bought some shares and he published in the newspaper that the stockholders' protective committee was formed, never saying a word about Karr, who was the moving spirit behind it. No mention was made that Robert H. Morse, Jr., president of Fairbanks, Morse & Co., was the financial angel backing the committee. Landa kept him hidden behind the scenes, so as to conceal the real purpose of the plot.

What a threat this is to American industry to have Karr, a writer for the Communist organ, the Daily Worker, and Landa, attempting to stir up dissension among the stockholders of a prosperous Pennsylvania company. And backed by the pursestrings of the Morses. This company, Penn-Texas, is engaged in serious defense business. It employs 12,000 good Americans. It has over 30,000 stockholders. Landa, himself as a plaintiff, goes into the courts of Pennsylvania to sue. He bought the stock in order that he could sue. He financed the suit with the help of Fairbanks, Morse money. He brought his co-plaintiff in with him. And all for what purpose? To seek to have the courts of Pennsylvania stop the Penn-Texas Corp. from increasing its capital, when only by such means it has been able to grow from a small struggling company less than 6 years ago to a company which today is one of the 400 largest industrial corporations in the Nation.

Leopold D. Silberstein, the head of Penn-Texas, is a great humanitarian. Most recently he aided in the resettlement of Hungarian refugees and offered job opportunities to 1,000 of these Hungarian fighters for freedom who fled Soviet oppression in their own land. This has been made possible with the cooperation of the International Rescue Committee and the President's Committee. Now the strange counterpart of this activity is that Karr, masquerading mercenaries of the Robert Morses, have attempted to discredit him by slanders and libels carried to Silberstein's fellow workers and officers of the International Rescue Committee.

Again I must state, as a Congressman, why I touch on this subject, and this is another important reason. Landa and Karr, in their conspiracy, have gone to the New York Stock Exchange and attempted to have delisted and removed from trading on that exchange the stock of Fairbanks, Morse in which Penn-Texas has a stake in excess of $21 million. Frustrated there, they now have descended upon the Government agencies and have maliciously inspired investigation by Senate and congressional committees.

This so-called stockholders' protective committee of Karr and Landa, backed by Morse, must now have the immediate attention of the SEC. It should concern itself with the fraud and illegal conspiracy in which its principals, disclosed and undisclosed, are involved. Such a committee must qualify by filing a true account of its makeup, personnel, and other factors. Such filings must be carefully scrutinized by the SEC. Has such scrutiny been made here, and if it has, why has that agency not brought to light the character of Landa and Karr posing as defenders of Penn-Texas stockholders, whereas they are actually and in fact paid mercenaries of Robert H. Morse, Jr., thereby deceiving the public as to their true interests and purpose?

Why have not Landa's activities and Karr's activities in their field of slander and libel been exposed? Why has not the SEC held Landa as a lawyer to the standard of conduct that all practitioners at the bar should observe and which its own rules require? Perhaps it is because the Commission has not been alerted to the situation. But there is no excuse now. The full and complete history of the real facts are available to them. A full public hearing of the matter should be ordered at once.

It is my sincere belief that Karr long since should have been eliminated from any consideration as a public relations man to be trusted. Long since he has shown a record of serving both sides. He can little qualify as the sponsor and creator of any sort of protective committee, much less for such a successful and progressive company as Penn-Texas.

As to Landa, the SEC should see that he is barred from practice before them or participation in committees of any sort dealing with publicly held securities altogether. Robert H. Morse, Jr., also has much to answer. He used these two persons as tools. Silently he has furnished them money. America cannot grow strong on this type of domestic subversion. This is un-American in the real sense of the word. Any committee for the protection of American stockholders must be straightforward and honest. It cannot masquerade and sail under false colors. I believe something must be done immediately to see that this present fraud is stopped and that it shall not occur again. A company like Penn-Texas Corp., which we are mighty proud of in the Commonwealth of Pennsylvania, must be protected and safeguarded against Communist infiltration and brigand plots of this type.

SENATE

THURSDAY, FEBRUARY 7, 1957

Rev. James P. Wesberry, D. D., pastor, Morningside Baptist Church, Atlanta, Ga., offered the following prayer:

Almighty and most merciful God, our Father, whose wise and loving providence hast made us citizens of a great land, we give Thee humble thanks for the multitude of tender and gracious blessings which Thou hast lavished upon us. Thou hast truly favored us and given us a large and strategic place of leadership among the galaxy of nations. Grateful as we are for our blessings, we are not unmindful of our responsibilities. We confess that we are not all that we could be. We humbly ask Thee to forgive both our individual and national sins, and make us worthy of our reputation as a Christian nation.

Look, we beseech Thee, with special favor upon our greatly beloved and esteemed President. Surely Thou hast brought him to the kingdom for such a time as this. Grant him an abundance of Thy grace, wisdom, and guidance. As he has led our Nation to mighty conquests on fields of battle in times past, use him now, O God, to bring us to even more glorious conquests, yea, even to the establishment of a permanent and everlasting peace among the nations. Bless the distinguished Vice President, the Cabinet, this illustrious body of Senators, and all others who work for the good of our Nation. Fill each of them with Thy holy spirit, that they may walk humbly before Thee, seeking ever to know and do Thy will and to govern our Nation according to the laws of Thy kingdom. And in the words of our great leader, "May the light of freedom, coming to all darkened lands, flame brightly until at last the darkness is no more."

Give to us the able mind, the large heart, the magnanimous spirit, the far vision, the strong hand, and true wisdom to follow Thy counsel. May all that we are, all that we have, and all that we ever hope to be, be dedicated to Thee as instruments of blessing for all mankind. Grant to all who bear the burdens and responsibilities of government, patience in tribulation, fervency in spirit, joy in hope, steadfastness of purpose, persistence in righteousness, loyalty in justice, love in mercy, and efficacy in prayer. Through Jesus Christ, our Lord. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Monday, May 4, 1957, was approved and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

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

REPORT OF SURGEON GENERAL OF THE PUBLIC HEALTH SERVICE—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 21)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Labor and Public Welfare:

To the Congress of the United States:

Pursuant to the provisions of the Health Research Facilities Act of 1956, I transmit herewith for the information of the Congress the annual report of the Surgeon General of the Public Health Service summarizing the activities of the health research facilities program.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 6, 1957.*

REPORT OF ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 88)

The VICE PRESIDENT laid before the Senate the following message from the

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

President of the United States, which was read, and, with the accompanying report, referred to the Committee on Public Works:

To the Congress of the United States:

Pursuant to the provisions of section 10 of Public Law 358, 83d Congress, I transmit herewith for the information of the Congress the report of the St. Lawrence Seaway Development Corporation covering its activities for the year ended December 31, 1956.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *February 7, 1957.*

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, informed the Senate that the chairman of the Committee on Banking and Currency of the House of Representatives had appointed Mr. BROWN of Georgia, Mr. PATMAN of Texas, Mr. RAINS of Alabama, Mr. TALLE of Iowa, and Mr. MCDONOUGH of California, as members, on the part of the House, of the Joint Committee on Defense Production.

The message also informed the Senate that the Speaker had appointed Mr. TEAGUE of Texas, Mr. RABAUT of Michigan, Mr. FORD of Michigan, and Mr. BETTS of Ohio, as members, on the part of the House, of the Board of Visitors to the United States Military Academy.

The message announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2367. An act to establish a deferred grazing program as part of the relief available to drought stricken areas under Public Law 875, 81st Congress, and for other purposes;

H. R. 2528. An act to authorize the sale of the Government-owned alcohol butadiene facility at Louisville, Ky., known as Plancor 1207;

H. R. 3845. An act extending for 1 year the time in which the Boston National Historic Sites Commission shall complete its work; and

H. R. 4249. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 2367. An act to establish a deferred grazing program as part of the relief available to drought-stricken areas under Public Law 875, 81st Congress, and for other purposes; to the Committee on Agriculture and Forestry.

H. R. 2528. An act to authorize the sale of the Government-owned alcohol butadiene facilities at Louisville, Ky., known as Plancor 1207; to the Committee on Banking and Currency; and

H. R. 4249. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Internal Security Subcommittee of the Committee on the Judiciary was authorized to meet today during the session of the Senate.

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Banking of the Committee on Banking and Currency was authorized to meet on next Monday and Tuesday, during the session of the Senate.

On request of Mr. O'MAHONEY, and by unanimous consent, the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary, and the Subcommittee on Public Lands of the Committee on Interior and Insular Affairs were authorized to meet this afternoon during the session of the Senate.

MORNING BUSINESS

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

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

ORDER FOR ADJOURNMENT TO MONDAY

Mr. MANSFIELD. Mr. President, I have been informed that it is the intention of the leadership to have the Senate meet next on Monday, and thereafter on Thursday of next week.

I now ask unanimous consent that when the Senate completes its business today, it stand in adjournment until Monday, February 11, 1957.

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

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

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

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. BYRD, from the Committee on Finance:

Elliot Lee Richardson, of Massachusetts, to be an Assistant Secretary of Health, Education, and Welfare;

Parke Monroe Banta, of Missouri, to be General Counsel of the Department of Health, Education, and Welfare;

Aims Chamberlain McGuinness, of Pennsylvania, to be Special Assistant on Health and Medical Affairs to the Secretary of Health, Education, and Welfare;

Arthur R. Campbell, of Pennsylvania, to be a member of the Renegotiation Board; and

Leslie A. Blake, of Maine, to be collector of customs for customs collection district No. 1, with headquarters at Portland, Maine.

By Mr. POTTER, from the Committee on Interstate and Foreign Commerce:

Frederick C. Nash, of Michigan, to be General Counsel of the Department of Commerce.

By Mr. BUTLER, from the Committee on Interstate and Foreign Commerce:

James Tolman Pyle, of Maryland, to be Administrator of Civil Aeronautics.

By Mr. GREEN, from the Committee on Foreign Relations:

John Hay Whitney, of New York, to be Ambassador Extraordinary and Plenipotentiary to Great Britain;

C. Burke Elbrick, of Kentucky, to be an Assistant Secretary of State; and

William B. Kelly, of Ohio, and sundry other persons, for promotion in the Foreign Service.

By Mr. ELLENDER, from the Committee on Agriculture and Forestry:

Robert L. Farrington, of Oklahoma, to be General Counsel of the Department of Agriculture.

By Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce:

Laurence Walrath, of Florida, to be Interstate Commerce Commissioner.

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Stephen Hadley Evans, Edward H. Thiele, and Allen Winbeck, for promotion to the permanent rank of rear admiral in the United States Coast Guard;

Ross L. Leffler, of Pennsylvania, to be Assistant Secretary for Fish and Wildlife, Department of the Interior;

Edward T. Tait, of Pennsylvania, to be a Federal Trade Commissioner;

Richard F. Mitchell, of Iowa, to be Interstate Commerce Commissioner; and

John R. Plaggmier, and sundry other persons, for permanent appointments in the Coast and Geodetic Survey.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the calendar will be stated.

DEPARTMENT OF THE INTERIOR

The Chief Clerk read the nomination of Olin Hatfield Chilson, of Colorado, to be an Assistant Secretary of the Interior.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

GOVERNOR OF GUAM

The Chief Clerk read the nomination of Richard Barrett Lowe, of South Dakota, to be Governor of Guam.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

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

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. 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.

EXTENSION OF TIME FOR BOSTON NATIONAL HISTORIC SITES COMMISSION TO COMPLETE ITS WORK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that House bill 3845 be laid before the Senate for immediate consideration.

The VICE PRESIDENT. The Chair lays before the Senate a bill coming over from the House of Representatives, which will be read.

The bill (H. R. 3845) extending for 1 year the time in which the Boston National Historic Sites Commission shall complete its work, was read twice by its title.

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

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I may say that this bill has been cleared with the leadership on the Republican side.

The VICE PRESIDENT. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. Morning business is now in order.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT OF OFFICE OF CIVIL DEFENSE, GOVERNMENT OF DISTRICT OF COLUMBIA

A letter from the President, Board of Commissioners, Government of the District of Columbia, Washington, D. C., transmitting, pursuant to law, a report of the Office of Civil Defense of the District of Columbia (with an accompanying report); to the Committee on the District of Columbia.

REPORT ON MILITARY PRIME CONTRACTS WITH BUSINESS FIRMS IN THE UNITED STATES FOR EXPERIMENTAL, DEVELOPMENTAL, AND RESEARCH WORK

A letter from the Assistant Secretary of Defense (Supply and Logistics), transmitting, pursuant to law, a report on military prime contracts with business firms in the United States for experimental, developmental, and research work (with an accompanying report); to the Committee on Banking and Currency.

REPORT ON JURISDICTION OVER FEDERAL AREAS WITHIN THE STATES

A letter from the Attorney General, transmitting, pursuant to law, a report (pt. I) of the Interdepartmental Committee for the Study of Jurisdiction Over Federal Areas Within the States (with an accompanying report); to the Committee on Government Operations.

PROHIBITION OF TRANSPORTATION OF GAMBLING DEVICES IN INTERSTATE AND FOREIGN COMMERCE

A letter from the Attorney General, transmitting a draft of proposed legislation to amend section 3 of the act of January 2, 1951, prohibiting the transportation of gambling devices in interstate and foreign commerce (with an accompanying paper); to the Committee on Interstate and Foreign Commerce.

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

A letter from the Chairman, Federal Communications Commission, Washington, D. C., transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission, as of December 31, 1956 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT ON LIGNITE RESEARCH LABORATORY, GRAND FORKS, N. DAK.

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, on the activities of, expenditures by and donations to, the Lignite Research Laboratory, operated by the Bureau of Mines, at Grand Forks, N. Dak.; to the Committee on Interior and Insular Affairs.

REPORT OF ADMINISTRATOR OF REFUGEE RELIEF ACT OF 1953

A letter from the Secretary of State, transmitting, pursuant to law, an interim report in respect of the administration of the Refugee Relief Act of 1953, as amended (with an accompanying report); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIEN DEFECTORS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain alien defectors (with accompanying papers); to the Committee on the Judiciary.

CONDEMNATION OF SOVIET REPRESSION IN HUNGARY—RESOLUTION OF REPUBLIC OF CUBA

A letter from the Assistant Secretary of State, transmitting a resolution of the Senate of the Republic of Cuba condemning Soviet repression in Hungary (with an accompanying resolution); to the Committee on Foreign Relations.

REPORT OF FEDERAL PRISON INDUSTRIES, INC.

A letter from the Secretary, Federal Prison Industries, Inc., Department of Justice, Washington, D. C., transmitting, pursuant to law, a report of the Directors of Federal Prison Industries, Inc., for the fiscal year 1956 (with an accompanying report); to the Committee on the Judiciary.

AMENDMENT OF TITLE 28, UNITED STATES CODE, RELATING TO FEES OF UNITED STATES MARSHALS

A letter from the Attorney General, transmitting a draft of proposed legislation to amend title 28, United States Code, with respect to fees of United States marshals (with an accompanying paper); to the Committee on the Judiciary.

AMENDMENT OF SECTION 544 OF TITLE 28, UNITED STATES CODE, RELATING TO BONDS OF UNITED STATES MARSHALS

A letter from the Attorney General, transmitting a draft of proposed legislation to amend section 544 of title 28, United States Code, relating to the bonds of United States marshals (with an accompanying paper); to the Committee on the Judiciary.

MAIL DELIVERY SERVICE TO RURAL AREAS

A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation to authorize the Postmaster General to provide mail delivery service to rural patrons by the most efficient and economical means possible, and for other purposes (with an accompanying paper); to the Committee on Post Office and Civil Service.

