

Mr. BRIDGES. I have noticed that the Senator from Alabama is very effective in conference.

Mr. HILL. When the U.S. Senate sends me to conference as its agent, I do my best to uphold the position of the Senate. However, the Senator from Kansas is quite correct about this matter. There is involved not only a question of appropriations, but a question perhaps belonging to the Foreign Relations Committee and the Finance Committee, of which he is an honored and distinguished member.

I join the Senator from Kansas in his appeal to the Senator from New Hampshire that he withdraw the amendment in order that we may ascertain the facts and know what the situation is. I particularly so urge since these funds have to be matched by the States, local communities, and school districts, and they are very much affected by this situation.

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

Mr. BRIDGES. I yield to the Senator from Tennessee.

Mr. GORE. I hope the able Senator from New Hampshire will yield to the entreaties of his colleagues. Admittedly, there is an economic phase in the cold war, but I submit we cannot adequately cope with that challenge by attaching riders to appropriation bills as they come before Congress. If we attach the proposed rider to this bill, then must we not follow through when Congress appropriates money for Hill-Burton purposes, and provide that no item used in that program can be made in Czechoslovakia? I doubt that is a precedent which the able Senator from New Hampshire would wish to establish.

I believe the Senator from Massachusetts stated he had talked to the Commissioner of Education, and the latter had raised the question that this would be Federal interference with local administration of our educational system. The administration of schools in accordance with the laws and the Constitution has, by tradition in America, been vested in the States, counties, and municipalities.

When Congress appropriates money for the highway program, it does not attach riders providing that States may not use the funds, of which they provide a part, to buy machinery from whatever source. We have not provided such restrictions relating to Hill-Burton hospital construction funds; which is a public health program; we have not provided that the State agencies cannot use Hill-Burton funds, of which they contribute a part, for the purchase of medical and surgical instruments made in a particular country.

Mr. BRIDGES. I am sure the Senator realizes the difference here involved. We are dealing with young and impressionable minds.

Mr. GORE. I am willing to believe that this subject embraces an economic problem, and I am willing to try to meet the challenge we face in that light; but I must say I do not share the Senator's view that the children of America are going to be subverted because they use a test tube or a microscope made in a particular foreign country. I do not believe our children are that impressionable. I believe their patriotism, which stems from home, schools, and churches, is sufficiently strong not to be influenced by the use of such instruments.

Mr. BRIDGES. I believe they are impressionable, and my fear of their impressionability is one of the reasons why I offer the amendment.

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

Mr. HUMPHREY. Mr. President, will the Senator from New York withhold his request?

Mr. KEATING. Yes.

Mr. HUMPHREY. I should like to add just a few words to the discussion which has taken place, which I believe has been most informative. It seems to me the discussion points up that there cannot be a piecemeal approach to the problem of the potential economic competition of the Soviet Union. As the Senator from Tennessee has noted, the discussion points up the importance of our entire Government, the executive branch and the legislative branch, settling down to the difficult task of preparing our country for the kind of competition we are going to have on the economic front. It is hoped that from the discussion of an amendment such as this, we might receive the inspiration to see that something is done at the national level, in the appropriate committee, so that there can be made an analysis and a reevaluation of the economic and political tools which we have available to meet the kind of unfair economic competition which is going to be heaped upon us.

With the Senator from New Hampshire, I, for one, as is true of every other Senator, am keenly concerned about this problem. Possibly in the next few days we can formulate a resolution or petition which will indicate our desire in this matter to have the Congress, as well as the executive branch, conduct an appropriate study.

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

Mr. BRIDGES. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to ask the Senator from Alabama [Mr. HILL], who is chairman of the Subcommittee on Health, Education, and Welfare, if the amendment were not pushed to a vote at this time, if he would be willing to take the amendment up in the regular hearings on the 1960 HEW appropriations and give an opportunity to those who want to be heard to testify on the matter? Such an assurance would have great influence with me. I would be influenced by what the Commissioner of Education might say. At the same time, I have been very much influenced by several responsible sources, one in Massachusetts, which states that precision instruments are being dumped into this country to such an extent that tariffs are of no help at all. It creates a pretty difficult economic problem. If the Senator will give such assurance, I know it will have great influence with me.

Mr. HILL. I will say to the distinguished Senator from Massachusetts, that I should be glad to arrange a hearing and to let anyone who is interested appear and testify. As I said earlier, the distinguished Senator from New Hampshire [Mr. BRIDGES] is a member of the subcommittee. The distinguished Senator from Maine [Mrs. SMITH] is a member of the subcommittee. The distinguished Senator from Rhode Island [Mr. PASTORE] who was with us a few moments ago, is a member of the subcommittee. I should be very happy to arrange a hearing on this matter before the subcommittee.

Mr. BRIDGES. Mr. President, I will say to the distinguished Chairman of the subcommittee that the Senator from New Hampshire, after conferring with some of his colleagues, will agree to withdraw the amendment on the condition expressed by the distinguished Senator from Alabama, that he will have hearings held on the proposal.

I simply want to serve notice now that if, after the hearings, no action is taken by the committee, I certainly reserve the right subsequently to bring the matter up on the floor by way of a similar amendment.

Mr. HILL. The Senator is a member of the subcommittee.

Mr. BRIDGES. Certainly.

Mr. HILL. The Senator will be at the hearing. The Senator will be present when we have the subcommittee meeting to mark up the bill, and the Senator will be present as a member of the full committee.

Mr. BRIDGES. Certainly. But if I cannot in my own good conscience agree with the committee action. I feel so strongly on the subject I reserve my right to independent action on the floor.

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

Mr. BRIDGES. I yield.

Mr. HUMPHREY. I, for one, appreciate the willingness of the Senator from New Hampshire to withdraw his amendment on the basis of the understanding given, but there are other problems. One of the large companies on the eastern seaboard, the Dow Chemical Co., made a fantastic deal with the Soviet Union on benzene, at a price no other country can compete with, which is 6 cents under the world price. We had, not long ago, the problem of dumping of aluminum. The problems of Bolivia are no accident. I think we have to go into this thing in depth, and not merely with regard to a few educational instruments or facilities. We need to study the entire problem. This is a question I have felt for a long time we have not properly studied.

The Soviet Union has declared economic war on us. The Soviets have their troops in the field, and we have not started to mobilize yet.

Mr. BRIDGES. I think we should survey the whole problem, as has been indicated, because it is a growing economic problem. The particular aspect of the problem referred to in my limitation on expenditure is an educational aspect. That is why I sought to obtain the commitment from the distinguished Senator from Alabama, who is chairman of the Labor, Health, Education, and Welfare Subcommittee of the Appropriations Committee.

Mr. HUMPHREY. I am simply expressing the hope that the Senator will drive a harder bargain in terms of the general survey.

Mr. BRIDGES. I will now drive a harder bargain by asking the distinguished Senator from Arkansas [Mr. FULBRIGHT] who is the able chairman of the Committee on Foreign Relations, if it is his intention to go into the other aspects of the problem. I think it is.

Mr. FULBRIGHT. Exactly. From the point of view we mentioned, about propaganda and otherwise, as well as the Battle Act, we intend to conduct an investigation. I also think the Senator should use his influence—and I will join with him—to inspire the Committee on Finance to go into the whole economic impact of dumping of all the things mentioned.

It is perfectly proper, of course, to handle the matter the way the agreement has been reached, but I should like to join with the Senator in seeking to get the administration in connection with the Congress to develop a legislative program to deal with the whole problem of what we call dumping.

The Committee on Foreign Relations is interested in a part of the problem, but it is not the primary committee having jurisdiction over legislation with regard to tariffs. That would be only a part of the problem.

Mr. BRIDGES. Yes.

Mr. FULBRIGHT. The Ways and Means Committee of the House of Representatives held some hearings last fall, which were very brief. I have not heard more about them.

Mr. BRIDGES. I remember those hearings.

Mr. FULBRIGHT. I have not heard anything further about that matter.

Mr. BRIDGES. I hope that as a result of this consideration in addition to immediate action on the educational phase of the matter we shall be able to approach the over-all problem, which I think the Senator from Arkansas has ably stated.

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

Mr. BRIDGES. I yield to the Senator from Rhode Island.

Mr. PASTORE. I will say to the distinguished Senator from New Hampshire that I wholeheartedly agree with his spirit and objective. Possibly an appropriate procedure would be to submit a resolution pointing up these broad problems with all their ramifications. This could be referred to the appropriate committee. Then we would have some tangible base from which to work.

Mr. BRIDGES. I thank the Senator for his excellent suggestion of a course of action which I had in mind in view of the illuminating discussion we have had.

LEGISLATIVE PROGRAM AND ORDER FOR ADJOURNMENT UNTIL TOMORROW AT 11 A.M.