APPOINTMENTS TO POSITION OF DEPUTY MARITIME ADMINISTRATOR

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to provide that appointments to the position of Deputy Maritime Administrator shall be made by the Secretary of Commerce under Civil Service laws, and for other purposes (with accompanying papers); to the Committee on Post Office and Civil Service.

INTERIM REPORT OF ALEXANDER HAMILTON BICENTENNIAL COMMISSION (S. Doc. No. 20)

A letter from the Chairman, Alexander Hamilton Bicentennial Commission, Washington, D. C., transmitting, pursuant to law, an interim report of that Commission, dated February 1, 1957 (with an accompanying paper); ordered to be printed.

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 Agriculture and Forestry:

"Senate Joint Resolution 4

"Relative to requesting the Commodity Credit Corporation to avail themselves of storage facilities in California

"Whereas the United States Government has established the Commodity Credit Corporation as an instrument of the United States Department of Agriculture to administer the farm crop price support program including storage of farm crops and produce such as cheese, butter, powdered milk, other dairy products and beans, soya beans, rice, wheat, corn, and feed grains; and

"Whereas there is a shortage of storage facilities in many areas where farm crops and products are produced and held in surplus storage by CCC; and

"Whereas the shortage of storage facilities in some areas and the great quantity of commodities to be stored have caused the CCC to purchase and operate millions of dollars worth of storage facilities and will force the purchase of still more millions of dollars worth unless maximum use is made of privately owned facilities; and

"Whereas these commodities can be stored, handled and distributed more advantageously through privately owned storage facilities; and

"Whereas California is deficient in corn, livestock and dairy products, wheat, foodstuffs and many other commodities held in surplus storage by CCC; and

"Whereas many CCC commodities in storage are susceptible to damage from high humidity and other climatic factors and California climatic and weather conditions are most favorable for successful handling, storage, and distribution of these commodities; and

"Whereas there is available in California an abundance of the most modern storage and port facilities suitable for the storage, handling and shipping of CCC commodities; and

"Whereas CCC has offered inducements to California warehousemen and elevator operators to build storage facilities including occupancy agreement; and

"Whereas CCC is now and has been shipping many thousands of tons of these commodities to Japan and other eastern countries; and

"Whereas the storage, distribution and shipping of CCC commodities through and in California improve her economy and increase her export trade; and

"Whereas California ports, both inland river and ocean shore, are equipped with the most modern and efficient terminal storage, loading and unloading facilities for terminal to ship and ship to terminal handling of cargoes; and

"Whereas California based steamship and other transportation companies and port authorities need and solicit added stimulus to their economy; and

"Whereas shipments destined for Pakistan, Japan and other adjacent countries enjoy a lesser ocean going freight rate from California ports than from eastern or gulf ports and this rate advantage is a much as ten dollars ($10) per ton; and

"Whereas further economic aid to the Middle East as proposed by President Eisenhower will greatly stimulate the movement of CCC commodities to that area; and

"Whereas California is a target area in case of attack by foreign enemy which entitles her to and indicates the wisdom of having abundant amounts of all foodstuffs under control of CCC stored at strategic points within the State for the convenience, protection and preservation of her citizens; and

"Whereas vast quantities of rice, dairy products, corn, wheat and other commodities held in surplus by CCC are being used in the school-lunch program in California: Now, therefore, be it

"Resolved by the senate and the assembly (jointly), That the Members of Congress in the California delegation are memorialized to urge the Secretary of Agriculture, Honorable Ezra Taft Benson and his administrative assistants in Commodity Credit Corporation to avail themselves of all storage facilities in California which meet their health and sanitation standards and which can be used in accordance with economic feasibility practices of the CCC; and be it further

"Resolved, That copies of this joint resolution be sent to each member of the California delegation in Congress and to United States Senators Knowland and Kuchel and to Secretary of Agriculture Ezra Taft Benson; Jack Anderson, Agricultural Assistant to President Eisenhower; Walter Burger, Administrator of CSS; Marvin L. McLain, Assistant Secretary of the Department of Agriculture; Clarence Palmby, Director of the Division of Grain of CSS; and to Francis S. Daniels, General Sales Manager of CSS."

A joint resolution of the Legislature of the State of Idaho; to the Committee on Finance:

"Senate Joint Memorial 6

"To the Honorable Senate and House of Representatives of the United States in Congress Assembled:

"We, your memorialists, the Legislature of the State of Idaho, as assembled in its 34th session, respectfully represent that—

"Whereas the exise tax on interstate transportation was adopted during World War II as an emergency revenue measure; and

"Whereas, Idaho, like most Western States imports the majority of what it consumes and exports the majority of what it produces; and

"Whereas the cost of transportation on goods consumed in Idaho is passed to the consumer, while the cost of transportation of goods produced in Idaho is paid by the producer, thereby resulting in Idahoans paying substantially the full freight bill on all goods shipped both in and out of the State; and

"Whereas Idaho and other Western States shippers who sell in eastern, Atlantic, and Gulf coast markets are at an enormous disadvantage, for example, the excise tax amounts to more than $600,000 annually in the case of Idaho potato shipments alone, and is correspondingly heavy on shipments of timber and timber-products, livestock, and ores and mining products; and

"Whereas our Western States are large in area but relatively small in population and therefore more dependent upon transportation than other areas; and

"Whereas said tax on interstate transportation has increased in amount with each rate raise granted the transportation industry, and is burdensome to the people of this State; and

"Whereas, to an impartial observer it would seem indisputable that the emergency for which said tax was imposed has ceased: Now, therefore be it

"Resolved by the Senate of the 34th session of the Legislature of the State of Idaho (the House of Representatives concurring), That we most respectfully urge the Congress of the United States of America to repeal and abolish the Tax on Interstate Transportation; be it further

"Resolved, That the Secretary of State of the State of Idaho, be, and he is hereby authorized and directed to send copies of this Joint Memorial to the President of the United States, to the Senate and House of Representatives of the United States and to the United States Senators and Representatives of the State of Idaho, and to the Senate and the House of Representatives in each of the other eleven Western States."

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

"Senate Joint Memorial 4

"To the Honorable Senate and House of Representatives of the United States in Congress assembled:

"We, your memorialists, the Legislature of the State of Idaho, respectfully represent that—

"Whereas proposal has been made that the waters of the interstate streams of Wyoming and Idaho, and particularly the headwaters and headwater tributaries of the Snake River, be diverted into the Colorado River watershed for use in the State of Colorado; and

"Whereas the waters of such streams are vital to the prosperity and well-being of the States of Idaho and Wyoming and the citizenry of each such State and the flow of such streams has been dedicated, and as a matter of right should be dedicated, to the use of the peoples of Idaho and Wyoming, and are necessary to fill the appropriations in each such State and the uses and projects under development in each such State, and the rights to use of the flow of such streams should be confined to Idaho and Wyoming, and the use thereof be determined by the States of Idaho and Wyoming, and governed by the laws of each such State and the compacts of such States for the adjustment of conflicting interests; and

"Whereas the States of Idaho and Wyoming have the exclusive interest in such streams and there is no controversy over the rights to the use of such streams between such States and any diversion or attempted diversion or use of the flow of such streams in any other State will create great and extended controversy: Now, therefore, be it

"Resolved by the 34th session of the Legislature of the State of Idaho, now in session (the Senate and House of Representatives concurring), That the Congress of the United States of America be, and the same hereby is, memorialized to fairly consider in any proposed legislation which may come before it, the rights of the peoples of Idaho and Wyoming to the flow of the interstate streams constituting the headwaters and the headwater tributaries of the Snake River, all to the end that there shall be no legislation enacted which will authorize or result, directly or indirectly, in the diversion, or attempted or threatened diversion, of the waters of such interstate streams of the States of Idaho and Wyoming from the Snake River watershed into the Colorado River watershed for use in the State of Colorado or any other State; be it further

"Resolved, That the secretary of state of the State of Idaho be, and he hereby is, authorized and directed to forward certified copies of this memorial to the President and Vice President of the United States, the Speaker of the House of Representatives of the Congress and to the Senators and Representatives representing this State in the Congress of the United States."

A joint resolution of the Legislature of the State of Oregon; ordered to lie on the table:

"House Joint Resolution 2

"Whereas the Honorable Dwight David Eisenhower and the Honorable RICHARD M. NIXON are soon to be inaugurated as President and Vice President of the United States of America; and

"Whereas the President and Vice President of the United States of America, in their positions of responsibility and leadership, are, in the eyes of the American people and the peoples of the world, the symbol of America's desire for peace and opposition to forces of tyranny and oppression; and

"Whereas the President and Vice President of the United States of America are the elected leaders of all the people of this Nation regardless of their party affiliation: Now, therefore, be it

"Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring), That we offer our congratulations to the Honorable Dwight David Eisenhower and the Honorable RICHARD M. NIXON as they embark on their second terms and continue to assume their positions of responsibility and leadership; be it further

"Resolved, That we wish the Honorable Dwight David Eisenhower and the Honorable RICHARD M. NIXON success, achievement and the best of health during their terms of office; be it further

"Resolved, That we pray that this administration may be characterized by world peace and security; and be it further

"Resolved, That copies of this resolution be forwarded by the Speaker of the House and the President of the Senate to the Honorable Dwight David Eisenhower, the Honorable RICHARD M. NIXON, to the Secretary of State of the United States and to all members of the Oregon congressional delegation in the Congress of the United States.

"Adopted by House January 18, 1957.

"Adopted by Senate January 28, 1957.

"EDITH BYRON LOW,
"Chief Clerk.

"PAT DOOLEY,
"Speaker of House.

"BOYD R. OVERHULAE,
"President of Senate."

A resolution of the House of Representatives of the State of Oregon; to the Committee on Labor and Public Welfare:

"House Memorial 2

"To the Honorable Senate and House of Representatives of the United States of America, in Congress assembled, and to the Oregon Members of these legislative bodies:

"We, your memorialists, the House of Representatives of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas increasing school costs are imposing a steadily increasing burden upon the real property owners of our State; and

"Whereas the present tax collection policies of the Federal Government fall heavily upon State sources, with no corresponding return to the State for the assistance of education; and

"Whereas under such taxation policies the Federal Government should assume its rightful obligation to the preservation of our way of life by assisting the cause of education; and

"Whereas it is the announced policy of both major political parties that the Federal Government should provide assistance in meeting building needs of various school districts: Now, therefore, be it

"Resolved by the House of Representatives of the State of Oregon, That the Congress of the United States hereby is urged to provide legislation giving grants-in-aid for school building purposes to school districts in the various States; be it further

"Resolved, That the Oregon Members of the United States Senate and House of Representatives promote and support such legislation; and be it further

"Resolved, That the Secretary of State of the State of Oregon be and hereby is directed to send a copy of this memorial to the Honorable Dwight D. Eisenhower, President of the United States, to the Honorable Richard M. Nixon, Vice President of the United States, to the Honorable Marion B. Folsom, Secretary of Health, Education and Welfare of the United States, to the President and Chief Clerk of the United States Senate, to the Speaker and the Chief Clerk of the House of Representatives of the United States, and to all Members of the Oregon congressional delegation in the Congress of the United States.

"Adopted by house January 28, 1957.

"EDITH BYRON LAW,
"Chief Clerk.

"PAT DOOLEY,
"Speaker of House."

A resolution of the House of Representatives of the State of Tennessee; to the Committee on the Judiciary:

"House Resolution 9

"Resolution of condemnation and protest against oppressive usurpation of power by the Supreme Court of the United States, calling upon the several States of the Union and the Congress of the United States to bring to an end this tyrannical usurpation of power

"Whereas the House of Representatives of the General Assembly of Tennessee acknowledges and reaffirms its allegiance to the Constitution and Government of the United States and is ever mindful of its responsibility to defend the Constitution of the United States against every attempt, foreign or domestic, to undermine the dual structure of this Union or to destroy those fundamental principles embodied in the written Constitution of the United States; and

"Whereas the founders of this great Nation, fearful of the tyranny that naturally and always follows the unrestricted concentration of governmental power, secured the passage of the Bill of Rights, consisting of the first 10 amendments to the Constitution; and

"Whereas the 9th and 10th amendments to the Constitution expressly and explicitly limit the Federal Government to specific powers delegated to it by the terms of the compact and reserved to the States and their people and all other powers, unless specifically prohibited by it to the States; and

"Whereas the House of Representatives of the General Assembly of Tennessee is ever mindful of the admonition that 'frequent recurrence to fundamental principles is absolutely necessary to preserve the blessings of liberty'; and

"Whereas 'eternal vigilance is the price of liberty' and also the price of constitutional government which is the sole guardian of our liberties; and

"Whereas the Constitution is a solemn compact between the States, and the Federal Government is the creature born of that compact from sovereign powers inherently residing in the States and their people but delegated solely for the purposes clearly and manifestly set forth in the Constitution, and only those powers specifically enumerated; and that all powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively or to the people; and

"Whereas the methods and procedures for amending the Constitution of the United States are distinctly and plainly stated in article V of that instrument in these words: 'The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three-fourths of the several States, or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by the Congress'; and

"Whereas the Constitution of the United States may be validly amended only in the manner prescribed by the Constitution itself, and the United States Supreme Court has never had, does not now have, and should never possess, the power and authority to amend the Constitution; and

"Whereas neither the judicial power granted the United States Supreme Court in article III of the Federal Constitution nor such appellate jurisdiction as Congress has conferred, or may confer, can constitute that Court the dominant and ultimate authority with the power of determining without regard for the Constitution what is and is not in the best interest of the Nation; and

"Whereas by its decision of May 17, 1954, the Supreme Court of the United States, in seeking to establish itself as the dominant and ultimate policy-setting agency of the Nation, in effect amended the Constitution by interpreting the 14th amendment in a manner clearly contrary to the well-settled construction of that amendment; and

"Whereas the State of Tennessee in ratifying the 14th amendment did not intend to delegate to the Federal Government the power to deny to the States the inherent right to operate racially separate schools; and when the 14th amendment was ratified, there were 36 States in the Union, and 23 of those States had segregated schools and others had no public schools at all; and the Congress which proposed the 14th amendment established segregated schools in the District of Columbia; and both State and Federal courts, without exception, beginning with a decision of the Massachusetts Supreme Court in 1848, and subsequently followed by the courts of Connecticut, New York, Illinois, Michigan, Indiana, Minnesota, New Jersey, Ohio, Pennsylvania, and others, recognized the power of the States to operate a system of separate public schools; and

"Whereas the General Assembly of Tennessee relying upon the United States Supreme Court's own interpretation of the 14th amendment and the numerous and uncontradicted decisions of other Federal and State courts established and developed a segregated public-school system; and Tennessee properly assumed that it could rely upon congressional action and earlier Court decisions as is demonstrated by the language of the Supreme Court of the United States in *Myers* v. *United States* (1927) * * * 'when Congress, after full consideration and with the acquiescence and long practice of all branches of the Government, has established the construction of the Constitution, it may not by its mere subsequent legislation reverse such construction. It is not given powers by itself thus to amend the Constitution'; and

"Whereas the House of Representatives of the General Assembly of Tennessee, mindful that powers assumed by the Supreme Court in one field and for one purpose today will become precedents for further assumption of power in other fields and for other purposes tomorrow and recognizing, as did the founders of this great Nation, that tyranny naturally and always follows naked power; and the Supreme Court of the United States has recently denied to the States the right to have laws of their own to deal with subversion or espionage against the Nation; and the States have been denied the right to dismiss individuals from their employment who refuse to answer questions concerning their connections with communism by invoking the fifth amendment; and power delegated to the Congress to regulate commerce among the several States has been exploited and twisted into a power to control local enterprises remote from interstate commerce; and the power to levy taxes for the general welfare has been used relentlessly as a power to confiscate the earnings of our people for purposes totally unrelated to the general welfare as we conceive it; and judicial prerogative has finally permitted private property to be taken for uses that plainly are not public uses; and now the power to provide for the common defense is being distorted into a power to meddle in the school-building program of the several States; and the fears of Thomas Jefferson are rapidly becoming realities: 'The great object of my fear is the Federal judiciary. That body, like gravity, ever acting, with noiseless foot, and unalarming advance, * * * is engulfing insidiously the special governments into the jaws of that which feeds them'; and

"Whereas there is implicit in these recent decisions of the United States Supreme Court a most grievous and deplorable disrespect for declared and established law; and

"Whereas, by reason of this disrespect for declared and established law on the part of the United States Supreme Court, the people's faith and confidence in the judicial ability and temperament and judicial self-restraint of our highest Federal judges has been most severely shaken; and

"Whereas the House of Representatives of the General Assembly of Tennessee recognize its solemn duty to help alert the Nation to the fact that the Supreme Court of the United States, by interpretations and constructions of the Constitution, encroaches upon the reserved powers of the States; and our failure to discharge the solemn duty to alert our people and the Nation would constitute passive acquiescence in dangerous precedents aimed at undermining our democratic form of government: Now, therefore, be it

"Resolved by the House of Representatives—

"SECTION 1. That the States have never granted to the United States Supreme Court, or any other court, the power to amend the Federal Constitution, nor does the Federal Government possess any powers not delegated to it by the Constitution of the United States.

"SEC. 2. That the grievous and deplorable disrespect for the declared and established law of the land on the part of the United States Supreme Court constitutes a most dangerous and oppressive usurpation of the power of the Congress and the rights of the States and the people and a grave threat to constitutional government in these United States.

"SEC. 3. That the State of Tennessee does condemn and protest the oppressive usurpation of power by the Supreme Court of the United States.

"SEC. 4. That the State of Tennessee does call upon all States and the Congress of the United States to bring to an end this tyrannical usurpation of power by the United States Supreme Court and to prevent now and in the future other and further encroachment upon the reserved powers of the States and the rights of the people, to the end that constitutional government shall ever be preserved.

"SEC. 5. That a copy of this resolution be sent to the governor and legislature of each

of the States, to the presiding officers of each of the Houses of the Congress of the United States, to Tennessee's Representatives and Senators in the Congress, to the President of the United States, and to the several judges of the Supreme Court of the United States.

"SEC. 6. This resolution shall be in full force and effect from and after its adoption.

"Adopted: January 22, 1957.

"JAMES L. BOMAR,
"Speaker of the House of Representatives."

A joint resolution of the Legislature of the State of Colorado; to the Committee on Finance:

"House Joint Memorial 4

"Memorializing the Congress of the United States and urging the repeal of that section of the Federal laws governing old-age assistance, to enable the recipients of awards to accept partial employment and to retain the remuneration received therefrom without penalty or reduction of old-age assistance payments

"Whereas the people of Colorado, having adopted a constitutional amendment by the will of the majority as expressed by the vote of the people on November 6, 1956; and

"Whereas said amendment, in part, provides for a means of adapting Colorado statutes to such modifications as may be desirable, in conformity with alterations of Federal laws relating to old-age assistance; and

"Whereas there have been expressed strong sentiments favoring the affirmation of the rights of all citizens to engage in work of their choice; and

"Whereas it is a well-established fact that the therapy of work, and the psychological benefits derived therefrom, are of great value to our aged; and

"Whereas such employment would not materially alter the average income of our elder citizens who are recipients of old-age assistance: Now, therefore, be it

"Resolved by the House of Representatives of the 41st General Assembly of the State of Colorado (the senate concurring herein), That the general assembly hereby petitions the Members of the Congress of the United States to consider such modification of existing old-age assistance laws as would enable recipients to accept employment and retain the compensation derived therefrom up to the statutory limit of Federal income-tax exemption, establish savings, make contributions to charities, and other similar morale-building forces of participation in their community life without loss of, or deductions from, their awards; and be it further

"Resolved, That copies of this memorial be transmitted to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and Members of Congress from the State of Colorado.

"FRANK L. HAYS,
"President of the Senate.
"MILDRED H. CRESSWELL,
"Secretary of the Senate.
"CHARLES R. CONKLIN,
"Speaker of the House of Representatives.
"LEE MATTIES,
"Chief Clerk of the House of Representatives."

Resolutions of the Senate of the Commonwealth of Massachusetts; to the Committee on Armed Services:

"Resolutions on remarks by the Secretary of Defense with reference to the National Guard

"Whereas the Secretary of Defense has unfortunately and ineptly seen fit to state that the National Guard was used to dodge the draft and escape fighting in Korea; and

"Whereas the importance and prestige of the Secretary's office have given to his incorrect and scurrilous remark a national and perhaps international circulation; and

"Whereas the Secretary's remark has been widely interpreted as a slur upon the officers and men, the honor, traditions, and history of the National Guard and citizen soldiers of the United States: Therefore, be it

"Resolved, as follows:

"1. That the Massachusetts Senate condemns the allegation of the Secretary of Defense that young men voluntarily enlisted in the National Guard before induction into the Regular services with the motive and for the purpose of escaping dangerous duty in Korea;

"2. That the Massachusetts Senate affirms the obvious proposition that one who voluntarily enlisted in the National Guard during the Korean emergency made himself instantly and unconditionally available for unlimited military service in that conflict;

"3. That the Massachusetts Senate avers that those accused by the Secretary of Defense as draft dodgers enlisted in the National Guard and made themselves available for unlimited military service long before they would have been inducted in due course;

"4. That the adjutant general of Massachusetts be instructed to enlighten the Secretary of Defense by advising him of the units of the Massachusetts National Guard both Army and Air which were called into Federal service during the Korean emergency;

"5. That the Massachusetts Senate reaffirms its confidence in the honor of the officers and men of the National Guard and its consciousness and pride in the citizen soldiers who have fought and died for the safety and integrity of America in every conflict from the Indian wars through and including the action in Korea;

"6. That the Massachusetts Senate condemns the apparent purpose of the Secretary of Defense to destroy the National Guard, and condemns his remarks noted above, which are part and parcel of his policy;

"7. That the secretary of this Commonwealth be instructed to forward copies of these resolutions to the President of the United States, the Secretary of Defense and all Massachusetts Members of the Congress of the United States.

"Senate, January 31, 1957.

"Adopted:

"IRVING N. HAYDEN,
"Clerk.

"A true copy.

"Attest:

"EDWARD J. CRONIN,
"Secretary of the Commonwealth."

A resolution of the House of Representatives of the State of Oregon; to the Committee on Labor and Public Welfare:

"House Memorial 2

"To the Honorable Senate and House of Representatives of the United States of America, in Congress assembled, and to the Oregon Members of these legislative bodies:

"We, your memorialists, the House of Representatives of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas increasing school costs are imposing a steadily increasing burden upon the real property owners of our State; and

"Whereas the present tax collection policies of the Federal Government fall heavily upon State sources, with no corresponding return to the State for the assistance of education; and

"Whereas under such taxation policies the Federal Government should assume its rightful obligation to the preservation of our way of life by assisting the cause of education; and

"Whereas it is the announced policy of both major political parties that the Federal Government should provide assistance in meeting building needs of various school districts: Now, therefore, be it

"Resolved by the House of Representatives of the State of Oregon, That the Congress of the United States hereby is urged to provide legislation giving grants-in-aid for school building purposes to school districts in the various States; be it further

"Resolved, That the Oregon Members of the United States Senate and House of Representatives promote and support such legislation; and be it further

"Resolved, That the Secretary of State of the State of Oregon be and hereby is directed to send a copy of this memorial to the Honorable Dwight D. Eisenhower, President of the United States, to the Honorable Richard M. Nixon, Vice President of the United States, to the Honorable Marion B. Folsom, Secretary of Health, Education and Welfare of the United States, to the President and Chief Clerk of the United States Senate, to the Speaker and the Chief Clerk of the House of Representatives of the United States, and to all members of the Oregon congressional delegation in the Congress of the United States.

"Adopted by house January 28, 1957.

"EDITH BYNON LAW,
"Chief Clerk.
"PAT DOOLEY,
"Speaker of House."

Resolutions adopted by the Utility Co-Workers' Association, Newark, N. J., relating to social security, and so forth; to the Committee on Finance.

A resolution adopted by the board of directors of the American Newspaper Publishers Association, New York, N. Y., relating to the right of newspapers to gather and disseminate information in all areas of the world in which the United States is not engaged in war; to the Committee on Foreign Relations.

A resolution adopted by the executive committee of the National Association of Attorneys General, Washington, D. C., favoring the enactment of legislation to authorize the enforcement of State statutes prescribing criminal penalties for subversive activities; to the Committee on the Judiciary.

By Mr. BARRETT:

Three joint resolutions of the Legislature of the State of Wyoming; to the Committee on Interior and Insular Affairs:

"Joint Memorial 2

"Joint memorial memorializing the Congress of the United States of America with reference to passing legislation granting to the State of Wyoming all of the land and minerals within the confines of its borders, with the exception of the national parks and national monuments, national forests, and lands for natural defense and promotion of aviation and agriculture. The people of the sovereign State of Wyoming recognizing that the United States of America owns over 51 percent of all the lands within the borders of the State of Wyoming, and over 73 percent of the minerals on, in, or under the lands of the State of Wyoming

"Whereas the people of the State of Wyoming have long been aware of the inequitable lack of sovereignty and loss of revenue from the lands and minerals aforesaid; and

"Whereas the Taylor Grazing Act of 1934, in its preamble, states that its purpose is to 'promote the highest use of the public lands pending its final disposal'; and

"Whereas the right of coastal States to ownership of tidelands oil has been recognized by act of Congress with presidential affirmation; and

"Whereas by act of admission of 1890, 'The State of Wyoming is hereby declared admitted to the Union on an equal footing with the Original States in all respects whatever,' which is not the case in fact when the Federal Government owns the majority of Wyoming's surface lands and minerals rights; and

"Whereas the Government of the United States has attempted to take more of the

land and minerals in addition to those already owned by it, and thus deprive the State of Wyoming and its citizens further from the benefits of such lands and minerals: Now, therefore, be it

"Resolved by the House of Representatives of the 34th Legislature of the State of Wyoming (the Senate of such Legislature concurring), That the Congress of the United States of America be, and it is hereby, memorialized to promptly, diligently, and fairly consider and act upon at this session, legislation designed to grant to the State of Wyoming and its citizens title to all of the lands and minerals presently owned by the Government of the United States of America within the borders of the State of Wyoming, with the exception of national parks and national monuments, national forests, and lands for national defense, and promotion of aviation and agriculture; be it further

"Resolved, That certified copies hereof be promptly transmitted to the President and Vice President of the United States, the Speaker of the House of Representatives of said Congress, United States Senator FRANK A. BARRETT, United States Senator JOSEPH C. O'MAHONEY, and Represenative in Congress E. KEITH THOMPSON, and to the governors and legislatures of the following States: Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, and Washington.

"LEE E. KEITH,
"Speaker of the House.
"EARL T. BOWER,
"President of the Senate.

"Approved January 23, 1957.
"MILWARD L. SIMPSON,
"Governor."

(The VICE PRESIDENT laid before the Senate a joint resolution of the legislature of the State of Wyoming, identical with the foregoing, which was referred to the Committee on Interior and Insular Affairs.)

"Joint Memorial 4

"Joint memorial memorializing the Congress of the United States of America with reference to passing legislation to modernize the 160-acre limitation now imposed upon farm units in federally financed reclamation projects

"Whereas the 160-acre limitation upon farm units involving federally financed reclamation projects is based upon an outworn concept and has become a serious hindrance to the development of the West through reclamation; and

"Whereas in the case of presently irrigated private lands which need supplemental irrigation, the proper economic size of farm units has already been determined, as a result of decades of trial and error, and

"Whereas there exist in the West many areas which are naturally less favored than others, by reason of short growing seasons due to high elevation, northern latitude, or otherwise, and

"Whereas, such less favored areas cannot be reclaimed under the present land limitation provisions because they can be made productive only by the use of machinery, the cost of which is not warranted if the farm is limited to 160 acres or less, now, therefore, be it

"Resolved by the House of the 34th Legislature of the State of Wyoming (the Senate of such legislature concurring), That the Congress of the United States of America, be and it is hereby memorialized to promptly, diligently, and fairly consider and act upon at this session, legislation designed to modernize the acreage limitation in the following manner:

"1. Removal of the limitation in the case of lands to which supplemental water is to be supplied; and

"2. Determination of the economic size of farm units in a new land project by the appropriate State official or agency; and be it further

"Resolved, That certified copies hereof be promptly transmitted to the President and Vice President of the United States, the Speaker of the House of Representatives of said Congress, United States Senator FRANK A. BARRETT, United States Senator J. C. O'MAHONEY, and Representative in Congress E. KEITH THOMSON, to the Secretary of the Interior, the Commissioner of Reclamation, and to the governors and legislatures of the following States: Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, and Washington.

"LEE E. KEITH,
"Speaker of the House.
"EARL T. BOWER,
"President of the Senate.

"Approved January 23, 1957.
"MILWARD L. SIMPSON,
"Governor."

(The VICE PRESIDENT laid before the Senate a joint resolution of the Legislature of the State of Wyoming identical with the foregoing, which was referred to the Committee on Interior and Insular Affairs.)

"Joint Memorial No. 3

"Joint memorial memorializing the Congress of the United States of America with reference to nonreimbursable costs in water development

"Whereas the costs allocated to flood control, navigation, and fish and wildlife benefits are now authorized by law as nonreimbursables, and

"Whereas many water development and reclamation projects provide recreational, salinity control, sediment control, public transportation, protection of public health, promotion of national defense and fulfillment of international obligation benefits which are of more value to a river basin and the Nation as a whole, than they are to the irrigation-water users under the projects, and

"Whereas it is no more logical to make the local irrigation water users pay for these benefits to the region and the Nation than it would be to make them pay for flood control, navigation, and fish and wildlife benefits which are now nonreimbursables: Now, therefore, be it

"Resolved, That the house of the 34th legislature of the State of Wyoming and the senate of such legislature concurring that the President and Congress of the United States of America be and they are hereby memorialized to promptly, diligently, and fairly consider and act upon at this session, legislation designed to include: (1) Recreation, (2) salinity control, (3) sediment control, (4) public transportation, (5) protection of public health, (6) promotion of national defense, (7) fulfillment of international obligation benefits as nonreimbursables to the full extent of the national interest: Be it further

"Resolved, That certified copies hereof be promptly transmitted to the President and Vice President of the United States, the Speaker of the House of Representatives of said Congress, United States Senator FRANK A. BARRETT, United States Senator JOSEPH C. O'MAHONEY, and Representative in Congress E. KEITH THOMSON, to the Secretary of the Interior and the Commissioner of Reclamation.

"LEE E. KEITH,
"Speaker of the House.
"EARL T. BOWER,
"President of the Senate.

"Approved January 23, 1957.
"MILWARD L. SIMPSON,
"Governor."

(The VICE PRESIDENT laid before the Senate a joint resolution of the Legislature of the State of Wyoming, identical with the foregoing, which was referred to the Committee on Interior and Insular Affairs.)