Mr. JOHNSON of Texas. Mr. President, I am informed that a number of Senators have dinner engagements with the chambers of commerce of their various States, which are meeting in Washington, D.C., at this time.

I have made inquiry of the distinguished Senator from Illinois [Mr. DOUGLAS], and he informs me he desires to make a brief statement. I should like to inform other Senators that at the conclusion of the statement of the Senator from Illinois we do not expect to have any yea-and-nay votes this evening, and we will soon thereafter conclude the session of the Senate for today.

Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand adjourned until 11 o'clock a.m. tomorrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

SECOND SUPPLEMENTAL APPROPRIATIONS, 1959

The Senate resumed the consideration of the bill (H.R. 5716), making supplemetal appropriations for the fiscal year ending June 30, 1959, and for other purposes.

The PRESIDING OFFICER. Does the Senator from New Hampshire withdraw his amendment?

Mr. BRIDGES. I do.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. DOUGLAS. Mr. President, I had intended to offer tonight three amendments to the second supplemental appropriation bill, but in view of the lateness of the hour I shall not do so. I shall merely make a brief general statement. I hope I will be recognized at the conclusion of morning business tomorrow to present these amendments and discuss them.

Mr. President, I now ask unanimous consent that I may be recognized at the conclusion of morning business tomorrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. DOUGLAS. Mr. President, this is a very important measure, which now carries with it appropriations of $2.8 billion. I think it is deserving of consideration by this Congress, particularly in view of the charges which the President of the United States has made that this is a Congress of wild spenders.

Before I begin a general discussion of the bill I wish to pay tribute to the members of the Committee on Appropriations and particularly to the distinguished chairman of the committee and the President pro tempore of the Senate, the senior Senator from Arizona [Mr. HAYDEN]. I think there are few in the Senate who fully appreciate the tremendous amount of work which is thrown upon the shoulders of members of the Committee on Appropriations. It is work which is not observed by the public, and it is commonly not appreciated, but it is vitally essential work.

I regard the Committee on Appropriations as perhaps one of the two or three most important committees of the Congress.

In this particular case the committee sat for many days and took, 1,187 pages of testimony. I notice that the distinguished chairman of the committee [Mr. HAYDEN] was present at virtually every meeting of the committee and questioned the witnesses in detail and with great ability. I want to pay my personal tribute to the chairman of the committee. I know it is not necessary to do so, because we all hold him in high esteem. His long record of service, both in the House and Senate, is almost unparalleled in the history of the American Republic. We all admire his energy, his public spirit and his devotion to duty, and we also admire the fact that he never seems to hold any grudges. Even though one may oppose certain items in appropriation bills, the Senator does not take any vengeance upon those who wish to knock items out of the appropriation bills. The course of true love between the Senator from Illinois and these various appropriation bills has not always run smoothly in the past, but I want to testify to the fact that if the Senator from Arizona has felt irritated he has never shown the slightest

indication of that fact, and he has been most generous to and cooperative with the Senator from Illinois. I wish publicly to thank the Senator from Arizona for his personal courtesy, as well as to congratulate him upon his public service.

MONEY REPRESENTS ADMINISTRATION REQUESTS

Mr. President, this bill has various features in it which I think should be noticed. One feature is the fact that virtually every item of additional appropriations has been proposed by the administration. There were very few items which the committees of the House and Senate inserted on their own initiative. If one reads the testimony before the House committee—which, incidentally, runs to 987 pages—he will find how the bureaucrats of the present administration came down and pleaded for $2.9 billion of additional money. They did not say then that Congress consisted of "wild spenders." No. They came with their hats in their hands, begging the Congress to make additional appropriations, above and beyond those which Congress made last year. I think it should be made perfectly clear that this is an additional administration budget request which the President and the Bureau of the Budget have sent down to us; and if there is wild spending in it—and I think there is some—it comes from the administration, and not from the Congress.

ADMINISTRATION REQUESTED HOUSE CUTS BE RESTORED

I wish to thank the Committees on Appropriations of both the House and Senate for the way they tried to cure the wild spending of the administration. The House committee cut the President's budget, as submitted, by $243 million. Then the bureaucrats of this administration descended on the Senate Committee on Appropriations, and, for 1,187 pages, they demanded that the cuts made by the House should be restored, with only one or two exceptions. So here we have almost 2,200 pages of testimony from the Eisenhower administration, demanding $2.9 billion.

As is the custom of the Senate committee, the committee increased the appropriations of the House. Some wag has said that that is why the Senate is called the upper body—because it always "ups" the House appropriation. The kind hearts of the Senator from Arizona [Mr. HAYDEN] and his colleagues are such that at the request of the administration they restored about two-thirds of the cuts. About $163 million of the cuts was restored, and recently, on the floor of the Senate, we restored $23 million more, without, I may add, the affirmative vote of the Senator from Illinois.

CONGRESS CUT FUNDS

But even so, the Senate committee had recommended a total cut of a little more than $80 million, up until a few minutes ago. Now the restoration of $23 million for the Philippines on the floor of the Senate reduces the total cut to $57 million. But even so, this is a $57 million cut which Congress has made in the President's budget. We are not the wild spenders. We are trying to introduce economy in the estimates of the President. I hope before we are through we may make more cuts.

It is not the purpose of the Senator from Illinois to make war upon the Appropriations Committee. This is not a question of the Members of the Senate versus the Appropriations Committee. This is rather a case of the people of the United States versus the bureaucrats of the Eisenhower administration. I believe our good friends on the Appropriations Committee would be helped in the future if they could tell the bureaucrats that they are likely to run into opposition on the floor of the Senate if the bureaucrats make excessive demands. They can say, "We would like to do this, but there are those who will question your requests on the floor of the Senate. Therefore we think you should scale them down."

So what we are really trying to do is to bring reinforcements to the great chairman of the Senate Committee on Appropriations—to bring battalions in behind him, so that he and his colleagues will not be the sole persons standing between the taxeaters and the American public.

EXTRA MONEY IN 1959 IN ORDER FOR 1960 BUDGET TO SHOW A PAPER SURPLUS

There are certain specific features of the bill which, to my mind, are subject to very serious question. In the first place, there is in certain instances an attempt on the part of the administration to charge to the 1958–59 budget items which should be transferred to the 1959–60 budget. This, I think, is a part of the general budget policy of the Eisenhower administration—to make the deficit for 1958–59 as big as possible, and then blame this on the Democratic Congress, in order that the deficit for 1959–60 may be as little as possible, or even nonexistent, and then take credit for the Eisenhower administration for the apparent improvement in the fiscal solvency of the Government. There are traces of that tendency in this budget, upon which I shall elaborate tomorrow.

ADMINISTRATION ASKS FOR BACK-DOOR FINANCING

There is also another tendency, namely, to indulge in back-door financing, which the administration has attacked and has said is a characteristic of the Democratic Congress. And by back-door financing I mean both the authorization of direct expenditures by the Treasury without an appropriation and the authorization of spending from funds which were originally appropriated for other purposes or which the Government has received from the sale of such things as surplus property and which would otherwise be treated as receipts to the Treasury.

For example, various Department of Agriculture funds listed on page 41 of the report seem to be clearly cases of back-door financing; also of a similar nature is the increase in the limitation for ship construction subsidies; various funds for the District of Columbia; requests for civil defense; funds for social security; funds for the Railroad Retirement Board, the judiciary, the Post Office Department, and other agencies.

Is it not somewhat inconsistent for the administration to complain about backdoor financing when, at the same time, in many cases in this budget, they have themselves requested such backdoor financing?

Passing to specific items in the budget, there are three or four items with respect to which I am tempted to offer amendments. If I have success with the first one or two, we can then venture farther out on the ice.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. JOHNSON of Texas. Has the Senator sent his amendments to the desk?

Mr. DOUGLAS. I will send them to the desk and ask that they be printed.

Mr. JOHNSON of Texas. Will the Senator be prepared to pursue those amendments at the conclusion of the morning hour tomorrow?

Mr. DOUGLAS. Yes; I will finish shortly for I do not want to hold any Senator back from his dinner.

Mr. JOHNSON of Texas. Is the Senator aware that the Senate is to meet at 11 a.m. tomorrow?

Mr. DOUGLAS. Yes.

Mr. JOHNSON of Texas. Morning business should be concluded about 11:30 or a quarter of 12.

Mr. DOUGLAS. I shall be prepared.

Mr. JOHNSON of Texas. How long does the Senator expect to speak this afternoon?

Mr. DOUGLAS. The Senator from Illinois thinks he can conclude in about 5 or 6 minutes.

Mr. JOHNSON of Texas. I thank the Senator.