By Mr. BARRETT:

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

"Joint Memorial 1

"Joint memorial memorializing the Congress of the United States of America with reference to making adequate appropriations for stream measurement, ground water investigations and mapping

"Whereas the future agricultural and industrial progress of Wyoming is dependent in large measure on the wise conservation and proper utilization of her limited water resources, both surface and underground; and

"Whereas the determination of the water resources of the State requires continuous and expanding scientific study of the variations in water supply from year to year and of the areal distribution of available water supplies: Now, therefore, be it

"Resolved by the House of the 34th Legislature of the State of Wyoming (the Senate of such legislature concurring), That the Congress of the United States of America, be and it is hereby memorialized to appropriate funds adequate to carry on a direct program of stream measurement, ground water investigations and mapping; and be it further

"Resolved, That certified copies hereof be promptly transmitted to United States Senator FRANK A. BARRETT, United States Senator JOSEPH C. O'MAHONEY, and Representative in Congress E. KEITH THOMSON, Secretary of the Interior and the Director of the Geological Survey.

"LEE E. KEITH,
"Speaker of the House.
"EARL T. BOWER,
"President of the Senate.

"Approved January 23, 1957.
"MILWARD L. SIMPSON,
"Governor."

By Mr. THYE:

A joint resolution of the Legislature of the State of Minnesota; to the Committee on Interstate and Foreign Commerce:

"Joint Resolution 472

"Joint resolution memoralizing the President of the United States and the Congress of the United States to take such steps as may be necessary to secure a removal of all military facilities and activities from Minneapolis-St. Paul International Airport—Wold-Chamberlain Field, located in Hennepin County, Minn.

"Whereas the Minneapolis-St. Paul Metropolitan Airports Commission is a public corporation created, organized, and operating under the laws of the State of Minnesota, Minnesota Statutes 1953, sections 360.101-360.125;

"Whereas such commission acting under and as required by the act creating it did on August 14, 1944, take possession of Minneapolis-St. Paul International Airport—Wold-Chamberlain Field and did on that date take over the operation, management, maintenance and development of such field, and has at all times since and is now in possession of such field and operating, managing, maintaining, and developing the same;

"Whereas such field was established as a civil airport and at all times since such establishment has been operated as a civil airport, to which commercial airlines have been and are carrying on very extensive passenger, mail, and cargo operations;

"Whereas the military—Army, Navy, Air Force, Marines, and Minnesota National Guard, have facilities in the vicinity of such field and are engaged in military aviation activities to, from, and in the vicinity of such field, including as a part thereof the operation of jet military aircraft;

"Whereas the operation of jet military aircraft by the military resulted in several crashes during the spring of 1956 resulting in loss of life and destruction of property;

"Whereas military aviation operations at such field are deemed by the commission as detrimental to the safe and efficient operation of the airport as a civil airport, and constitute a constant hazard to residents living in the cities of Minneapolis and St. Paul and the village of Richfield and to all others living in the general vicinity of the airport;

"Whereas the commission has gone on record from time to time as opposed to the continuance of said military aviation activities at such field and in connection therewith has suggested to the military that their facilities and activities be removed to another site well away from the populated areas of the cities and village aforesaid;

"Whereas a removal of the military from such airport will necessitate action by the Congress of the United States with the approval of the President of the United States: Now, therefore, be it

"Resolved by the Legislature of the State of Minnesota, That the President of the United States and the Congress of the United States be requested to do all in their power to bring about the removal of all military facilities and activities from Wold-Chamberlain Field and from the vicinity thereof to a site to be acquired and facilities to be constructed by the Government well away from the cities of Minneapolis and St. Paul and populated areas in the vicinity thereof; be it further

"Resolved, That the Secretary of State of the State of Minnesota be instructed to transmit copies of this resolution to the President of the United States and to each Member of Congress from the State of Minnesota."

By Mr. SALTONSTALL (for himself and Mr. KENNEDY):

Resolutions of the General Court of the Commonwealth of Massachusetts; to the Committee on Foreign Relations:

"Resolutions protesting the present political division of Ireland and the presence of British troops therein

"Whereas the present political division of Ireland, whereby a part thereof is subject to British rule, is not in keeping with the principles of self-determination and is not based on the racial, economic or historical background of the people of Ireland; therefore be it

"*Resolved,* That the General Court of Massachusetts recommends that the Congress of the United States be urged to use its influence to abrogate the present political division of Ireland, and to protest the presence of British troops in that country; and be it further

"*Resolved,* That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress, and to the members thereof from this commonwealth.

"House of representatives, January 24, 1957.

"Adopted.

"LAWRENCE R. GROVE,
"Clerk.

"Senate, January 29, 1957.

"Adopted, in concurrence.

"IRVING N. HAYDEN,
"Clerk.

"A true copy.

"Attest:

"EDWARD J. CRONIN,
"Secretary of the Commonwealth."

(The VICE PRESIDENT laid before the Senate resolutions of the General Court of the Commonwealth of Massachusetts identical with the foregoing, which was referred to the Committee on Foreign Relations.)

By Mr. JAVITS:

A resolution adopted by Oneota Aerie, Fraternal Order of Eagles, Oneota, N. Y., favoring the enactment of legislation to designate the first Sunday in February of each year as Chaplain's Day; to the Committee on the Judiciary.

The petition of James F. McManus, of New York, N. Y., praying for a redress of grievances; to the Committee on Interstate and Foreign Commerce.

CITATION OF NUGENT LaPOMA FOR CONTEMPT OF THE SENATE—REPORT OF A COMMITTEE (S. REPT. NO. 61)

Mr. McCLELLAN, from the Committee on Government Operations, reported an original resolution (S. Res. 89) citing Nugent LaPoma (alias George Cavano) for contempt of the Senate, which was placed on the calendar, as follows:

Resolved, That the President of the Senate certify the report of the Committee on Government Operations of the United States Senate as to the refusal of Nugent LaPoma, also known as George Cavano, to answer questions before the Senate Permanent Subcommittee on Investigations of the Committee on Government Operations; to produce certain papers consisting of described books and records of Local 174 of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers, said refusal to answer and to produce the aforementioned papers being pertinent to the subject matter under inquiry, together with all the facts in connection therewith, under the seal of the United States Senate to the United States Attorney for the District of Columbia, to the end that the said Nugent LaPoma may be proceeded against in the manner and form provided by law.

CITATION OF HARRY REISS FOR CONTEMPT OF THE SENATE—REPORT OF A COMMITTEE (S. REPT. NO. 63)

Mr. McCLELLAN, from the Committee on Government Operations, reported an original resolution (S. Res. 90) citing Harry Reiss for contempt of the Senate, which was placed on the calendar, as follows:

Resolved, That the President of the Senate certify the report of the Committee on Government Operations of the United States Senate as to the refusal of Harry Reiss to answer questions before the Senate Permanent Subcommittee on Investigations of the Committee on Government Operations, pertinent to the subject matter under inquiry, together with all the facts in connection therewith, under the seal of the United States Senate to the United States Attorney for the District of Columbia, to the end that the said Harry Reiss may be proceeded against in the manner and form provided by law.

CITATION OF EINAR O. MOHN FOR CONTEMPT OF THE SENATE—REPORT OF A COMMITTEE (S. REPT. NO. 62)

Mr. McCLELLAN, from the Committee on Government Operations, reported an original resolution (S. Res. 91) citing Einar O. Mohn for contempt of the Senate, which was placed on the calendar, as follows:

Resolved, That the President of the Senate certify the report of the Committee on Government Operations of the United States Senate as to the refusal of Einar O. Mohn, to answer questions before the Senate Permanent Subcommittee on Investigations of the Committee on Government Operations, pertinent to the subject matter under inquiry, together with all the facts in connection therewith, under the seal of the United States Senate to the United States Attorney for the District of Columbia, to the end that the said Einar O. Mohn may be proceeded against in the manner and form provided by law.

CITATION OF FRANK W. BREWSTER FOR CONTEMPT OF THE SENATE—REPORT OF A COMMITTEE (S. REPT. NO. 60)

Mr. McCLELLAN, from the Committee on Government Operations, reported an original resolution (S. Res. 92) citing Frank W. Brewster for contempt of the Senate, which was placed on the calendar, as follows:

Resolved, That the President of the Senate certify the report of the Committee on Government Operations of the United States Senate as to the refusal of Frank W. Brewster—

(1) to answer questions before the Senate Permanent Subcommittee on Invesigations of the Committee on Government Operations;

(2) to produce certain papers consisting of described books and records of the Western Conference of Teamsters before the Senate Permanent Subcommittee on Investigations, and

(3) to produce certain papers consisting of described books and records of Joint Council 28, of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers,

said refusal to answer and to produce the aforementioned papers being pertinent to the subject matter under inquiry, together with all the facts in connection therewith, under the seal of the United States Senate to the United States Attorney for the District of Columbia, to the end that the said Frank W. Brewster may be proceeded against in the manner and form provided by law.

BILLS AND JOINT RESOLUTIONS INTRODUCED

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

By Mr. KNOWLAND:

S. 1062. A bill for the relief of Maud Claer Wahl; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 1063. A bill vesting in the American Monuments Commission the care and maintenance of the Surrender Tree Site in Santiago, Cuba; to the Committee on Interior and Insular Affairs.

By Mr. MURRAY (by request):

S. 1064. A bill relating to the management of the Red Lake Indian forest and sawmill; to the Committee on Interior and Insular Affairs.

By Mr. SCOTT:

S. 1065. A bill to encourage the improvement and development of marketing facilities for handling perishable agricultural commodities; to the Committee on Agriculture and Forestry.

By Mr. HOLLAND:

S. 1066. A bill to authorize the Secretary of the Treasury and the Secretaries of the military departments to settle claims against the United States for damages caused by aircraft and guided missiles; to the Committee on the Judiciary.

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

By Mr. IVES (for himself and Mr. JAVITS):

S. 1067. A bill to extend the Unemployment Compensation Program to Puerto Rico, and for other purposes; to the Committee on Finance.

By Mr. DIRKSEN (by request):

S. 1068. A bill for the relief of Gladys Arbutus Joel; to the Committee on the Judiciary.

By Mr. SMATHERS:

S. 1069. A bill for the relief of Mr. and Mrs. Charles H. Page; to the Committee on the Judiciary.

By Mr. GOLDWATER:

S. 1070. A bill for the relief of Lucia Samano Tingleaf; and

S. 1071. A bill for the relief of David Mark Sterling and Judith Kobudeh Sterling; to the Committee on the Judiciary.

By Mr. ELLENDER (by request):

S. 1072. A bill to provide for the establishment of townsites and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. JAVITS (for himself, Mr. IVES, Mr. PAYNE, and Mr. MORTON):

S. 1073. A bill to prohibit unjust discrimination in employment because of age; to the Committee on Labor and Public Welfare.

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

By Mr. CAPEHART:

S. 1074. A bill to authorize the establishment of an Inventive Contributions Awards Board within the Department of Defense, and for other purposes; to the Committee on Armed Services.

By Mr. CAPEHART (for himself, Mr. HUMPHREY, and Mr. THYE):

S. 1075. A bill to amend section 2 (b) of the Bank Holding Company Act of 1956 to exclude from coverage under such act certain corporations the entire net income of which is turned over to an exempt organization; to the Committee on Banking and Currency.

By Mr. MUNDT:

S. 1076. A bill to amend the Soil Bank Act so as to provide a base acreage for corn of 52 million acres, and for other purposes; to the Committee on Agriculture and Forestry.

S. 1077. A bill to provide that Inauguration Day shall be a national holiday; to the Committee on the Judiciary.

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

By Mr. SALTONSTALL:

S. 1078. A bill to provide for the establishment of a national cemetery in Middlesex County, Mass.; to the Committee on Interior and Insular Affairs.

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

By Mr. HENNINGS:

S. 1079. A bill to provide for the issuance of a special series of stamps to commemorate the one hundredth anniversary of the arrival in Springfield, Mo., of the first westbound stage of the Overland Butterfield Stage Co.; to the Committee on Post Office and Civil Service.

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

By Mr. HENNINGS (for himself, Mr. SYMINGTON, Mr. MARTIN of Pennsylvania, and Mr. CLARK):

S. 1080. A bill to provide for approval under title X of the Social Security Act of State plans for aid to the blind without regard to the existence in any State of other programs of assistance to blind persons financed entirely by the State; to the Committee on Finance.

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

By Mr. HICKENLOOPER (for himself and Mr. MARTIN of Iowa):

S. 1081. A bill to amend the act creating the City of Clinton Bridge Commission and authorizing said commission and its successors to acquire by purchase or condemnation and to construct, maintain, and operate a bridge or bridges across the Mississippi River at or near Clinton, Iowa, and at or near Fulton, Ill., in order to make certain changes in the authority of such commission, and for other purposes; to the Committee on Public Works.

By Mr. SALTONSTALL (by request):

S. 1082. A bill for the relief of Katina Apostolou; and

S. 1083. A bill for the relief of Maria Maniates; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 1084. A bill to provide an adequate basis for administration of the Lake Mead National Recreation Area, Arizona and Nevada, and for other purposes; to the Committee on Interior and Insular Affairs.

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

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

S. 1085. A bill to clarify paragraph 4 of section 15 of the Pay Readjustment Act of 1942 (56 Stat. 368); to the Committee on Armed Services.

By Mr. WATKINS (for himself, Mr. BARRETT, Mr. BENNETT, Mr. O'MAHONEY, Mr. DWORSHAK, and Mr. CHURCH):

S. 1086. A bill granting the consent and approval of Congress to a Bear River Compact, and for related purposes; to the Committee on Interior and Insular Affairs.

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

By Mr. BUTLER (for himself and Mr. BYRD):

S. 1087. A bill to authorize the construction of a shellfish research laboratory and experiment station in the Chesapeake Bay area; to the Committee on Interstate and Foreign Commerce.

By Mr. LONG (for himself, Mr. BLAKLEY, Mr. BEALL, Mr. BIBLE, Mr. BUSH, Mr. BUTLER, Mr. CARLSON, Mr. CARROLL, Mr. CHAVEZ, Mr. CHURCH, Mr. CLARK, Mr. COOPER, Mr. DOUGLAS, Mr. ERVIN, Mr. FULBRIGHT, Mr. GREEN, Mr. HENNINGS, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JAVITS, Mr. JENNER, Mr. JOHNSTON of South Carolina, Mr. KEFAUVER, Mr. KENNEDY, Mr. KUCHEL, Mr. LANGER, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MARTIN of Iowa, Mr. MCCARTHY, Mr. MCCLELLAN, Mr. MCNAMARA, Mr. MORSE, Mr. MUNDT, Mr. MURRAY, Mr. NEELY, Mr. NEUBERGER, Mr. O'MAHONEY, Mr. PASTORE, Mr. POTTER, Mr. REVERCOMB, Mr. SCOTT, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. SPARKMAN, Mr. SYMINGTON, Mr. THURMOND, Mr. WATKINS, and Mr. YOUNG):

S. 1088. A bill to provide a 1-year period during which certain veterans may be granted national service life insurance; to the Committee on Finance.

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

By Mr. BUSH:

S. 1089. A bill for the relief of Salvatore Pantano; to the Committee on the Judiciary.

By Mr. BUSH (for himself and Mr. PURTELL):

S. 1090. A bill to extend the time for disposal of a certain war housing project to the housing authority of the town of Wethersfield, Conn.; to the Committee on Banking and Currency.

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 1091. A bill to stimulate industrial development near Indian reservations; to the Committee on Interior and Insular Affairs.

S. 1092. A bill to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. NEUBERGER when he introduced the above bills, which appear under separate headings.)

By Mr. THURMOND:

S. 1093. A bill to amend title 10, United States, Code, to provide for the rank of certain officers of the Army, Navy, and Air Force; and

S. 1094. A bill to provide an extension of time for making application for terminal-leave pay; to the Committee on Armed Services.

By Mr. CASE of South Dakota:

S. 1095. A bill to amend title II of the Veterans' Readjustment Assistance Act of 1952 to provide educational benefits to persons who perform active service in the Armed Forces after January 31, 1955, while compulsory military service is required under existing laws of the United States; to the Committee on Labor and Public Welfare.