FUNDS FOR SURPLUS DISPOSAL

Mr. DOUGLAS. One item which I think we should scrutinize very carefully is the release of $5 million for the Department of Defense.

One of the great sources of waste is the way in which the Department of Defense handles its waste disposal. Last year it sold about $6 billion worth of property for only about $200 million. The cost of selling this property amounted to about $50 million. So the net was only $150 million, on property originally costing $6 billion. In other words, the Department of Defense realized only 2½ cents on every dollar. At the same time, in many instances, either identical articles or substantially similar articles were being purchased for the military services at 100 cents on the dollar. This is one of the big sources of waste, and one of the most fertile fields for practicing economy. It needs thorough probing.

The Department of Defense is asking that, in addition to the $49 million which it is allowed to withhold from the proceeds of these sales, it be given an additional $5 million; in other words, that additional expenses of the sales be met out of the proceeds of the scrap.

I think this is a bad policy. It is another form of backdoor financing. Furthermore, in the case of surplus property, there is always the danger that the agency will sell additional property,

property which should not be sold as surplus, merely for the purpose of enlarging their own funds and building a greater bureaucracy and for their own aggrandizement.

Finally, I believe we shoud carry out the original intent of Public Law 152 of the 81st Congress—the General Services Act—and have surplus property of the Defense Department sold, not by the Defense Department, but by the General Services Administration.

NEW SENATE OFFICE BUILDING

I should like to come closer to home on two items approved in connection with the New Senate Office Building, a project which I opposed when it was originally introduced, and which I believe needs close scrutiny. I wish to commend the Senator from Louisiana [Mr. ELLENDER] for the very thorough cross-examination he gave the Architect of the Capitol in the Committee on Appropriations. I invite every Senator to read the testimony of Mr. Stewart and the questions asked by Senator ELLENDER, beginning on page 1161 of the hearings and going through to page 1186.

INCREASE OF $10 MILLION

When the new building was authorized, the promise was made that the cost would be only $20,600,000. We have, however, now authorized for building and equipment $23,446,000. Thus we have authorized already over $2,800,000 more than the original estimate. The result has been a building which, to put it mildly, is not distinguished either for beauty or for convenience.

In addition to that, we have spent on the cost of the land for the building $1,011,000. We have also authorized an expenditure of a million dollars for furniture. We have made that appropriation. So that the building to date has cost $25,500,000.

Now the Architect of the Capitol is asking, and the Senate committee has granted, additional requests of approximately as follows:

Seven hundred and fifty thousand dollars for changes in the building itself. That would raise the total cost of the building to $24,196,000.

The Architect has asked for $293,000 for additional furniture. The committee has granted $283,000. This, if approved, would bring the total cost of furniture to almost $1,300,000.

The Architect has asked for $4 million for an additional subway terminal and to dismantle and replace the steps of the Senate wing of the Capitol. The cost of this additive subway to date has been at least $2.1 million and apparently another $246,000 on top of that, so the Architect is really asking us to pay $6,346,000 for the new subway and its fixings. If all these items are approved, the cost will be $30,500,000 for the new office building, whereas the original estimate and promise were $20,600,000.

I wish to argue these points in detail, but before I do so I wish to say that I do not believe the slightest blame is attached to the members of the Committee on Appropriations for this situation. They are burdened with many tasks and commonly are confronted with accomplished facts.

ARCHITECT APPOINTED BY PRESIDENT

The Architect of the Capitol, is appointed by the President, and is not chosen by Congress or by an agent of Congress, but rather appointed by the President without the confirmation of the House and Senate. The present occupant of that position was appointed by President Eisenhower in 1954, and he is outside the control of Congress. He is trying to get us to embark on a vast and costly building program.

We see the results of his building all about us: A third House Office Building across the way; the tasteless extension of the east front of the Capitol for $17 million; the New Senate Office Building, to cost $30½ million to date; and with great plans for the future, such as the extension of the House wing of the Capitol, and an underground garage.

The Senator from Louisiana [Mr. ELLENDER] was correct when he said to the Architect of the Capitol, "I have never seen an architect who found more things to do than Mr. Stewart. It is unending."

That is the situation we find.

The other day I was reading the poetry of Henry Wadsworth Longfellow, that celebrated Maine and national poet, and as I read some lines suggested themselves to me. They are not very great poetry. Probably I am as poor in the field of poetry as the new office building is in the field of architecture. However, I shall recite it:

Architect, spare our Capitol,
Touch not another stone.
In youth it shielded our Republic.
Oh, please, let it alone.

[Laughter.]

USE OLD FURNITURE

There is one item in particular which I wish to discuss; namely, the furniture The request is for $283,000 for new furniture; $113,000 of that is for desks, chairs, and tables, and so forth, for 40 offices. We have already appropriated a million. But now they want $283,000 more.

As we come over to the Capitol we go through corridors in the Old Senate Office Building filled with furniture which has been discarded from offices in the old building. It is piled out in the corridors. Yet it is proposed to equip with new furniture 40 offices in the new building. I had a census taken. I sent a member of my staff through all the floors, on all four sides and on all four floors, and even up into the attic, of the Old Senate Office Building, and this is the count: There are, in the Old Senate Office Building, old desks ready to be used, to the number of 375, 215 steel filing cabinets, 400 chairs, and lots of bookcases.

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

Mr. DOUGLAS. I yield.

Mr. MORSE. The Senator missed one chair, because I got it. I had it brought into my office. That is one of the discarded chairs the Senator has referred to. I got that for my own personal use. I have never had such a comfortable chair in the 15 years I have been in the Senate. It is a wonderful chair. Therefore, the Senator from Illinois does not have that chair included in his figures.

Mr. DOUGLAS. I wish the Architect of the Capitol would follow the example of the senior Senator from Oregon and move into those 40 offices some of the old furniture—comfortable, costless furniture—instead of spending $113,000 for new furniture.

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

Mr. DOUGLAS. I yield.

Mr. HUMPHREY. When I was in the Old Office Building——

Mr. MORSE. Did the Senator move?

Mr. HUMPHREY. Yes; I moved. When I was in the Old Office Building my chair was one of those rickety chairs which would not work. While I was at Bethesda with an ailing back, the doctor told me I had to get a different chair. So I bought a chair for myself. I hope I will not be charged rent for using that chair.

Mr. DOUGLAS. I hope the Senator from Minnesota will go through the corridors and pick out a good chair and take it into his office.

Mr. KEATING. Mr. President, if the Senator will yield, I should like to remark that this is the first time I heard that the distinguished senior Senator from Minnesota has ever sat down. [Laughter.]

CARPETS NOT NEEDED

Mr. DOUGLAS. There is another appropriation of $150,000 for carpets in 207 offices. At present, each Senator's own room in the New Senate Office Building is carpeted. But the Architect of the Capitol laid rubber tiling in the other offices in each Senator's suite. Now the Architect wants to place carpeting over those tiles at a cost of $750 a room.

If we read the testimony, we learn why he wants to lay carpets. The Senator from Louisiana [Mr. ELLENDER] and the Senator from Mississippi [Mr. STENNIS] put him over the hurdles. On page 1172 of the hearings, Senators will find the Architect's reasons for wanting the carpets.

First, he said the electric typewriters make so much noise it is necessary to lay carpets to deaden the sound, despite the fact that there is already good insulation in the ceilings and walls. Second, he said it was dangerous for the clerks to walk on rubber tiles; that they might slip and break their legs; therefore, we must spend $150,000 for carpeting.

Mr. President, I have walked on the equivalent of rubber tiles. It never struck me as a dangerous occupational hazard. I am ready, however, to make this offer. I do not have much money, but I am ready to buy rubber heels for every clerk in every senatorial office in the New Senate Office Building. If Senators will give me the foot measurements of their employees, I will see to it that they get rubber heels, for men and women alike. If I can buy them at wholesale price, it will not be too expensive. This, I think, will save $150,000 for carpeting.

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

Mr. DOUGLAS. I yield.

Mr. CHAVEZ. How many girls does the Senator from Illinois think he can

get to wear rubber heels, either in the New Senate Office Building or the Old Senate Office Building?

Mr. DOUGLAS. Well, if it is a case of preventing legs from being broken, I feel certain they would wear rubber heels at least during working hours. In any event, this is a good way to save $150,000. There is in fact no real danger to justify such an expenditure.

EXCESSIVE COSTS FOR SUBWAY TERMINAL

The final item is the subway. Already, $2,100,000 plus $246,000 has been spent on the subway—see hearings, page 1163. I walked through it this morning. Now it is proposed to spend $4 million more. This will be almost the most expensive subway in the history of the United States. The catacombs of Rome, in which the Christians sought refuge, will not compare with this subway.

I shall discuss the architecture of the subway later. I shall make this comment now, and I ask Senators to read it in the RECORD tomorrow morning. I had assumed that the new subway would run into the present subway, and that the two would have a joint terminal together. But on my walk through the subway this morning, I found that that is not the case. The new subway is to be completely separate. A new spur from the rotunda is to run into it or vice versa. I do not know what will happen to the old subway, but the rumor is that it is to be closed and possibly used as a storage space. I do not know how much that subway cost originally.

It seems to me that a tremendous architectural blunder has been made by the Architect of the Capitol in virtually confronting us with an architectural accomplished fact, in which the end of the new subway is directly opposite the Senate steps and does not connect at its terminus with the old subway. I think the basis is being laid for tearing down—in fact, this is a part of the plan—the Senate steps and stairs and building the terminal almost directly by the elevator. For what purpose? I do not know for what purpose.

One argument, though, is that it will save steps for Senators which they otherwise would have to take in coming from the terminus of the present subway to the elevator. I took note of the number of steps and counted them. They came to 50. At a cost of $4 million, that is $80,000 a step. That is too costly.

One great trouble with being a Senator is that we do not get enough exercise anyway. I think walking 50 steps, going and coming, would be excellent for us. I would value the exercise very highly. But we are to spend $80,000 to save a Senator a step.

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

Mr. DOUGLAS. I yield.

Mr. MORSE. I am in so complete agreement with the Senator from Illinois that I would not want to put in a dissident note about the matter of Senators not getting enough exercise. If the Senator is looking for exercise, I am looking for free labor on my farm.

Mr. DOUGLAS. I am not a very good farm laborer, although I worked on a farm years ago.

CONCLUSION

Mr. President, I will try to knock out the $283,000 appropriation for furniture. I will try to knock out the $4 million appropriation for a subway. I will try to knock out the $5 million for the sale of surplus stock. This is a chance to save the taxpayers between $9 and $10 million and to back up the Committee on Appropriations, which has done heroic work in resisting the efforts of bureaucrats.

While I have nothing against Mr. Stewart, again I wish to remind the Senate that he is not a creature of Congress; he is an appointee of the President and is not confirmed by the Congress. The present incumbent of that office was appointed by President Eisenhower and holds his position at the pleasure of the President. The responsibility is the President's.

So on this bill I think we should show our confidence in the Committee on Appropriations by giving them sufficient force and moral reinforcement so that they can resist more effectively the blandishments of the administration's bureaucracy.

I shall return to this subject tomorrow morning in greater detail, but what I have said so far is enough to lay the basis for the argument.

FEDERAL GRANTS FOR CONSTRUCTION OF SEWAGE-TREATMENT WORKS

Mr. MORSE. Mr. President, I have received from the Governor of my State a letter which I wish to read and then comment upon it. It is dated April 22, 1959:

STATE OF OREGON,
OFFICE OF THE GOVERNOR,
Salem, Oreg., April 22, 1959.

The Honorable WAYNE L. MORSE,
Senate Office Building,
Washington, D.C.

DEAR SENATOR MORSE: I am sincerely concerned over the proposed reduction in appropriations for Federal grants for the construction of sewage-treatment works during the 1959–60 fiscal year. Funds authorized under the provisions of the Federal Water Pollution Control Act have proven most helpful to the stream-purification program in Oregon by providing an incentive for many communities to undertake the construction of remedial works needed to abate pollution of public waters. A number of these communities such as Cannon Beach, Drain, Fairview, Government Camp, Pilot Rock, Rainier, Tigard, and Weston would have found it extremely difficult, if not impossible, to finance their sewerage projects without the assistance of a Federal grant.

During the 3 fiscal years (1957–59) that funds have been available for construction grants in Oregon, 23 projects have been undertaken at a total cost of approximately $7,700,000; the Federal share of this cost was approximately $1,400,000. Awaiting to be allocated is an additional $560,000 for projects estimated to cost $4,900,000.

Our needs for the next 3 fiscal years beginning with 1960 are for 48 projects having a total cost of over $14 million with the Federal share being approximately $3 million. This matter was discussed at the last meeting of the committee on natural resources on April 16, and that committee recommended the continuation of Federal grants for the construction of sewage-treatment works with the full amount of appropriations authorized under the Federal Water Pollution Control Act.

I urge you to take such measures as you may deem appropriate to assure that appropriations are made to the full extent authorized by law so that the construction grant program can be continued and the backlog of needed sewage-treatment-work projects can be reduced.

Sincerely,

MARK O. HATFIELD,
Governor.

Mr. President, that letter was dated April 22, 1959. On April 16, 1959, I broadcast in the State of Oregon my weekly radio address. My guest on that broadcast was the Honorable JOHN BLATNIK, a distinguished Representative from Minnesota, the State of the present Presiding Officer of the Senate [Mr. MCCARTHY]. Representative BLATNIK really must be recognized, I believe, as probably the leader in the entire Congress in the great work he is doing in trying to develop a program which will save, for future generations, water resources of the country from the stream pollution caused by this generation. In that broadcast on April 16 to the State of Oregon, Representative BLATNIK and I discussed the failure of the Eisenhower administration in its budget proposals this year to recommend a reasonable amount of money—only a reasonable amount, Mr. President—to continue the great pollution control program, of which Representative BLATNIK, on the House side, has been such an outstanding leader; and on this side the Senator from Minnesota [Mr. HUMPHREY] and others of us have, over the years, tried to have an adequate pollution control program carried out.

So, Mr. President, I ask unanimous consent to have printed at this point in the RECORD our radio broadcast of April 16, which was written 6 days before the Governor of Oregon wrote to me the letter in which he urged some of the very things which Representative BLATNIK and I proposed in our radio broadcast.

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

RADIO BROADCAST, APRIL 16, 1959—SENATOR WAYNE MORSE AND CONGRESSMAN JOHN BLATNIK

POLLUTION CONTROL

Mr. MORSE. Fellow Oregonians, today I'm going to devote this broadcast to a subject that means a great deal to our State of Oregon, the subject of controlling the pollution of our invaluable water resource. I have invited as my guest the man who is the unquestioned leader in the entire Congress in the development of a national program for control of water pollution. He's a great liberal. He is Congressman JOHN BLATNIK, a Democrat from Minnesota. Congressman BLATNIK represents the so-called arrowhead district of Minnesota. In it are located the famous Iron Range of Minnesota and the beautiful and rugged northern shoreline of Lake Superior, a coast which I think is exceeded in beauty only by Oregon's seacoast but, of course, I'm sure that JOHN will not even completely agree with me on that out of Minnesota pride. JOHN, the people in your region have a similar interest in controlling pollution of water as the people of Oregon have, I'm sure, and I want you to know that I'm delighted to have you as my guest and close personal friend to talk to

the people of Oregon on this program about our water pollution problems.

Mr. BLATNIK. Well, Senator, believe me, it's certainly a privilege to be with you on a program speaking to the citizens and your friends in your great State of Oregon but personally it's a real pleasure. Believe me, we always have quite a substantial claim on you back in Minnesota. We haven't relinquished all claim or title to you, Senator.

Mr. MORSE. Well, JOHN, my 4 years in Minnesota from 1924 to 1928 were a great pleasure when I taught at the University of Minnesota.

Mr. BLATNIK. And just as you know our State well and I appreciate the very generous, and I know, sincere comments you made about our great northeastern part of Minnesota, the arrowhead district—my district where I was born and raised—likewise I've had occasion, as have many of our folks from Minnesota, not only to visit Oregon but many of our earlier people moved there and are now your citizens. My sister, for example, has been living in Portland for about the last 18 years and I have been in your State several times.

On conservation, and, in this particular case, on water preservation and utilization, of course, we're very conscious of the importance of it coming from the land of 10,000 lakes. What startled us in Minnesota was that we, as I'm sure most of the people of America, because of the abundance we had, just took it for granted. We thought it would be here forever. It's one of the simplest, most abundant, easiest of commodities to get. And what has happened with this rapid population increase throughout the country, especially in just the last 50 years, we find that not only are there more people in this country who use the water, but more people are using more water per person. For example, in just the last few years from 1950 until now, the population increased by around 12 percent, but the water used increased by over 57 percent. In short, the use of the water is increasing five times faster than the population itself so the result is that in the entire history of America, we are dumping more dirty water back into the streams and rivers and the water is becoming more polluted and filthier and we are now headed for a crisis where it's just going to be a problem where we can't get enough adequate clear water both for our human consumption and for the nominal demand in the industrial area.