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

By Mr. SCHOEPPEL:

S. 1096. A bill to amend section 2 (c) of the Act of April 6, 1949, as amended, relating to special livestock loans; to the Committee on Agriculture and Forestry.

By Mr. MCNAMARA:

S. 1097. A bill for the relief of Francoise Beyronneau;

S. 1098. A bill for the relief of Stephen Kuang-Tao Hsu;

S. 1099. A bill for the relief of Jalileh A. Mansour;

S. 1100. A bill for the relief of Tadeusz Gasowski;

S. 1101. A bill for the relief of Elia Zelich; and

S. 1102. A bill for the relief of Adolfo Camillo Scopone; to the Committee on the Judiciary.

By Mr. HENNINGS:

S. 1103. A bill to amend the Agricultural Act of 1949, as amended, with respect to the special school milk program; to the Committee on Agriculture and Forestry.

S. 1104. A bill providing for the making of payments to the States and their political subdivisions in lieu of taxes with respect to certain real property owned by the United States or its agencies; to the Committee on Government Operations.

S. 1105. A bill to amend the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes; and

S. 1106. A bill for the relief of Margaret Nelson; to the Committee on the Judiciary.

S. 1107. A bill to establish a Missouri Basin Commission and Compact Board to provide coherent and unified direction for the development of the Missouri Basin's natural resources, to give responsible direction to the resource development activities of the Federal Government in the Missouri Basin, and for coordinating those activities with resource development activities of the States; to the Committee on Public Works.

(See the remarks of Mr. HENNINGS when he introduced Senate bills 1103, 1104, and 1107, which appear under separate headings.)

By Mr. MAGNUSON:

S. 1108. A bill to amend paragraph 1629 of the Tariff Act of 1930 so as to provide for

the free importation of tourist literature; to the Committee on Finance.

S. 1109. A bill to provide for the preservation of historical and archeological data (including relics and specimens) which might otherwise be lost as the result of the construction of a dam; to the Committee on Interior and Insular Affairs.

S. 1110. A bill for the relief of Sono Hoshi;

S. 1111. A bill to incorporate the Sea Cadet Corps of America; and

S. 1112. A bill for the relief of Matsue Harada; to the Committee on the Judiciary.

By Mr. SALTONSTALL:

S. 1113. A bill to provide for the conveyance of certain lands of the United States to the city of Gloucester, Mass.; to the Committee on Interstate and Foreign Commerce.

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

By Mr. GREEN:

S. 1114. A bill for the relief of Nazzarena Mancini; to the Committee on the Judiciary.

By Mr. GREEN (for himself and Mr. PASTORE):

S. 1115. A bill for the relief of the city of Newport, R. I.; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 1116. A bill for the relief of the Salvatorian Mission House, Inc.; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 1117. A bill to provide for the establishment of the Bureau of Older Persons within the Department of Health, Education, and Welfare; to authorize Federal grants to assist in the development and operation of studies and projects to help older persons; and for other purposes; to the Committee on Labor and Public Welfare.

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

S. 1118. A bill to facilitate the administration and development of the Whitman National Monument, in the State of Washington, by authorizing the acquisition of additional land for the monument, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DOUGLAS:

S. 1119. A bill for the relief of Giovanni Giannini; and

S. 1120. A bill for the relief of Ioannis Miltiades Xenos, also known as John M. Xenos; to the Committee on the Judiciary.

S. 1121. A bill to amend title I of the Social Security Act to permit the States to disregard certain income in determining need for old-age assistance; to the Committee on Finance.

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

By Mr. DOUGLAS (for himself, Mr. MURRAY, and Mr. IVES):

S. 1122. A bill to provide for registration, reporting, and disclosure of employee welfare and pension benefit plans; to the Committee on Labor and Public Welfare.

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

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

S. 1123. A bill to authorize the State of Illinois and the Sanitary District of Chicago, under the direction of the Secretary of the Army, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes; to the Committee on Public Works.

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

By Mr. CASE of New Jersey:

S. 1124. A bill to transfer to the Government of the District of Columbia the Public Employment Service for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

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

By Mr. HICKENLOOPER (for himself, Mr. HOLLAND, Mr. MARTIN of Iowa, and Mr. HRUSKA):

S. 1125. A bill to enable corn producers to participate in the 1957 soil-bank and price-support programs and for other purposes; to the Committee on Agriculture and Forestry.

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

By Mr. HUMPHREY:

S. 1126. A bill for the relief of David Cingel; his wife, Dora Cingel; and their two children, Chawa Cingel and Laja Cingel; to the Committee on the Judiciary.

S. 1127. A bill to extend and enlarge the Agricultural Trade Development and Assistance Act of 1954, as amended; to the Committee on Agriculture and Forestry.

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

By Mr. HUMPHREY (for himself, Mr. CHAVEZ, Mr. CLARK, Mr. DOUGLAS, Mr. GREEN, Mr. JACKSON, Mr. LANGER, Mr. MCNAMARA, Mr. MAGNUSON, Mr. MANSFIELD, Mr. MORSE, Mr. MURRAY, Mr. NEUBERGER, and Mrs. SMITH of Maine):

S. 1128. A bill to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products; 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:

S. 1129. A bill to increase the education and training allowances under the Veterans' Readjustment Assistance Act of 1952; to the Committee on Labor and Public Welfare.

S. 1130. A bill to provide for the return to the former owners of certain lands, including Indian tribal lands, acquired in connection with the Garrison Dam project of mineral interests in such lands; and

S. 1131. A bill granting certain grazing, fishing and hunting rights to the Three Affiliated Tribes of the Fort Berthold Reservation, N. Dak.; to the Committee on Interior and Insular Affairs.

By Mr. JOHNSTON of South Carolina:

S. 1132. A bill to amend section 7 of the Administrative Expenses Act of 1946, as amended, to provide for the payment of travel and transportation cost for persons selected for appointment to certain positions in the continental United States and Alaska and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WILLIAMS (for himself and Mr. IVES):

S. 1133. A bill to provide for the installation of a public address system in the Senate Chamber; to the Committee on Rules and Administration.

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

S. 1134. A bill to authorize a program of Federal financial assistance for education; to the Committee on Labor and Public Welfare.

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

By Mr. MORSE (for himself and Mr. MURRAY):

S. 1135. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes; to the Committee on Labor and Public Welfare.

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

By Mr. MORSE (for himself, Mr. NEUBERGER, Mr. MAGNUSON, Mr. JACKSON, Mr. MURRAY, and Mr. MANSFIELD):

S. 1136. A bill to authorize the appropriation of funds for carrying out provisions of section 23 of the Federal Highway Act, to enable the Secretary of Agriculture to construct and maintain timber access roads, to permit maximum economy in harvesting national-forest timber, and for other purposes; to the Committee on Public Works.

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

By Mr. MORSE (for himself, Mr. NEUBERGER, and Mr. LONG):

S. 1137. A bill to amend title II of the Social Security Act to eliminate the requirement that an individual attain 50 years of age in order to be eligible for disability benefits; to the Committee on Finance.

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

By Mr. MAGNUSON:

S. J. Res. 51. Joint resolution authorizing the President to proclaim the period from May 12, 1957, to May 18, 1957, as National Transportation Week; to the Committee on the Judiciary.

By Mr. SMATHERS (for himself and Mr. HOLLAND):

S. J. Res. 52. Joint resolution designating the 7th day of December in each year as "Preparedness Day"; to the Committee on the Judiciary.

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

ADMISSION OF SPAIN AS A MEMBER OF THE NORTH ATLANTIC TREATY ORGANIZATION

Mr. BRIDGES (for himself, Mr. KNOWLAND, Mr. SALTONSTALL, Mrs. SMITH of Maine, Mr. DIRKSEN, Mr. MANSFIELD, Mr. MAGNUSON, Mr. MURRAY, Mr. IVES, Mr. BUTLER, Mr. LONG, Mr. PASTORE, Mr. KENNEDY, Mr. GOLDWATER, Mr. PAYNE, and Mr. BEALL) submitted the following concurrent resolution (S. Con. Res. 14), which was referred to the Committee on Foreign Relations:

Whereas the United States, Belgium, Canada, Denmark, Federal Republic of Germany, France, Greece, Iceland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Turkey, and the United Kingdom are parties to the North Atlantic Treaty; and

Whereas the primary objective of the treaty is to contribute to the maintenance of peace by making clear the determination of the parties collectively to resist armed attack upon any of them; and

Whereas the parties have joined, pursuant to the treaty, the North Atlantic Treaty Organization, a collective defense arrangement for the North Atlantic area established within the framework of the United Nations Charter and based upon the inherent right of individual or collective self-defense recognized by article 51 of the charter; and

Whereas the United States and Spain, on September 26, 1953, signed bilateral agreements for the furtherance of their mutual security; and

Whereas Portugal, a member of NATO, is already joined with Spain in a treaty of mutual friendship; and

Whereas the membership of Spain would strengthen the strategic position of the North Atlantic Treaty Organization and of the United States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that the Department of State should continue to use its good offices toward the end of achieving the earliest possible participation by Spain in the North Atlantic Treaty and as a member of the North Atlantic Treaty Organization.

RESOLUTIONS

The following resolutions were submitted or reported, and referred or placed on the calendar, as indicated:

By Mr. McCLELLAN:

S. Res. 88. Resolution amending S. Res. 74, 85th Congress, establishing a select committee to investigate certain problems pertaining to labor-management relations; considered and agreed to.

The following resolutions were reported by Mr. McCLELLAN, from the Committee on Government Operations, and placed on the calendar:

S. Res. 89. Citing Nugent LaPoma (alias George Cavano) for contempt of the Senate;

S. Res. 90. Citing Harry Reiss for contempt of the Senate;

S. Res. 91. Citing Einar O. Mohn for contempt of the Senate; and

S. Res. 92. Citing Frank W. Brewster for contempt of the Senate.

(See the above resolutions printed in full which appear under the heading "Reports of Committees.")

PRINTING OF REPORT ON INVESTIGATION OF AIRPOWER AS A SENATE DOCUMENT

Mr. SYMINGTON. Mr. President, on January 30, 1957, the airpower report of the Subcommittee on the Air Force of the Senate Committee on Armed Services was made public.

The demand for copies of this report has far exceeded the limited supply obtained as a committee print. In fact, requests for copies by Members of both Houses of the Congress cannot now be met. I submit a resolution to have this report printed as a Senate document and to have 5,000 additional copies printed.

The staff of the Joint Committee on Printing has estimated the cost at about $660.

I ask that this resolution be appropriately referred.

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

The resolution (S. Res. 93) was referred to the Committee on Rules and Administration, as follows:

Resolved, That there be printed as a Senate document the report of an investigation of airpower by the Subcommittee on the Air Force of the Committee on Armed Services, United States Senate; and that 5,000 additional copies be printed for use of the Committee on Armed Services.

SETTLEMENT OF CLAIMS FOR DAMAGES CAUSED BY AIRCRAFT AND GUIDED MISSILES

Mr. HOLLAND. Mr. President, I send to the desk, for appropriate reference, a bill which would expedite payment by the Federal Government of claims for damages suffered by private citizens in military aircraft crashes. I feel that the enactment of general legislation on this subject is necessary if the Federal Government is to fulfill its moral obligations to those unfortunate citizens who suffer substantial injuries and damages, through no fault of their own, as a result of the operation of a governmental function, operating in the interest of all of the people of the United States and in the defense of this Nation. Certainly this burden should be shared by the entire populace of the United States, and reasonably quick relief should be granted in order to alleviate, as soon as possible, the suffering of victims of such crashes.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a copy of the bill and a statement I have prepared with reference to it.

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

The bill (S. 1066) to authorize the Secretary of the Treasury and the Secretaries of the military departments to settle claims against the United States for damages caused by aircraft and guided missiles, introduced by Mr. HOLLAND, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That chapter 163 of title 10, United States Code, is amended as follows:

(1) By redesignating section 2735 thereof as section 2736 thereof.

(2) By inserting, immediately after section 2734 thereof, the following new section:

"§ 2735. Property loss; personal injury or death: caused by aircraft or guided missiles.

"(a) Under such regulations as the Secretary of a military department may prescribe, he may settle, or compromise, and pay (or partially pay pending a final determination of the validity of the total amount of the claim) any claim against the United States, not exceeding a total amount of $50,000, for—

"(1) damage to, or loss of, real property, including damage or loss incident to use and occupancy;

"(2) damage to, or loss of, personal property; or

"(3) personal injury or death;

caused by an aircraft, or an aerial missile having a guidance system or a portion of a guidance system which is an integral part of the missile, if that aircraft or missile was owned or controlled by his department and was operated or launched in the course of activities other than combat activities by military or civilian personnel of such department. For the purpose of determining the extent of any damage to real property which is the subject of any claim under this section, the Secretary is authorized to retain the services of one or more qualified impartial appraisers, and to compensate such appraiser or appraisers for such service in an amount not in excess of that customarily charged for like service at the place at which such property is situated.

"(b) In any case in which the amount to be paid is not more than $1,000, the Secretary of the military department concerned may delegate his authority under subsection (a).

"(c) A claim may be paid under subsection (a) only if—

"(1) it is based upon damage, loss, injury, or death occurring within the continental United States, any Territory or possession of the United States, or the Commonwealth of Puerto Rico, and

"(2) it is presented in writing within 2 years after the accrual of such claim, except that if the claim accrues in time of war or a war intervenes within 2 years after it accrues, and if good cause is shown, the claim may be presented not later than 2 years after the war is terminated.

"(d) No payment shall be made under this section on account of any damage to or loss of the property, or the death or injury, of any member of any armed force of the United States or any civilian officer or employee of the United States, or any department or agency thereof, if compensation for or on account of such damage, loss, injury or death is provided under any other provision of law.

"(e) The availability to a claimant under this act of any remedy under chapter 171 of title 28 of the United States Code shall not bar payment of the claim made by him under this act. No claim may be paid under both this act and such chapter. No payment made under this section shall give rise to any right of subrogation to any claim for reimbursement in whole or in part under any contract of insurance providing for the making of any payment for or on account of the damage, loss, injury, or death for or on account of which such payment was made under this section, and no payment made hereunder shall absolve any insurer, in whole or in part, of any obligation under any such contract. The acceptance by any claimant of any payment in full satisfaction of his claim under this section shall render final and conclusive the settlement or compromise upon which such payment was made.

"(f) Notwithstanding any contract to the contrary, no part of any amount awarded upon any claim made under this section in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim. Whoever violates any provision of this subsection shall be guilty of a misdemeanor, and shall be fined not more than $1,000.

"(g) The Secretary of each military department shall report to the Committees on the Judiciary of the Senate and the House of Representatives within 20 days after an amount over $3,000 is paid by him under this section. The report shall include a description of the claim, the name of each person to whom any part of such payment was made, the amount paid to each such person, the basis of the determination, and other pertinent information. Each such Secretary shall transmit to the Congress, within 30 days after the beginning of each regular session, a report containing a full and complete description of all claims which have been paid under this section since the submission of the preceding session report. During any war any Secretary may omit from any report made under this subsection any information the disclosure of which would, in his opinion, prejudice the national security."

(3) By striking out the word "or" in section 2736, as redesignated by the first paragraph of this act, and inserting a comma and the words "or 2735" after the figure "2734" therein.

(4) By inserting in the analysis, immediately after the item thereof relating to section 2734, the following new item:

"2735. Property loss; personal injury or death: caused by aircraft or guided missiles."

SEC. 2. Chapter 17 of title 14, United States Code, is amended as follows:

(1) By inserting, immediately after section 646 thereof, the following new section:

"§ 646A. Claims for damages occasioned by aircraft or guided missiles

"(a) Under such regulations as the Secretary of the Treasury may prescribe, he may

settle, or compromise, and pay (or partially pay pending a final determination of the validity of the total amount of the claim) any claim against the United States, not exceeding a total amount of $50,000, for—

"(1) damage to, or loss of, real property, including damage or loss incident to use and occupancy;

"(2) damage to, or loss of, personal property; or

"(3) personal injury or death;

caused by an aircraft, or an aerial missile having a guidance system or a portion of a guidance system which is an integral part of the missile, if that aircraft or missile was owned or controlled by the Coast Guard and was operated or launched in the course of activities other than combat activities by military or civilian personnel of the Coast Guard at any time when the Coast Guard is not serving as a part of the Navy. For the purpose of determining the extent of any damage to real property which is the subject of any claim under this section, the Secretary is authorized to retain the services of one or more qualified impartial appraisers, and to compensate such appraiser or appraisers for such service in an amount not in excess of that customarily charged for like service at the place at which such property is situated.

"(b) In any case in which the amount to be paid is not more than $1,000, the Secretary may delegate his authority under subsection (a) to any officer of the Treasury Department or Coast Guard designated by the Secretary.

"(c) A claim may be paid under subsection (a) only if—

"(1) it is based upon damage, loss, injury, or death occurring within the continental United States, any Territory or possession of the United States, or the Commonwealth of Puerto Rico, and

"(2) it is presented in writing within 2 years after the accrual of such claim, except that if the claim accrues in time of war or a war intervenes within 2 years after it accrues, and if good cause is shown, the claim may be presented not later than 2 years after the war is terminated.

"(d) No payment shall be made under this section on account of any damage to or loss of the property, or the death or injury, of any member of any Armed Force of the United States or any civilian officer or employee of the United States, or any department or agency thereof, if compensation for or on account of such damage, loss, injury, or death is provided under any other provision of law.

"(e) The availability to a claimant under this act of any remedy under chapter 171 of title 28 of the United States Code shall not bar payment of the claim made by him under this act. No claim may be paid under both this act and such chapter. No payment made under this section shall give rise to any right of subrogation to any claim for reimbursement in whole or in part under any contract of insurance providing for the making of any payment for or on account of the damage, loss, injury, or death for or on account of which such payment was made under this section, and no payment made hereunder shall absolve any insurer, in whole or in part, of any obligation under any such contract. The acceptance by any claimant of any payment in full satisfaction of his claim under this section shall render final and conclusive the settlement or compromise upon which such payment was made.

"(f) Notwithstanding any contract to the contrary, no part of any amount awarded upon any claim made under this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim. Whoever violates any provision of this subsection shall be guilty of a misdemeanor, and shall be fined not more than $1,000.

"(g) The Secretary shall report to the Committees on the Judiciary of the Senate and the House of Representatives within 20 days after an amount over $3,000 is paid by him under this section. The report shall include a description of the claim, the name of each person to whom any part of such payment was made, the amount paid to each such person, the basis of the determination, and other pertinent information. The Secretary shall transmit to the Congress, within 30 days after the beginning of each regular session, a report containing a full and complete description of all claims which have been paid under this section since the submission of the preceding session report. During any war, the Secretary may omit from any report made under this subsection any information the disclosure of which would in his opinion prejudice the national security."

(2) By inserting in the analysis, immediately after the item thereof relating to section 646, the following new item:

"646A. Claims for damages occasioned by aircraft or guided missiles."

The statement presented by Mr. HOLLAND is as follows:

STATEMENT BY SENATOR HOLLAND

I have introduced today a bill which, if enacted, would permit more expeditious handling of claims of private citizens arising out of military aircraft crashes within the continental United States, any Territory or possessions of the United States, and the Commonwealth of Puerto Rico.

Under existing law, a claim resulting from such a crash may be administratively settled by the Secretary of the military department concerned if it does not exceed $1,000, as an incident to noncombat activities of that department (10 U. S. C. 2733, as amended by Public Law 446, 84th Congress). Thus, small claims of this nature may be expeditiously adjudicated and paid.

However, a meritorious claim which exceeds $1,000 must be first reviewed by the service Secretary and if the claimant agrees to accept the decision of the Secretary, as to damages suffered, it must then be referred to the Congress for action. Even if Congress is in session at the time, the funds with which to make the payment must be provided in an appropriations bill, the claim then processed by the General Accounting Office, and thereafter a check issued by the Treasurer of the United States. Accordingly, the claimant usually must wait many months from the time his claim was reviewed by the service Secretary until he receives compensation for his loss. This delay can and does, in many cases, place undue hardship upon the person who has suffered personal injury or property damage, and, in the final analysis, the Congress, almost without exception, goes along with the amounts recommended by the military departments.

In many cases claimants resort to suit under the Federal Tort Claims Act in an effort to obtain compensation for property damages or personal injuries. Under that statute, in order to impose liability upon the Government, the plaintiff is required to prove that the proximate cause of the crash and resultant damage was the negligence of an officer or employee of the United States while acting within the scope of his employment. Under the bill this avenue for relief is still available to those who are not satisfied with the decision of a service Secretary, but it is generally recognized that proof of negligence under the circumstances surrounding an aircrash is extremely difficult and is often impossible, particularly in those cases where the aircraft is totally destroyed and there are no survivors.

The task is made more difficult in some cases by the fact that the agency in possession of the facts necessary to prove negligence, that is the service department concerned, is not permitted for security reasons to allow such evidence to come before the courts. This situation usually results in useless expenditures of time and money and finally in private relief legislation being enacted by the Congress. Such was the case in *Williams* v. *United States* (115 Fed. Supp. 386; confirmed in 218 F. (2d) 473), which finally led to enactment of Private Law 675 in the 84th Congress. On July 22, 1952, a B–47 bomber disintegrated in flight and fell in Marianna, Fla. killing two children at play in their own backyard and causing personal injuries and property damage to others. Finally, on May 28, 1956, we were able to get a private relief bill enacted making possible some compensation for the tragic loss approximately 4 years after the accident. I am sure Senators will recall other similar cases.

The bill I have introduced today provides that under such regulations as he may prescribe, the Secretary of a military department, and the Secretary of the Treasury in behalf of the Coast Guard, (1) may settle, or compromise, and pay (or partially pay where extreme hardship exists, pending determination of the validity of the amount of the claim) any claim against the United States not exceeding $50,000 for damages to real property, personal property, or death caused by an aircraft or an aerial missile having a guidance system or a portion of a guidance system which is an integral part of the missile, if that aircraft or missile was owned or controlled by his Department and was operated or launched in the course of activities other than combat activities by military or civilian personnel of such Department; and (2) may delegate his authority on claims in which the amount to be paid is not more than $1,000.

Also, the bill—

1. limits claims payable to damages suffered in the continental United States, a Territory or possession of the United States, and the Commonwealth of Puerto Rico;

2. authorizes the Secretary to retain the services of qualified impartial appraisers;

3. requires claims to be filed within 2 years after they accrue, except in time of war (or when war intervenes) if good cause shown, claim may be filed within 2 years after the war is terminated.

4. provides that the act does not apply to employees of the Government if compensation is provided under other provisions of law;

5. makes available remedy under this act notwithstanding availability of the Tort Claims Act, but no claim is payable under both acts;

6. provides that the acceptance of payment under the act shall render final and conclusive the settlement or compromise upon which such payment was made;

7. provides that no payment made under the act shall give rise to right of subrogation to any claim for reimbursement under any contract of insurance, and that payment under the act shall not absolve any insurer;

8. contains 10 percent attorney fee provision; and

9. requires the Secretary of each military department to report to the Committee on the Judiciary in the Senate and the House of Representatives within 20 days after an amount over $3,000 is paid under the act. Also, a general report of all claims paid under the act since the preceding report, must be filed within 30 days after the beginning of each regular session of Congress.

A few weeks ago I asked the Air Force to make for me a compilation of claims above $1,000, resulting from military aircraft crashes, which have been paid in recent years by the Government, and I was surprised to learn that in the period 1951–1955, the Air Force alone had a total of 256 such claims, of which only 20 were ultimately decided by our courts. One hundred and forty-six claims were reported to the Congress for

payment through the appropriation procedure mentioned above, and in 27 cases the time of Congress was taken up with passage of private relief bills. The other claims were paid as settlements in lawsuits. Of course, because of its very nature, the Air Force has the largest number of such accidents, but the Navy reported many such actions and even the Army, with its limited flying, reported two such claims.

In claims involving Air Force, Army and Navy aircraft, including those of $1,000 or less, the Government expended more than $4,400,000 during the period of fiscal year 1951 through fiscal year 1955.

As a result of recent accidents in Florida, there are now pending, or soon will be, claims of considerable size arising out of 7 accidents, which killed 7 civilians and inflicted personal injury and property damage on others. The crash of a Navy plane killed 3 persons in 1 family in Sanford, Fla., on August 27, 1956, and the crash of an Air Force plane in Tallahassee in September of last year killed an expectant mother and 3 children. I am anxious that a procedure be set up to permit the expeditious settlement of such claims now pending and the many others which inevitably will follow as we strive to insure our national security by increased activities in developing, testing, and operating large numbers of aircraft and aerial missiles. The very nature of these weapons is such that a certain amount of hazard is involved in their operation, and since these operations are carried on for the protection of all of us, we should all bear at least the financial losses suffered by those unfortunate enough to have terrible tragedy visited upon them from such operations. To those who lose loved ones in such accidents, monetary reimbursement is a very small consolation. We can never fully repay them for their loss, and the very least we can do, it seems to me, is to expedite settlement of their claims in order to provide, as soon as possible, a near-normal life for remaining members of the family, particularly if the breadwinner is a victim of the accident.

In many instances immediate and severe cases of hardship are caused, and some money should be made available at once to alleviate this hardship and keep members of the family from having to rely on such charity as may be available to them. For this reason, under this bill a partial payment for damages may be made by the Secretary to give some immediate relief in extreme cases.

I have carefully studied the data prepared for me by the Air Force, and based on this information it is reasonable to assume that the limitation of $50,000, which is included in the bill, would permit the administrative and expeditious settlement of between 90 percent and 95 percent of all claims arising from military air crashes, and the provision in the bill permitting delegation of authority by the Secretary for the payment of claims not exceeding $1,000 would further expedite the payment of the small claims.

It is my strong feeling that Congress should maintain control over the larger claims but that an administrative procedure should be available to allow for the early settlement of the vast majority of meritorious claims of this nature, based upon causation rather than proof of negligence, in order for the Government to meet its moral responsibility.

Authority for settlement of claims against the Government by the military Secretaries is nothing new. As already stated, claims under $1,000 may be settled under 10 United States Code, 2733. Section 4802, title 10, United States Code, permits payment of admiralty claims against the United States Government of $500,000 or less by the Secretary of the Army, under the direction of the Secretary of Defense; section 9802, title 10, United States Code, permits the Secretary of the Air Force, under the direction of the Secretary of Defense, to settle admiralty claims of $500,000 or less; and section 7622, title 10, United States Code, permits the Secretary of the Navy to settle such claims up to $1 million.

Also, in a law enacted last year, the $1,000 limitation which this bill would increase to $50,000, was completely waived in order that the Secretary of the Navy in one case, and the Secretary of the Air Force in another, might settle claims arising out of two military aircraft crashes in the vicinity of Minneapolis, Minn., in June of 1956. If such a procedure was desirable in these two cases, and I think it was, some general and reasonable method of settlement should be provided for the majority of the meritorious claims, with Congress being fully informed of the action taken in each case and maintaining jurisdiction over claims above $50,000.

I am sure that the military services would welcome the opportunity to settle as many claims as possible arising out of military aircraft crashes, because they realize the hardships these accidents cause and the great value prompt payment would be to good public relations, which, incidentally, with the noisier jets coming into use, is becoming increasingly difficult to maintain in some areas.

Enactment of this proposal would not increase the overall cost to the Government to satisfy such claims. In some instances it would save the cost of litigation and in others a financial saving from reduced redtape might be expected. Since the military departments would adjudicate and pay most of the claims, there would be an increase in the annual Department of Defense appropriations for claims, with a corresponding decrease in the funds now obtained from other sources for that purpose.

I strongly urge early and favorable consideration of this measure by the Congress.

UNEMPLOYMENT INSURANCE PROGRAM FOR PUERTO RICO

Mr. IVES. Mr. President, in the 84th Congress, I introduced a bill to extend the Federal-State unemployment insurance program to Puerto Rico. That bill was referred to the Committee on Finance, which solicited comment from the interested Federal agencies. Without exception, those agencies approved the proposed legislation.

Unemployment insurance is one of the few social security programs not yet extended to Puerto Rico. The Puerto Rican Legislative Assembly has asked that the program be extended to the Commonwealth, and has enacted the measures necessary to implement it.

Puerto Rico is plagued by labor surpluses. The long-range solution to this problem is the establishment of more industry in the island—a solution which the government of the Commonwealth is working assiduously to achieve. But a more immediate way of alleviating the problem would be a full-scale unemployment insurance program such as is in effect in other parts of the United States.

I should like to bring to the attention of the Senate a remark made by the Secretary of Labor in his comment on my bill last year.

The lack of sufficient industrial activity in Puerto Rico—

He said—

has led to a large-scale migration of workers from the island to the mainland in search of employment. This influx has produced serious economic consequences in some sections of the United States. I believe a full employment compensation program for Puerto Rico, as authorized by this bill, would do much to alleviate these problems.

This proposed legislation appears to me to be necessary and desirable. Therefore, I am reintroducing herewith the bill which I sponsored in the 84th Congress. My colleague from New York [Mr. JAVITS] is joining me in sponsoring this bill. I send the bill to the desk and ask that it be appropriately referred. I ask unanimous consent that a statement in explanation of the bill may be printed at this point in my remarks, together with the text of the bill.

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

The bill (S. 1067) to extend the unemployment compensation program to Puerto Rico, and for other purposes, introduced by Mr. IVES (for himself and Mr. JAVITS), was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 1067

A bill to extend the unemployment compensation program to Puerto Rico, and for other purposes

Be it enacted, etc., That paragraph (2) of section 901 (b) of the Social Security Act, as amended, is amended to read as follows:

"(2) the amount estimated by the Secretary of Labor as equal to the necessary expenses incurred during the fiscal year for the performance by the Department of Labor of its functions under (i) this title and titles III and XII of this act, (ii) the Federal Unemployment Tax Act, (iii) the provisions of the act of June 6, 1933, as amended, (iv) title IV (except section 602) of the Servicemen's Readjustment Act of 1944, as amended, and (v) title IV of the Veterans' Readjustment Act of 1952; and."

SEC. 2. Paragraph (1) of section 1101 (a) of the Social Security Act, as amended, is amended to read as follows:

"(1) The term 'State' includes Alaska, Hawaii, the District of Columbia, and the Commonwealth of Puerto Rico, and when used in titles I, IV, V, X, and XIV includes the Virgin Islands."

SEC. 3. Paragraph 2 of section 1101 (a) of the Social Security Act, as amended, is amended to read as follows:

"(2) The term 'United States' when used in a geographical sense means the States, Alaska, Hawaii, the District of Columbia, and the Commonwealth of Puerto Rico."

SEC. 4. Section 3306 (j) of the Internal Revenue Code of 1954 is amended to read as follows:

"(j) State, United States, and citizen: For purposes of this chapter—

"(1) State: The term 'State' includes Alaska, Hawaii, the District of Columbia, and the Commonwealth of Puerto Rico.