Mr. MORSE. JOHN, the bill that you have authored that is now the law has made a very great contribution, I think, to the health welfare of the American people and to the welfare of the American people in connection with other uses of water as well, and in Oregon we're very much interested in the principle of multiple use of our water. That implies, of course, reuse of water and pollution control as set forth in your bill is vital to water reuse. No State has a greater interest I think than Oregon in the proper treatment of waste. Without it, our recreation and fishing industries cannot be maintained, much less be expanded. I am an enthusiastic supporter of the work that you are doing in the Congress. I would like to give this Oregon audience some specific details about our State need for sewage treatment facilities provided for in the law that you have authored. Under your law, Public Law 660, the Water Pollution Act of 1956, the Federal Government is authorized to extend grants of money up to 30 percent of the cost of a given project for construction of sewage disposal plants by cities. Fifty million dollars is authorized in this law. The State sanitary agencies determine which localities in their respective States are in the greatest need for this Federal help. Is that a pretty fair summary of what you had in mind and what you put in your law when you authored it, JOHN?

Mr. BLATNIK. Yes, that's a very correct summary. Again, while I appreciate the very generous comments you made on my part in this act, Senator, I want your people to know, and not only in your State but all over America, as I told them back in our great midwest part of the country, that you have been not only the pillar of support, but the spearhead of the drive for an adequate water pollution control measure and few people realize that we barely got it through 3 years ago by the skin of the teeth and this is the first time in the history of the country that an all-out effort, of a joint effort—Federal, State, and local participation—in a combined effort to handle this pollution abatement program got under way. I thank you for the splendid and active support and help you have given us.

Mr. MORSE. All I did, JOHN, was follow your lead in the Senate. You laid out the facts in the House and I was glad to sponsor your point of view in the Senate. Well, unfortunately, the President has recommended in his budget the appropriation of only $20 million instead of the full $50 million for water pollution control. Now Oregon's share of the $50 million would be $650,000 if we got the full amount. Our share of Ike's $20 million is only $265,000. Yet our sanitary authority which supplied me with the figures I am using on this broadcast lists projects in 12 Oregon communities that need this Federal assistance for which the Federal share, if it were available in full, would be over $1 million. So what the President is recommending is only about a quarter of what our Oregon State Sanitary Authority finds is needed for Oregon in this next year. Only a quarter of these approved applications from such Oregon communities as Ashland, Brookings, Estacada, Eugene, Hood River, LaGrande, Lakeview, Oak Lodge, Ontario, Portland, Prineville, and The Dalles could be built. And, of course, JOHN, I'm fighting here in the Senate for the full amount. The rest would have to be postponed under the administration's proposal although the sanitary authority finds 12 more projects on its list for the following year and expects 24 applications for the year after that. Now that's what we're up against as far as the budgetary problem is concerned and I wondered if that was similar in other parts of the country.

Mr. BLATNIK. That is just exactly what is happening throughout the country, Senator. When we first proposed the Water Pollution Act in 1956, we, at that time on the basis of estimates worked up by the water resources people, the conservation offices of all the States and the health offices estimated that it would take about $100 million a year of Federal funds combined with local funds in a ratio of almost 4½ to 1 to spend on an average of $500 million and $600 million a year. That was our original estimate. That was my original bill but in the House, with almost unanimous Republican opposition to it and the relentless opposition of the administration to the program, they cut it in one-half so we got $50 million. But we settled for a half and we walked and hopped on one leg for the last 2½ years and we showed that for the first time in the history of America, we have spent more for water pollution control facilities than ever before but the job is only being half done. Your State of Oregon getting $625,000 should be getting $1,250,000 a year to do the job and to catch up on the backlog you have now on the books.

Mr. MORSE. You see, JOHN, what I tried to get across to the Senate is to get my colleagues to see that you are not saving money under this so-called balanced budget propaganda that is going on now if you save pennies at the expense of pound value because one epidemic, one great sickness hitting a community as the result of water pollution, of course, would cost much more, if it only cost us the lives of a few children, than the few hundreds of thousands of dollars that you and I are fighting for in water pollution control. May I say that in Oregon, the State sanitary authority has estimated that over 100 communities in my State will need new or improved sewage treatment facilities in the next 10 years. The total cost will run from $30 million to $50 million. Half of these communities do not now have either sewage collection or sewage disposal facilities. That's just in my State. You are working on a new bill to expand the existing program, a bill which I very much favor and I wish you would tell the Oregon audience something about your new bill and you have my assurance, JOHN, that I will fight shoulder to shoulder with you again in support of that bill.

Mr. BLATNIK. Well, we certainly appreciate that because that is not only an assurance, because knowing you as we do from past experience in working together, your assurance means real active participation which means an all-out fight which you always wage so effectively. As you said, there is no economy in saving on water. There is no way under God's thumb, in which you can avoid the pollution problem or you can delay it; hold back and it piles up and piles up and sooner or later the day of reckoning comes where not only the great expense and the cost of the polluted water, but you have to come through with a so-called crash program. It seems like so many votes in Washington wait and wait until an emergency is on them and then there is a crash program. We know precisely what we have been doing with $50 million a year and we know it will take $100 million of Federal funds joined by about approximately $400 million of local funds. The local municipalities are bearing the major share of the job.

Mr. MORSE. 70 percent of it.

Mr. BLATNIK. The Federal Government is already working with them and stimulating and aggravating them in this whole program so our bill will raise the amount, it will double all the amounts for the States. It will catch up on most of the backlog. It is the minimum to provide and build a sound foundation for an all-out water pollution control program that will finally keep us abreast of this ever-growing problem—getting an adequate source of pure and clean water.

Mr. MORSE. Well, JOHN, I want to thank you very much for appearing on this program with me. I want to say to the people of Oregon, you have heard on the program with me Congressman JOHN BLATNIK, of Minnesota, the author of the water pollution law as it is now in the books and the proposer of a new law that will double the amount for the cleaning of the streams of America and how sorely we need this program. Right here in the Capitol of the Nation, we have the Potomac River and the Potomac River running through your National Capitol is the filthiest river in the world for a river of its size—12 feet of sewage sludge in some parts of that river. The result is there can be no swimming in the river, signs all over "Wading Forbidden" in the Capital City of the United States and likewise let me say you don't even dare go out on a boat in the Potomac without running the risk to your health because even the spray from the water may result in your picking up some infection. And JOHN BLATNIK is our leader in trying to bring to an end this sorry condition of a great democracy having within it many polluted rivers and I'm proud, JOHN, to have you on the program with me.

This is WAYNE MORSE reporting from Washington, D.C. Until next week, same time, same station, I bid you goodby. Thank you very much, JOHN.

Mr. BLATNIK. Thank you, Senator MORSE.

Mr. MORSE. Mr. President, I am answering the Governor of Oregon; and in that answer I shall assure him that

on this one issue we stand shoulder to shoulder. I will do all I can, here in the Congress, to help him; and, in reciprocity, I want him to do all he can to help me with the White House. So in my letter I shall suggest to him that—appreciative as I am that he has called my attention to this matter—I have been way ahead of him and for some time have been calling it to the attention of the Congress. Now if the Governor will just help call it to the attention of the President—because, Mr. President, in our service in the Senate we develop intuitive hunches, and I have a feeling that he will have more influence with President Eisenhower than I do—and if the Governor will cooperate with me, as I shall cooperate with him, here in the Congress, by getting in touch with the White House and by pointing out to the White House as clearly as he pointed out to me, in his letter, what a shortsighted policy the White House is following in regard to pollution control, then the Governor of Oregon and I will be a team working together for the benefit of our State.

NATIONAL FUELS POLICY: COAL IS NEEDED

Mr. RANDOLPH. Mr. President, last night a most significant event was held in Washington. It was a dinner given by the National Coal Policy Conference, an organization formed to advance the interests of the bituminous coal industry. The conference includes coal producers, the United Mine Workers of America, the coal-carrying railroads, coal equipment manufacturers, and utility companies which burn coal.

This dinner, attended by many Senators and Representatives, had as its theme the need for a national fuels policy. The chairman, George H. Love, of Pittsburgh, said that such a policy should be arrived at after a congressional study. The reasons advanced for a national fuels policy which would deal with our energy resources as a whole were impressive.

Among the speakers was John L. Lewis, president of the United Mine Workers of America, a distinguished American and a dedicated labor leader. Not long ago, Mr. Lewis was reported to be seriously ill. But last night he showed all his old-time vigor. He declared there is imperative need for a comprehensive and constructive fuels policy, and he said with emphasis.

The logic with which Mr. Love, who is chairman of the board of the Consolidation Coal Co., presented his arguments was splendid. Increasing use of energy, he said, is a key to progress and, in the end, is the one way to win the world race against Communism.

Then he said:

> That being true, every country with which I am familiar feels it is almost the prime purpose of Government to have a national policy toward energy and toward the sources of such energy.
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> This, fundamentally, is the reason for this meeting tonight. We believe that this Nation must establish a national fuels policy and do it at the earliest date. We are fortunate enough to have in varying amounts all the major sources of such energy. Therefore, we need a national policy more than any other nation does, because we must balance the use of these fuels with their varying reserves, so that each makes the greatest possible contribution to the national welfare.

Mr. Love discussed quite frankly the unfair competition which bituminous coal has had from residual oil. He pointed out how ridiculous it is to say that the ban recently promulgated on imports of residual oil injures the homeowner along the Eastern seaboard. Residual oil, he explained, is not used for home heating.

He said that when natural gas is available on an economic basis, it is a perfect household fuel. He indicated the belief that natural gas reserves are limited.

The interest of the railroads in a national fuels policy was clearly stated by Howard E. Simpson, president of the Baltimore & Ohio Railroad Co. He said:

> The failure to establish a well-reasoned, all-inclusive fuels policy will seriously affect the ability of the railroads to serve all segments of the economy. The Nation's railroads have available for coal traffic a fleet of over 500,000 hopper cars, and an investment of over $3 billion in equipment and facilities used primarily for the movement of coal. Beyond this, practically every portion of the rest of the overall plant is used in part for coal handling.
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> As an example, the Baltimore & Ohio owns 48,000 hopper cars, and has invested more than $300 million in cars, locomotives, and fixed plant used almost exclusively for coal traffic, which contributes 30 percent of our freight revenues. On some roads the relative importance of revenues from coal is even greater—as much as 70 percent.
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> It is clear that a progressive drying up of coal's share of the fuel market will seriously affect railroad plant. Cars, locomotives, and tracks supported primarily by coal traffic don't stand idle indefinitely until they are suddenly needed again. Lost also would be a substantial portion of more than 800,000 skilled railroaders now at your service. Business concerns like railroads are forced to scrap excess facilities. No self-supporting enterprise can afford to maintain standby service.
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> The fuels issue is not a simple fact of open competition for a market. If it were, we wouldn't be here tonight. The issue, as I see it, is this: Is the present policy assuring this country a steady supply of fuels and transportation service susceptible of rapid growth and expansion and able to serve without interruption in a time of national emergency?
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> Certainly, the coal industry adequately passes these tests. It is a stable domestic enterprise, and is capable of immense expansion in time of need, provided it does not have to contend with further shrinking of its market. The railroads pass the same tests with a wide margin. Like coal, they are a reliable domestic industry. Furthermore, railroad charges are regulated by public authority. Granted fair and equitable government policies for transportation, the railroads can absorb striking increases in traffic volume.
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> Continued shrinking in the market for solid fuels will seriously affect the ability of the railroads to move coal, and it will also force a contraction of the overall plant, thereby making the rail industry less able to serve the entire traffic needs of the country.

Another thoughtful and stimulating speech was made by Philip Sporn, of New York, president of the American Electric Power Co. Mr. Sporn is one of the best informed men on energy and energy uses in this country.

He pointed out the difficulties which the bituminous coal industry has had in recent years. He stated that as recently as 1947, coal still provided about 50 percent of the country's energy supply. In 1958, however, coal supplied less than 25 percent of the Nation's energy, while oil and gas supplied over 70 percent. Coal production, he added, last year was more than 200 million tons below the record production in the year 1947.

Mr. Sporn emphasized the point that some persons were prepared to write off the bituminous coal industry; but he predicted that the rapidly rising demand for energy in the years ahead would also be marked by increases in coal consumption.

Mr. Sporn then said:

> There are those who mistakenly believe that the future increases in total energy utilization, and even more rapid increases in electric energy use will be met by nuclear power. I have studied this question very carefully, and have come to the conclusion that on the whole this is a mistaken oversimplification. Specifically, it fails to recognize coal's important position in the period of the next 20 years, and even as far ahead as the year 2000.
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> In my judgment, nuclear power will, by the year 1975, provide no more than the equivalent of 50 million tons of coal for electric power generation. Further, this will constitute virtually the entire nuclear contribution to our energy supply. Coal, on the other hand, will have to supply 475 million tons for electric generation alone, and as much as another 425 million tons for metallurgical and other uses. This represents well over a doubling of present coal production, and 50 percent more coal than the peak production achieved by the coal industry in 1947.
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> This optimistic picture of the potential growth and prosperity of the coal industry has led some people to look upon the coal industry's present problems with some complacency. They forget that if the coal industry is to be the strong, vital, efficient supplier of one-third of this country's growing energy requirements 40 years from now, it must first solve its present problems of growing up and living, so as to survive what currently is a near crisis in its economic condition. If coal is to successfully play its indispensable role in the future—a role without which the welfare and even the defense of this country cannot be assured—then coal must have markets, production, earnings, and employment for its skilled work force in the present—right now.
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> But this requires a reorientation of policy vis-a-vis coal and the coal industry. This requires that everyone—not just the people in the coal industry itself, and even Government, but also the major users, including the utility industry, for example, which has such a large stake in the continued availability of adequate and economical sources of raw energy to be utilized for conversion into electrical energy, and including literally everyone else interested in the welfare and safety of the United States—must be concerned with the present state of the coal industry's health and with finding the means necessary to assure its vigorous survival.

Mr. Lewis, in speaking for the United Mine Workers of America, declared that he was in complete agreement with the statements made by the three speakers who preceded him—Mr. Love, Mr. Simpson, and Mr. Sporn.

The problems of bituminous coal and related industries, said Mr. Lewis, involve the very stability of our entire national economy and security; and he added that the growth of coal and related industries represents the development of the private enterprise system.

I agree with Mr. Lewis in his further statement that our system—the free enterprise system, capitalism, investment for profit, and reward for incentive—is on trial throughout the whole world. As Mr. Lewis pointed out, coal is a private enterprise industry which wants no Federal subsidies, but does want fair treatment. His additional remark in this connection—namely, that he was sorry to say that our Government has failed to provide coal with an opportunity equal to that provided the competing extracted minerals—is one which has considerable substance. And I know that the president of the United Mine Workers of America was speaking with authority and meaningfulness when he closed with the comment that he was happy to have been given the opportunity to direct public attention to consideration of the weighty problem of the overall coal industry and related industries.

Mr. President, I believe all will agree that at present there is no national fuels policy which takes into account all energy sources and attempts to deal with them on a fair and equitable basis.

It seems to me that we should agree there is need for such a policy. Many hearings and studies in the past have arrived at this conclusion. The distinguished senior Senator from Wyoming [Mr. O'MAHONEY], conducted one such inquiry in the early 1950's. Yet, today we are far from an adequate and equitable fuels policy; and I believe the able Senator from Wyoming and other Senators will agree with this observation.

The bituminous coal industry, upon which the Nation must depend so much for energy, has languished as a result.

There is too much unemployment in the coal areas of the State I am privileged to represent, as well as in other States.

It is time we end the discrimination which has been harmful to the coal industry. It is necessary to treat this vital industry more fairly. It is imperative that the Congress turn its attention to the need to arrive at a national fuels policy which will be in the interest of the country as a whole.

INFLATION SHOULD NOT BE ATTRIBUTED TO ADMINISTERED PRICES

Mr. BUTLER. Mr. President, the repeated efforts by some economists to identify monopoly prices with so-called administered prices are a disservice to those who seek to determine the true causes of inflation in our economy.

Administered prices, as defined by Dr. Gardiner C. Means, the originator of this term, are merely prices which are announced by someone and maintained for a period of time.

They are described in the "Dictionary of Economics," by Sloan and Zurcher, as a predetermined price.

While Dr. Means has taken great pains to state that administered prices should not be confused with monopoly prices, there is a continued tendency on the part of some economists to make these terms synonymous.

The April 13 issue of Barron's contained an excellent discussion of this problem in a letter to the editor by Dr. Reuben E. Slesinger, professor of economics at the University of Pittsburgh. I ask unanimous consent that Dr. Slesinger's letter, supporting a statement I made on this subject on March 23, may be printed in the RECORD at this point.

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

ADMINISTERED PRICES

To the EDITOR:

Considerable attention has been given recently to the distinction between market and administered prices. The term, administered price, has been misused and frequently misinterpreted. To begin with, an unfortunate connotation arises that administered prices are not the result of a market determination. This is an impossibility. No price can exist unless various market forces of demand and supply interact. Hence, all prices are market prices.

But it is well known that in the price-determining processes the forces of demand and supply are not always of equal import. Whenever either buyer or seller can exert an influence out of proportion to the other, an administered price results. Thus, all prices are market prices, but some represent more administered influence than others.