"(2) United States: The term 'United States' when used in a geographical sense includes the Commonwealth of Puerto Rico.

"An individual who is a citizen of the Commonwealth of Puerto Rico (but not otherwise a citizen of the United States) shall be considered, for purposes of this section, as a citizen of the United States."

SEC. 5. Effective date—

(a) The effective date of sections 1, 2, and 3 of these amendments shall be January 1, 1958.

(b) Section 4 of these amendments shall be effective with respect to remuneration paid after 1957 for services performed after 1957.

The statement presented by Mr. IVES is as follows:

STATEMENT IN EXPLANATION OF A BILL TO EXTEND THE UNEMPLOYMENT COMPENSATION PROGRAM TO PUERTO RICO

This draft bill is designed to extend the present Federal-State unemployment compensation program to the Commonwealth of Puerto Rico. The proposal is part of the legislative program of the Department of Labor.

Under the present Federal-State system, unemployment insurance benefits are paid in accordance with State laws to workers, who, while able to work and available for work, are unemployed through no fault of their own. The benefits are paid from the proceeds of State payroll taxes which are deposited in the Unemployment Trust Fund in the United States Treasury.

NEED FOR A FEDERAL-STATE UNEMPLOYMENT COMPENSATION PROGRAM IN PUERTO RICO

The Commonwealth of Puerto Rico is plagued by unemployment and lacks sufficient industrial activity to absorb its labor surpluses. As a result, all three of its major industrial areas had substantial labor surpluses in September of this year, according to figures compiled by the Department of Labor. Two of these areas were classified as "group F," with 12 percent or more of the total labor force unemployed. The third area was classified as "group D," with 3 to 5.9 percent of the total labor force unemployed. This lack of balance between employment supply and demand has produced serious economic problems in Puerto Rico and led to a large-scale migration of workers from the island to the mainland in search of employment. The basic solution to this problem, of course, requires more industry to provide jobs for those now unemployed and great strides toward this goal are being made through Puerto Rico's dynamic program for bringing in new industry.

The Puerto Rican Legislature has also passed legislation establishing an unemployment insurance program for Puerto Rico. This legislation, which was enacted into law on June 21, 1956 and took effect on January 1, 1957, is such that minor changes would enable its approval for incorporation into the existing Federal-State system. Thus, the Federal-State unemployment insurance program could come into operation without delay upon the enactment of this proposal and Puerto Rico would be afforded the advantages of the Federal-State system, which are provided for the United States, Alaska and Hawaii.

Also, since the Wagner-Peyser Act was amended in 1950 to extend the Federal-State employment service program to Puerto Rico, enactment of this proposal would make the entire employment security program in Puerto Rico a part of the Federal-State system.

Unemployment insurance protection is presently provided in Puerto Rico under other Federal programs, of course, for employees of the Federal Government and veterans. A full Federal-State unemployment compensation program, however, is needed.

EXTENSION WILL ROUND OUT THE SOCIAL SECURITY PROGRAM

The desirability and feasibility of meeting serious social problems in Puerto Rico has long been recognized by Congress and is reflected in its inclusion in a number of remedial statutes. All of the provisions of the Social Security Act except the unemployment compensation program have already been extended to Puerto Rico. The maternal and child welfare program was extended to the Commonwealth as early as January 1, 1940; the program for old age assistance, aid to dependent children, aid to the blind, and aid to the permanently disabled was extended on October 1, 1950; and the old age and survivors' insurance programs were made effective to Puerto Rico on January 1, 1951. Including Puerto Rico in the unemployment compensation program will round out the social security program for the Commonwealth.

PUERTO RICO WANTS TO BE INCLUDED

The Commonwealth of Puerto Rico is anxious to be brought under the Federal-State unemployment insurance program. Officials of the Commonwealth have had frequent conferences with staff members of the Department of Labor in their efforts to develop a financially sound and acceptable plan. The Puerto Rican Legislative Assembly passed a concurrent resolution on February 18, 1955, expressing its desire that the program be extended to the Commonwealth. This resolution was presented to the United States House of Representatives on February 28, 1955, and to the United States Senate on March 2, 1955.

DISCRIMINATION IN EMPLOYMENT BECAUSE OF AGE

Mr. JAVITS. Mr. President, on behalf of my colleague, the senior Senator from New York [Mr. IVES], the Senator from Maine [Mr. PAYNE], and the Senator from Kentucky [Mr. MORTON], I introduce, for appropriate reference, a bill to make it an unlawful employment practice to discriminate in employment because of age.

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

The bill (S. 1073) to prohibit unjust discrimination in employment because of age, introduced by Mr. JAVITS for himself and other Senators, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, the bill would make it an unlawful employment practice to discharge, refuse to hire, or otherwise discriminate against an individual with relation to employment because of age, where the position does not require such age distinction. It makes the same provision with regard to employment agencies.

The bill makes it an unlawful employment practice to:

First. Discharge, refuse to hire, or otherwise discriminate against any individual with respect to his employment because of age, when the reasonable demands of the position do not require such an age distinction.

Second. Use the services of any employment agency or other hiring service that does discriminate against individuals because of age.

The Administrator of the Wage and Hour Division of the Department of Labor is given the necessary authority to issue cease and desist orders and to bring about reinstatement or rehiring with or without back pay. Judicial review is provided for, as well as processes of mediation, conciliation, technical advice and other aids to employer and employee with which we have had such good experience in New York.

Joint statement:

Hiring bias generally against workers 45 and older deprives the Nation of its most important resource of experienced employees, adds to the number of persons receiving public assistance and deprives older people of the dignity and status of self support. The right to employment without discrimination because of age, where the reasonable demands of the position do not require such an age distinction, is a right of all the people of the United States and should be protected.

While the whole problem of employment for those 45 or over cannot be solved by law, a suitable basis for solution can be brought about by law, since age discrimination in employment has unfortunately become widely prevalent in modern times.

For example, highlighting the employment difficulties of those 45 and older, Department of Labor statistics show that men over 45, collecting unemployment compensation, take substantially longer to find new jobs than those under 45. By the 15th week of unemployment, 1½ times as many workers over 45, as compared to those under, are still unemployed. The Labor Department figures also show that in addition to a longer duration of unemployment, more frequent periods of unemployment can be expected by the older men. Again many over 45 are out of work nearly 1½ times as often as those under 45.

Furthermore, in an analysis of hiring practices throughout the country, Labor Department statistics disclose that more than half the openings listed with employment offices in 70 percent of the cities surveyed contained maximum hiring ages.

Discrimination in hiring because of age is as unrealistic in view of our need for skilled labor as it is unfair. The President's recent economic report states that "shortages of trained manpower exist in virtually every field." To meet the demands of production, expanding as it must to enable us to fulfill our defense obligations as well as provide for a full and prosperous peacetime economy, we will need a labor force of 74 million by 1965, an increase of 7 million over the 1956 figure of 67 million. To meet present needs and prepare to meet our skilled labor requirements for the future, we must begin now to tap more fully the 45-and-over age group, who have the skill, the training, and the desire to continue as useful, productive, and self-reliant members of society.

The cosponsors consider this the most desirable bill along the lines sought to be covered, in the national interest.

AMENDMENT OF SOIL BANK ACT, RELATING TO BASE ACREAGE FOR CORN

Mr. MUNDT. Mr. President, I introduce for appropriate reference, a bill proposing an amendment to the Soil Bank Act, to provide a base acreage for corn of 52 million acres. The reason for suggesting 52 million acres is that since the crop in 1956, 52 new commercial counties have been added to the commercial acreage of this country. The Department of Agriculture advises me that that will expand by about a million acres the corn productive capacity of this country in the commercial area. For that reason, I propose a new base. My bill also proposes that there be a 75 percent minimum price support.

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

The bill (S. 1067) to amend the Soil Bank Act so as to provide a base acreage for corn of 52 million acres, and for other purposes, introduced by Mr. MUNDT, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

DESIGNATION OF INAUGURATION DAY AS A NATIONAL HOLIDAY

Mr. MUNDT. Mr. President, I introduce, for appropriate reference, a bill providing that Inauguration Day shall be a national holiday.

In past years we have provided that Inauguration Day shall be a legal holiday in the District of Columbia. Throughout the country generally there are millions of people who, were it not for the fact that they are fastened to their desks in their offices, or are employed in shops, or otherwise, once every 4 years would certainly grasp the opportunity, now that television is with us, to witness from their homes, or from cafes, or other public places, the tremendously significant ceremonies incident to the inauguration of the President of the United States.

In that connection I ask that there be printed in the RECORD at this point the text of the very short bill I am introducing, together with an editorial supporting it, published in the Sioux Falls Argus-Leader of January 28, 1957.

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

The bill (S. 1077) to provide that Inauguration Day shall be a national holiday, introduced by Mr. MUNDT, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the 20th day of January of each year in which the terms of President and Vice President begin is hereby made a legal public holiday to all intents and purposes and in the same manner as the 1st day of January, the 22d day of February, the 30th day of May, the 4th day of July, the 1st Monday of September, the 11th day of November, the 4th Thursday of November, and Christmas Day are now made by law public holidays.

The editorial presented by Mr. MUNDT is as follows:

[From the Sioux Falls Argus-Leader of January 28, 1957]

MAKE INAUGURAL DAY A HOLIDAY

Frank Harrington, of the Argus-Leader's news staff, comes up with an idea that contains a lot of merit. It is that the Presidential Inaugural Day be made a national holiday.

The reason for his suggestion is that such a holiday would permit everyone who wanted to do so to see the inauguration in view of the fact that the event is now so widely televised.

Many persons did see it last week over television and found the entire event of tremendous interest. Countless others wanted to see it but couldn't because they were at work.

A broader interest in the actual inauguration of a President would do much to promote understanding of Government and an appreciation of just what it means to all of us.

That's why there's a significant appeal in this suggestion.

It may be said we already have too many holidays. And we do have many holidays whose significance and purpose are lost in their observance.

But the proposed inaugural holiday would come only once in a four-year period and the event itself would command the attention of many millions who do not now have the privilege of seeing it.

Furthermore the holiday comes at a time of the year when there would be extremely limited objection from retail merchants and others because of the relatively low ebb of business.

More important, though, is the realization that it would help in educating all of us in respect to a subject—our Government—concerning which we should know much more than we do.

With that type of a holiday established, there might eventually develop some community associations. For example, communities themselves could hold in the evenings inaugural balls patterned after those in Washington.

The holiday could be developed into a notable occasion in American life. Certainly the idea deserves thorough consideration.

NATIONAL CEMETERY IN MIDDLESEX COUNTY, MASS.

Mr. SALTONSTALL. Mr. President, I introduce, for appropriate reference, a bill to provide for the establishment of a national cemetery in Middlesex County, Mass. I ask unanimous consent to have printed in the RECORD a release prepared by me relating to the bill.

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

The bill (S. 1078) to provide for the establishment of a national cemetery in Middlesex County, Mass., introduced by Mr. SALTONSTALL, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The release presented by Mr. SALTONSTALL is as follows:

Senator LEVERETT SALTONSTALL (Republican, of Massachusetts), introduced in today's session of Congress a bill providing for the establishment of a national cemetery in Middlesex County. The bill is a companion to H. R. 925, introduced on the first day of Congress by Congresswoman EDITH NOURSE ROGERS.

Under the provisions of the bill the Secretary of the Army is directed to acquire the necessary lands for the establishment of a national cemetery. The cemetery will be maintained by the Department of the Army.

The Senator has been in correspondence with representatives of the American Legion, Middlesex County Council. The resolution requesting the Massachusetts Senator to introduce this proposed legislation originated in the American Legion Post, Marlboro, Mass.

"In view of the many Massachusetts citizens who have given their lives to our country, I believe that a national cemetery is a very fitting and proper recognition of their great sacrifice," said Senator SALTONSTALL.

ISSUANCE OF SPECIAL STAMPS TO COMMEMORATE 100TH ANNIVERSARY OF FIRST WEST-BOUND STAGE COACH AT SPRINGFIELD, MO.

Mr. HENNINGS. Mr. President, I introduce for appropriate reference a bill to provide for the issuance of a special series of stamps, to commemorate the 100th aniversary of the arrival in Springfield, Mo., of the first west-bound stage of the Overland Butterfield Stage Co. The bill provides that the stamps shall be first offered for sale to the public at Springfield, Mo., on September 17, 1958, the date of the anniversary.

Springfield, in Greene County, Mo., was the first important stop on the Butterfield trail of coaches between St. Louis and San Francisco. The Greene County Historical Society is planning to celebrate the anniversary in Springfield, in 1958, and expects other cities along the route will take interest in the event.

Springfield has never had a first-day issue of commemorative stamps. I ask unanimous consent to have printed at this point in the RECORD a statement concerning the historical significance of this event, and I trust that the Senate will give favorable consideration to the bill.

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

The establishment of the stage coach route from St. Louis to San Francisco in the autumn of 1858 did much toward keeping the Far West in the Federal Union. Settlers in California were then becoming restless because of the long haul of mail by water, and were threatening to set up a separate republic. The arrival of the first Butterfield stage at San Francisco, October 10, 1858, caused much rejoicing and a general feeling among California settlers of closer ties with the East.

Springfield, in Greene County, Mo., was the first important stop on the westward trail of Butterfield coaches between St. Louis and San Francisco, and the arrival of the first west-bound coach, Friday, September 17, 1858, was accompanied by much revolver firing, and other manifestations of public approval.

Former Governor John S. Phelps, of Missouri, who was a Member of Congress in 1858, and a resident of Greene County, helped get an act through Congress authorizing a contract between the United States Government and John Butterfield, proprietor of the State company, for carrying the mail. It was generally considered that Governor Phelps was the father of the postage stamp.

The first coach left St. Louis September 16, 1858, at 8 a. m. It arrived at Tipton, Mo., which was then the end of the rail line, at 6 p. m., the same day. There the mail was loaded on the Butterfield stage, which headed west via Springfield, Mo., and Fort Smith, Ark. It arrived at Springfield at 3:15 p. m., Friday, September 17, and arrived in San Francisco on October 10, 23 days and 23½ hours after its departure. The first east-bound stage left San Francisco at 12:10 a. m., September 14, 1858, and arrived at St. Louis, October 9 at 8:45 p. m., 24 days, 18 hours and 26 minutes after departure. The two stages passed each other about 100 miles east of El Paso, Tex.

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

The bill (S. 1079) to provide for the issuance of a special series of stamps to commemorate the 100th anniversary of the arrival in Springfield, Mo., of the first westbound stage of the Overland Butterfield Stage Co., introduced by Mr. HENNINGS, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

AMENDMENT OF SOCIAL SECURITY ACT RELATING TO ASSISTANCE TO THE BLIND

Mr. HENNINGS. Mr. President, I wish to speak very briefly on a proposed amendment to the Social Security Act. My comments are directed to subsections

A and B of section 734, which relate to the various aid-to-the-blind programs. The bill I introduce, for appropriate reference, on behalf of myself, my colleague from Missouri [Mr. SYMINGTON], and the Senators from Pennsylvania [Mr. MARTIN and Mr. CLARK], will permit the States of Missouri and Pennsylvania, whose plans do not meet the restrictive $600 Federal limitation on annual income, to be able to participate permanently in a Federal-State matching program. A similar bill—H. R. 48—has already been introduced in the House by Representative CURTIS of Missouri. I should also like to say that there is considerable urgency attached to this bill, as the expiration date for the current program will occur in June of this year.

Prior to 1950 Missouri and Pennsylvania alone had been held ineligible for Federal assistance in meeting the financial requirements of their "peculiarly"—and I use the word designedly—humane and liberal aid-to-the-blind programs because, whereas the Federal law sanctioned earnings by recipients up to a maximum of $600, Missouri allowed an income of $2,100 annually.