Just what is an "administered price"? The "Dictionary of Economics" by Sloan & Zurcher, refers to it as a "predetermined price," arrived at from a calculation of costs and desired profits, from a fairly accurate knowledge of the total quantity of goods likely to be offered, and from an estimate of the probable sales volume at the predetermined price. The process of establishing a price does not fall within the realm of either pure competition or monopoly, but combines elements derived from both. The administered price lies between the automatic price, which is arrived at by the free interplay of supply and demand, and the authoritarian price, which is set by a central authority with no regard to market forces.

The automatic price is found in purely competitive markets. It is found in the U.S. economy only rarely and only approximately. The authoritarian price exists in a planned society, such as strict state socialism or communism. It also exists in the American economy to a certain extent and generally is incompatible with the free enterprise system, except in a few special cases, such as regulated industries. The area between these two extremes, the area of administered prices, is a very broad one. Professor Backman's study of the wholesale price index compiled by the Bureau of Labor Statistics has disclosed that over 89 percent of the prices represented therein fall into the administered category.

Administered prices may be set in numerout ways—by management as an announced price for a ton of steel, by government as the price for carrying a letter, by public utilities, or by direct control of government over private industry prices.

Administered pricing is not characteristic of industrial markets only. Most retail prices move little; many are administered. Wages, interest, and rents are typical examples of administered prices, and they show a minimum of change for long periods of time.

It now becomes obvious that almost all of American enterprises have some sort of administered prices. The crux of the matter lies in the degree to which the market forces are considered and the degree of power that can be exerted by the administrator. Of particular importance is demand, which will determine the volume of goods sold at the administered price. If the demand for the particular goods is relatively elastic, or sensitive to price, then the administrator's power to determine total revenue will be smaller. If demand is relatively inelastic, then his power becomes significantly greater and may conflict with numerous regulations, such as the antitrust statutes. Thus, it is not the administered price, per se, that is in violation, but only that area of administered prices that tends toward the authoritarian.

The question of the flexibility of administered prices arises. This is measured by the degree to which they respond to market forces that are responsible for price changes. Certainly we have both flexible and inflexible administered prices, but only the inflexible tend to exert restrictive repercussions. An inflexible price generally indicates a high degree of power on the part of the price administrator and a relatively inelastic demand for the product.

A recent study of the Bureau of Labor Statistics throws further light on the degree of inflexibility of prices, especially the components of the wholesale price index. Of 1,789 commodities studied, 95 remained unchanged in price during a 36-month period. About two-thirds of the items showed price changes in less than one-fourth of the monthly comparisons. Only 50 items changed in price each month.

At this point, it becomes clear that the term "administered price" is not so much a description as it is an explanation of the principal method of pricing in the American economy.

It is fair now to ask the question: "Does administrative pricing lessen competition?" Overall, it does not do so significantly, if at all. To be sure, administered prices signify the absence of pure competition; but the latter is not common, being only a framework within which existing competition can be studied. The pursuit of pure competition is very unrealistic. The goal of American society is effective competition, in which a single buyer or seller cannot significantly affect the market and in which market forces impinge on managerial pricing decisions.

Who creates these administered prices? Contrary to popular belief, it is not just the big corporations. Smaller businesses, doctors, lawyers, government, union leaders, and countless others also administer prices.

Next, we may ask just what socially acceptable ends do administered prices serve? In a complex commercial and industrial society like ours, sound, tactical considerations must be given weight in determining prices. The administered price is necessary for many concerns, to enable them to carry out long-range price and production policies. However, this must be accompanied by "social or executive responsibility," which considers the welfare of the economy as well as the interests of the individual companies.

In summary, it is well to point out that administrative pricing is an integral part of our society. It is a well-established practice and generates undesirable repercussions only when it is abused. The question is not whether a price is administered or not. There are more important questions: how was it decided? Is it flexible? To whose benefit does it work? In considering the repercussions of a particular administered price, the following question should be asked: Is the degree of inelasticity of demand and the degree of control by the price administrator such that the two when combined exert an unfair monopoly power, resulting in an impeding of market forces

which contributes significantly to the instability of the economy?

REUBEN E. SLESINGER,
Professor of Economics,
University of Pittsburgh.

IMAGINATIVE MANAGEMENT AND NEW CAPITAL INVESTMENT WILL LOWER PRICES

Mr. BUTLER. Mr. President, as a member of the Joint Economic Committee, I am greatly concerned in determining the true causes of inflation. This is admittedly our most serious domestic economic problem.

On March 23 I included in my remarks a statement issued by the American Can Co. last November announcing price reductions on its products. Mr. William C. Stolk, the president of that company, estimated that the savings to consumers by that reduction would exceed more than $9 million.

On April 3 the American Can Co. announced a further reduction in its prices. These apply to the major group of cans used for packing the fruits and vegetables constituting a major portion of the average family's food budget. Price reductions such as these are stimulated by competition. The Wall Street Journal on April 8 commented on this latest reduction as follows:

Food firms are estimated to have increased their output of cans last year at almost double the rate recorded by can manufacturers. Far from content, they've made plans for a further sizable boost in can making in the next few years.

Libby, McNeill & Libby, which now buys all the vegetable, fruit and meat cans it uses, will break ground Friday on a big can plant; San Francisco-based Calpak is completing its fifth. Stokely-Van Camp, Inc., Indianapolis; Green Giant Co., Le Sueur, Minn.; and the Borden Co., New York-headquartered milk products maker, are all considering plans for expansion of their can manufacturing facilities.

Such activity is spurring can makers to cut prices in efforts to retain the food companies' business. Can prices have been cut twice in the past 3 months, with the latest reduction coming only last week. When New York's big American Can Co. announced its cut just before the weekend, President William C. Stolk said the step would make "our can prices competitive for those customers who want to buy containers from expert can makers rather than hazard the manufacture of their own cans." He said the latest cuts ranged from $1.40 to $2.58 per 1,000 cans, depending on the type of can. * * *

The cost of cans is important to consumers because the container often adds more than 15 percent to the retail price of canned food; included in the price of a 20-cent can of peas, for instance, is 3.3 cents for the can. Last year the average family used 940 cans, adding around $30 to its shopping bills.

Price reductions must be accompanied by cost reductions if solvency is to be maintained. They are achieved by a forward-looking, aggressive, and imaginative management, who are willing to pioneer, and most importantly, by the investment of additional capital in facilities which make improved processing possible.

In view of the Senate's continued concern with the problem of prices, I ask unanimous consent that a letter I received from Mr. William C. Stolk, president of the American Can Co., referring to this additional reduction, and the text of an advertisement announcing it, which was published in the Nation's leading newspapers on April 3, may be printed in the RECORD at this point.

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

AMERICAN CAN CO.,
New York, N.Y., April 2, 1959.

DEAR SIR: I know you have followed with interest the comments by President Eisenhower and other Government leaders on the necessity of a voluntary price rollback by business leadership if runaway inflation and its attendant evils are to be avoided. The alternative quite apparently is the likelihood of a system of selective price controls instituted by government—an eventuality that will produce even greater hardships for both management and labor.

We at the American Can Co. have tried to give tangible support to these convictions through two important reductions in our can prices in the past 3 months. We have been able to do this by taking the utmost advantage of the fruits of technological development and by bringing all practical efficiencies to all our operations. These, we believe, are time-honored practices available to all in the business and industrial world.

I am enclosing with this letter for your information and possible interest a preprint of an advertisement that we are running April 3 to announce our latest price reductions. This preprint describes our program in some detail. I am sending you this material because I know you are deeply interested in the broad problem of how the crushing effects of all-out inflation can be avoided in this country.

We in American Can Co. regard this as one of the fundamental problems of our times. We believe that immediate action is needed. We also feel that an exchange of views is a helpful prelude to action. We hope, therefore, you will be interested in knowing of our program. Needless to say, we would be most interested in your opinions on this fundamental problem.

Sincerely yours,

WILLIAM C. STOLK,
President.

OK, AMERICA—HERE'S ACTION ON PRICES

The American Can Co., has announced to customers another important reduction in can prices. These new prices apply to the major group of cans used for packing the fruits and vegetables which constitute a major part of your family food budget.

This dramatic action follows by less than 3 months the can price reductions we put into effect in January for most of our customers. The January cuts alone will save our customers more than $9 million in 1959. The new action will mean additional millions in savings.

These reductions have been made in the face of constantly rising costs of goods and services. They have been made in spite of the threat of more inflation to come.

HOW HAVE WE BEEN ABLE TO DO IT?

The lower prices have come as the result of hardheaded action to cut costs in every area of the company's operations. They represent action by a company on the move, one that is conditioned to ride with the problems of doing business in this day and age, one that faces up to present and future conditions with realism and with imagination.

They have come because the American Can Co., is alert to every opportunity to improve its products and services to customers, to protect the long range positions of its employees and its stockholders, and to serve the public interest.

They are the direct result of many years of study and millions of dollars spent for technological advancement and other improvements in our canmaking operations.

We have taken these steps:

1. Completion of the tinplate processing program, pioneered by the American Can Co. at a cost of $32 million, in which we convert plate purchased in coil form from the steel mills into canmaking size sheets.

2. Establishment of the individual pricing of each can to more closely reflect the varying costs and processes that go into its manufacture.

3. Establishment of f.o.b. pricing of each type and style of can at each of our factories. This eliminated the traditional averaging of tinplate transportation costs, a practice which was no longer in the best interests of all customers.

4. Protecting our customers and ourselves by making our can prices competitive for those customers who want to buy containers from expert canmakers rather than hazard the manufacture of their own cans.

WHY ARE WE TAKING THIS ACTION?

Why are we again cutting can prices at this time? Why not wait a while to see what Congress does about inflation? Or until we see what kind of demands the unions are going to make in the major contract negotiations (including our own) that will soon begin?

First, we are a company of people in business to succeed, profit, and grow. We believe it is the soundest kind of business practice to produce as efficiently and as economically as possible—and then price our products so that our customers and the public share the benefits. Our price reductions will not impair our earnings ability. Instead, we believe that they will measurably contribute to a future of sustained sound and profitable growth for our company.

Second, we are deeply concerned about the clear and present danger of inflation. We have decided that we shouldn't sit back and wait for somebody else to act. We endorse 100 percent President Eisenhower's conviction that inflation must be curbed and that it is everyone's responsibility to help curb it—business and the unions, as well as government.

In our view, the voluntary reductions we have made in our can prices stand as a further example of the American Can Co.'s traditional policy of service—to our customers and to the general public. We intend to continue this policy.

AMERICAN CAN CO.

DEATH OF REPRESENTATIVE JAMES G. POLK, OF OHIO

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message which has been received from the House of Representatives.

The PRESIDING OFFICER (Mr. MCCARTHY in the chair) laid before the Senate a message from the House of Representatives, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U.S.,
April 28, 1959.

Resolved, That the House has heard with profound sorrow of the death of Hon. JAMES G. POLK, a Representative from the State of Ohio.

Resolved, That a committee of 22 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provisions of these resolutions, and that the necessary expenses in connection

therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate, and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

Mr. JOHNSON of Texas. Mr. President, at this time I yield to the distinguished Senator from Ohio [Mr. LAUSCHE].

Mr. LAUSCHE. Mr. President, this morning I was grieved to learn of the death of Representative JAMES G. POLK, who, for a period of 21 years, served the Sixth Congressional District of Ohio.

My contact with Representative POLK began in 1944. He represented what is known as the Scioto River Valley section. The Scioto River empties into the Ohio River.

Representative POLK was a farmer. His entire life was devoted to the land. I am sure that the people of my State would want me to express condolences to the members of Representative POLK's family and to those who have ben associated with him during his long service to the State and to the Nation.

Representative POLK was a humble, unostentatious person. He was devoted to the people he represented. Though he was a farmer, as a Member of Congress he did not lose sight of the fact that his services had to be rendered to diverse segments of the economy and of society.

He was a dedicated American. He was devoted to his family.

The best tribute I can pay to him is to state the fact that he was beloved, not only by those who believed in his political philosophy, but also by those who disagreed with him.

He was a good man. In his passing, Ohio has lost a fine public servant. I am sure that all of Ohio mourns the passing of this good man.

Mr. President, out of respect to the memory of Representative JAMES G. POLK, I now submit, on behalf of myself and my colleague, the junior Senator from Ohio [Mr. YOUNG], the resolution which I send to the desk, and for which I request immediate consideration.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 112) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. JAMES G. POLK, late a Representative from the State of Ohio.

Resolved, That a committee of two Senators be appointed by the Presiding Officer to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

ADJOURNMENT UNTIL TOMORROW, AT 11 A.M.

Mr. LAUSCHE. Mr. President, as a further mark of respect to the memory of the late Representative POLK, and as a further indication of our mourning at his passing, I move that the Senate do now adjourn until tomorrow, at 11 a.m.

The motion was unanimously agreed to; and (at 6 o'clock and 9 minutes p.m.) the Senate adjourned, the adjournment being, in accordance with the order previously entered until tomorrow, Wednesday, April 29, 1959, at 11 o'clock a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 28 (legislative day of April 27), 1959:

DIPLOMATIC AND FOREIGN SERVICE

Mrs. Clare Boothe Luce, of Connecticut, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Brazil.

ADDITIONAL CONFIRMATIONS

Certain groups of nominations, in the Army, in the Navy, and Marine Corps, and in the Regular Air Force, which were confirmed today, were received by the Senate on April 15, 1959, appear in the Senate proceedings of the CONGRESSIONAL RECORD for that date, as follows:

IN THE ARMY

The nominations of Jerry M. Abbott, and 1,755 other officers, which appear under the caption "Nominations," beginning with the name of Jerry M. Abbott, which is shown on page 5995, of the CONGRESSIONAL RECORD, and ending with the name of Burl A. Zorn, which appears on page 6000.

IN THE NAVY AND MARINE CORPS

The nominations of Peter G. Abdalla, and 874 other officers which appear under the caption "Nominations," beginning with the name of Peter G. Abdalla, which is shown on page 6000 and ending with the name Raoul Soomre occurring on page 6002.

IN THE REGULAR AIR CORPS

The nominations of LeRoy Henry and 954 other officers, which appear under the caption "Nominations," beginning with the name of LeRoy Henry, which appears on page 5379 and ending with the name of Robert M. Young, which is shown on page 5382 of the CONGRESSIONAL RECORD.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 28, 1959

The House met at 12 o'clock noon.

The Reverend James Pickett Wesberry, D.D., LL.D., pastor of the Morningside Baptist Church, Atlanta, Ga., offered the following prayer:

Thou wilt shew me the path of life: in thy presence is fulness of joy; at thy right hand there are pleasures for evermore. Psalm 16:11.

Almighty and Everlasting God, Supreme Ruler of the universe, by whom our Nation has been established in freedom and preserved in union, we come to Thee with thanksgiving in our hearts and praise upon our lips. Put Thou away from us anything that would hide us from Thy blessed face.

Let the knowledge of Thy presence inspire us to do Thy holy will. Quicken our hearts. Deepen our understanding. Purify our motives. Help us to distinguish between policy and principle. Show us the vast difference between expediency and conviction. Empty us of all that is selfish and ignoble. Make clear to us that goodness is greatness. May everything we do be permeated by the love of God and filled with the spirit of Him who won His crown by the Way of the Cross. May we love our country better than we love ourselves. Soothed and sustained by an unfaltering trust in Thine eternal goodness and nourished by Thine infinite love and everlasting mercy may we breast the streams of the future unafraid.

Once more, O God, the mysterious hand of death has removed from us one of the honored and beloved Members of the House. Our hearts are deeply saddened over his passing and we pause to humbly and reverently express our gratitude for his outstanding record of service in Congress and to our Nation. Wrap Thine arms of love around each member of his family and grant to them the peace which passeth all understanding.

In the name of Him who is the Resurrection and the Life. Amen.

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

GENERAL LEAVE TO EXTEND REMARKS

Mr. McCORMACK. Mr. Speaker, without this being considered a precedent, I ask unanimous consent that all Members who may desire to do so may extend their remarks in the CONGRESSIONAL RECORD in one or more instances and include extraneous matter.

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

There was no objection.

UNITED STATES v. BERNARD GOLDFINE

The SPEAKER. The Chair lays before the House the following communication.

The Clerk read the communication as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., April 27, 1959.

The Honorable the SPEAKER,
House of Representatives,
Washington, D.C.

SIR: Mr. Herman Clay Beasley, an employee of the House, while serving at my direction as Clerk, Special Subcommittee on Legislative Oversight of the Committee on Interstate and Foreign Commerce, received a subpena directing him to appear as a witness before the U.S. Court for the District of Columbia in the case of *U. S.* v. *Bernard Goldfine* (No. 1158–58), the return date of the subpena being April 28, 1959, at 10 o'clock a.m.

The subpena further directs that Mr. Beasley bring with him "all minutes and transcript of the meeting of the Subcommittee on Legislative Oversight of the House Committee on Interstate and Foreign Commerce for July 7 and 8, 1958."

The subpena in question is transmitted herewith, and the matter is presented for such action as the House, in its wisdom, may see fit to take.

Respectfully yours,

OREN HARRIS,
Member of Congress, Chairman.

The SPEAKER. The Clerk will read the subpena.