However, in 1950 the law was amended—section 344 (b)—so as to exempt Missouri and Pennsylvania from the restriction imposed under the Federal law, thus qualifying them for Federal assistance in meeting the payments to those blind individuals who met the income limitation; that is, up until June 30, 1955. In the meantime Missouri continued to bear the entire cost of the payments to blind recipients whose income exceeded the $50 per month Federal income restriction.

This partial exemption operated so efficiently and to the mutual advantage of the State and the Federal Government that it was subsequently extended to June 30, 1957. Now that this date is so near at hand we must make every effort to see that this program is not curtailed.

Merely to postpone the termination date for a year or two, as has been done in the past, would only mean that Congress would be required to reintroduce, consider in committee, debate on the floor, and enact parallel legislation in another year or two, which, to my mind, would constitute a needless waste of time and energy, particularly when the legislative docket is already one of such tremendous proportions.

In my judgment and in the judgment of the people of my State, it is only just and proper that we should be permitted to retain this standard permanently, provided that State funds only are used for payments to those who do not qualify under the more restrictive Federal requirement for assistance.

At the present time the Federal Government shares in the payments to three-fourths of the blind recipients in Missouri. Missouri bears the entire cost of assisting the remaining 25 percent who are not eligible under the Federal program. Of the total expenditure for aid to the blind, Missouri paid considerably more than half; and, I might add, that not one Federal dollar was used to pay any individual who did not meet the $50 restriction of the Federal law.

I sincerely believe that the amendment which we propose is humanitarian in principle and sound both from the standpoint of good administration and simple justice. It accords the States of Missouri and Pennsylvania no more than equal treatment with other States, conceivably less. I hope the Finance Committee will give the bill prompt and favorable consideration.

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

The bill (S. 1080) to provide for approval under title X of the Social Security Act of State plans for aid to the blind without regard to the existence in any State of other programs of assistance to blind persons financed entirely by the State, introduced by Mr. HENNINGS (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Finance.

ADMINISTRATION OF LAKE MEAD NATIONAL RECREATION AREA, ARIZONA AND NEVADA

Mr. BIBLE. Mr. President, I reintroduce, for appropriate reference, a bill "to provide an adequate basis for administration of the Lake Mead National Recreation Area, Arizona and Nevada, and for other purposes."

One of the country's largest and most scenic recreation areas is that surrounding Lake Mead and Lake Mohave, formed by Hoover and Davis Dams on the Colorado River. More than 2,600,000 persons visit this area annually, attesting to its national significance.

Administrative problems of control over this nearly two million acre area have arisen down through the years since its withdrawal by Executive order in 1930 for reclamation purposes. It has been administered by the National Park Service under an inter-bureau agreement with the Bureau of Reclamation.

Principal effect of my bill would be the area's recognition and designation as a recreation area of national significance. It is of extraordinary scenic and scientific interest, with the plateau section including nearly 100 miles of the Grand Canyon, the mouth of the canyon, 155-mile long Lake Mead, the world's largest man-made body of water, and Lake Mohave, not to mention numerous sites of geological, biological, and archeological interest.

My bill would redescribe the boundaries of the National Recreation Area, with the new boundaries eliminating some 139,800 acres from the present gross area of 1,951,928 acres. It is recognized this is a large acreage, but it includes a region of almost indescribable ruggedness, whose principal values, apart from the storage of water, are those arising from its use by the National Recreation Area and collateral uses such as mining and grazing

The bill will fully protect purposes of the water-control projects, and at the same time will allow for greater development of the tremendous recreation advantages. As I have told the Senate before, facilities supplied by the National Park Service on Lake Mead have been pitifully inadequate in the past 20 years compared with the demands and the potential available.

Present regulations governing hunting, grazing, and vacation cabin sites will be continued substantially the same.

Recognition is given to the canyon portion of the Hualapai Indian reservation within the National Recreation Area. This Arizona tribe has indicated its willingness to have certain of its lands included, allowing the tribe to participate and benefit from establishment of the area.

In effect, my bill will provide a suitable and harmonious adjustment of various activities within the recreation area. At the same time, it will permit greater development of this area's recreational potential, which growing populations in Nevada, Arizona, and other western States are quite properly demanding.

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

The bill (S. 1084) to provide an adequate basis for administration of the Lake Mead National Recreation Area, Arizona and Nevada, and for other purposes, introduced by Mr. BIBLE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

PROPOSED BEAR RIVER COMPACT

Mr. WATKINS. Mr. President, I introduce, for appropriate reference, a bill to give congressional consent to the three-State Bear River compact. Joining me as sponsors of this proposed legislation are colleagues from States included in the Bear River drainage basin, namely, Senators BARRETT, BENNETT, O'MAHONEY, DWORSHAK, and CHURCH. I ask unanimous consent that the bill lie on the table until the close of the day so that colleagues who may wish to join as cosponsors may have an opportunity to see the bill as drafted.

Legislatures of the basin States of Idaho, Utah, and Wyoming have now all ratified this compact, which was formally signed by representatives of the three States 2 years ago, February 4, 1955. Prior to the acceptance of the draft introduced today, some 13 years of negotiations went into the preparation of the compact. Hence, this request for congressional approval represents the culmination of some 15 years of negotiation and legislative consideration by the States affected.

Bear River, the largest tributary of Great Salt Lake, is probably the largest stream in the Western Hemisphere which does not reach the ocean. The river starts and ends in the State of Utah, but during the first 100 miles of its 300-mile course, it crosses the border of Wyoming four times, and then makes a large loop through southeastern Idaho before reentering Utah and discharging into Great Salt Lake.

Prior to settlement of that area, the river probably discharged an average of 1½ million acre-feet of water annually into Great Salt Lake. Today, at least one-half of that original volume still wastes into Great Salt Lake, where it becomes salty and eventually evaporates.

This compact, which allocates the available water among the respective

States, will make possible development of that vital water for beneficial uses in a semi-arid area where water is the most valuable natural resource.

This compact is one of the most complicated of any compact which the States involved have had to deal with. The fact that the problems associated with the five State-line crossings and the early, disassociated irrigation and power developments have been resolved to the satisfaction of the States involved is a credit to our engineering and water resource personnel and to the water users and utilities who participated in the 13 years of study and negotiations.

Furthermore, I am assured that this compact is based on perhaps the most complete hydrologic data of any stream in our area. Water officials in each of the States have advised their legislatures that the compact is fair and that it equitably provides for the future development of the tri-State stream.

Bureau of Reclamation representatives participated in the studies and negotiations, and E. O. Larson, Regional Director for the Bureau, served as chairman of the compact commission and signed for the Federal Government.

On behalf of my colleagues who are cosponsoring this measure, I request that action upon it be expedited so that the available water can be utilized in the communities and farming areas of the three-State Bear River Basin which have been waiting for a compact for 15 long, dry years.

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

The bill (S. 1086) granting the consent and approval of Congress to a Bear River compact, and for related purposes, introduced by Mr. WATKINS (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

NATIONAL SERVICE LIFE INSURANCE

Mr. LONG. Mr. President, I am again introducing a bill to provide a 1-year period during which certain veterans may purchase national service life insurance. Senators will recall the wide support this bill had last year, when 52 of my colleagues in the 84th Congress saw fit to cosponsor it with me.

This bill was included in the military survivor benefit bill (H. R. 7089, 84th Cong.) by the Finance Committee, and it was passed by the Senate. As most of my colleagues will probably recall, when H. R. 7089 went to conference, the terms of our bill were deleted and a provision was substituted which limited reinstatement of NSLI term policies to those which lapsed during the last 2 months of the term of the policy. It is estimated that only about 10,000 policies would fall in that category, compared with about 14 million which would have been included under my proposal.

After contacting my fellow Senators, I again found wide support for this measure, which includes many of the new Members of the Senate. Fifty of my colleagues have agreed to cosponsor the bill with me this year. I ask unanimous consent that their names be included in the RECORD at this point.

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

Mr. BLAKLEY, Mr. BEALL, Mr. BIBLE, Mr. BUSH, Mr. BUTLER, Mr. CARLSON, Mr. CARROLL, Mr. CHAVEZ, Mr. CHURCH, Mr. CLARK, Mr. COOPER, Mr. DOUGLAS, Mr. ERVIN, Mr. FULBRIGHT, Mr. GREEN, Mr. HENNINGS, Mr. HUMPHREY, Mr. IVES, Mr. JACKSON, Mr. JAVITS, Mr. JENNER, Mr. JOHNSTON of South Carolina, Mr. KEFAUVER, Mr. KENNEDY, Mr. KUCHEL, Mr. LANGER, Mr. MAGNUSON, Mr. MALONE, Mr. MANSFIELD, Mr. MARTIN of Iowa, Mr. McCARTHY, Mr. McCLELLAN, Mr. McNAMARA, Mr. MORSE, Mr. MUNDT, Mr. MURRAY, Mr. NEELY, Mr. NEUBERGER, Mr. O'MAHONEY, Mr. PASTORE, Mr. POTTER, Mr. REVERCOMB, Mr. SCOTT, Mr. SMATHERS, Mrs. SMITH of Maine, Mr. SPARKMAN, Mr. SYMINGTON, Mr. THURMOND, Mr. WATKINS, and Mr. YOUNG.

Mr. LONG. Mr. President, since the initial introduction of this bill as S. 3067 in the last session of Congress, the major veterans organizations have expressed enthusiastic approval of the proposal. Mr. Miles D. Kennedy, director, national legislative commission, the American Legion, has written me as follows:

Our national rehabilitation commission and its insurance advisory board expressed agreement that there is a positive need for restoring the right of insurable veterans to obtain this insurance within the limited period proposed in S. 3067 which you presented to the United States Senate, with 52 cosponsors on January 27, 1956. Our 38th annual national convention, assembled September 3–6, 1956 in Los Angeles, Calif., approved Resolution No. 463 which requires that the national organization strongly support enactment of such legislation in the 85th Congress.

The 57th National Encampment of the Veterans of Foreign Wars, held in Dallas Tex., August 12–17, 1956, endorsed S. 3067, 84th Congress, when it unanimously approved resolution 231, which reads as follows:

Whereas Senate bill 3067 provides a 1-year period during which certain veterans be granted the right to obtain National Service Life Insurance: Now, therefore, be it

Resolved by the 57th National Encampment of the Veterans of Foreign Wars of the United States, That we urge the passage of Senate bill 3067, or similar legislation.

I ask unanimous consent to have printed in the RECORD at this point a letter from Mr. John Holden, national legislative director of AMVETS, which indicates the vigorous support of AMVETS for the bill.

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

AMVETS NATIONAL HEADQUARTERS,
Washington, D. C., February 4, 1957.

The Honorable RUSSELL B. LONG,
United States Senate, Washington, D. C.

DEAR SENATOR LONG: At the most recent National Convention of AMVETS held in Milwaukee, Wis., August 29 through September 2, 1956, the following resolution was unanimously adopted:

Whereas World War II and Korean veterans regard their service insurance as one of the most valuable benefits made available to them by the Congress of the United States, and

Whereas under existing legislation the privilege of purchasing Government insurance or reinstating lapsed insurance is permanently lost to millions of these veterans, and

Whereas this action has unjustly deprived many veterans of the right to invaluable insurance benefits and has resultingly caused a serious and widespread hardship upon the families of untold numbers of veterans who today are without vital insurance protection because their low-cost service insurance is forever lost to them and because they are unable to afford the costlier coverage of commercial insurance policies: Now, therefore, be it

Resolved, That AMVETS go on record as favoring a bill similar to Senate bill 3067, 84th Congress, which if enacted will allow World War II and Korean veterans 1 year from the date of enactment of such legislation to purchase or reinstate their service insurance.

We, of course, are aware of your efforts during the last Congress to have S. 3067 enacted into law. We of AMVETS would be most appreciative if you will renew your efforts during the present session of Congress by introducing a measure with provisions similar to S. 3067. I can assure you of the unqualified support of AMVETS should you introduce such a measure.

Sincerely yours,

JOHN R. HOLDEN,
National Legislative Director.

Mr. LONG. Mr. President, Col. Edwin S. Bettelheim, Jr., the Adjutant General of the Military Order of the World Wars, has indicated the desire of that organization to cooperate with the other veterans organizations in support of this bill.

In addition, I have received hundreds of letters from veterans' posts and from individual veterans throughout the United States, expressing strong approval of this proposed legislation. I ask unanimous consent to have printed in the RECORD at this point several letters from individual veterans and veterans' posts in my own State of Louisiana, which are representative of the many letters which I have received.

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

THE AMERICAN LEGION,
DEPARTMENT OF LOUISIANA,
March 12, 1956.

Hon. RUSSELL LONG,
United States Senate Office Building, Washington, D. C.

DEAR SENATOR LONG: Let me take this opportunity, though it is somewhat belated, of expressing to you the sincere thanks and appreciation of the legionnaires of Louisiana for your interest and work in their behalf.

We in Louisiana are wholeheartedly in support of Senate bill 3067. If there is any way that we in Louisiana can be of service in helping your campaign to secure favorable action on the bill, please do not hesitate to call on us.

It is indeed gratifying to know that our Representatives in the Congress of the United States have the interest of the veteran uppermost in their minds.

We congratulate you on your initiative and ingenuity in furthering this bill and feel that we are indebted to you for your very fine cooperation and work in behalf of the veteran.

We in Louisiana are looking forward to a very prosperous and progressive administration in the next 4 years under the guidance of the Honorable Earl K. Long. Governor Long was a fine administrator in his previous

terms of office, and we believe he will do even better in the current one.

With best wishes.

Sincerely yours,

A. R. CHOPPIN,
National Executive Committeeman.

AUXILIARY TO V. F. W. POST, NO. 2483,
Opelousas, La., September 7, 1956.

DEAR SENATOR LONG: The Ladies Auxiliary of the Veterans of Foreign Wars of Post 2483 Opelousas, wants to thank you for your help in passing the bill to allow GI insurance to be reinstated. However we want to see your original bill passed and not the recently watered down version.

Please continue to do all in your power to see that it is brought up again and passed as originally written.

Thanking you for your conscientious efforts in behalf of all your constituents, I am,

Sincerely yours,

Mrs. A. K. SMITH, Jr.,
President.

TREMONT LUMBER CO.,
Joyce, La., May 24, 1956.

The Honorable RUSSELL B. LONG,
United States Senate,
Washington, D. C.

MY DEAR SENATOR LONG: I have information that you have a bill before Congress to reinstate the National Servicemen's Life Insurance Act.

For one, I would certainly like to see this bill go through since I, like many others, did not continue my insurance due to lack of proper information upon my discharge.

There are many others who feel the same as I do and will appreciate your special efforts in this direction.

Sincerely yours,

A. G. STEWART,
Assistant Sales Manager.

MAY 1, 1956.

Senator RUSSELL B. LONG,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LONG: At our recent monthly meeting a resolution was adopted to unanimously support bill No. S. 3067—N. S. L. I. World War II and Korean Veterans.

Speaking in behalf of our 155 members we deeply appreciate your support and interest in the above-mentioned bill.

Sincerely,

WILLIAM F. DAVIS,
Commander.
E. A. BACHEMIN,
Adjutant.

FIRST DISTRICT AMVETS,
New Orleans, La., April 19, 1956.

Hon. RUSSELL B. LONG,
United States Senate,
Washington, D. C.

DEAR SENATOR LONG: At a recent meeting of First District Amvets a motion was made to write you our views on your proposed bill No. S. 3067.

The first district feels that the bill will give the veterans of World War II and the Korean veterans an opportunity to get insurance at reasonable rates.

We find that a large number of World War II and Korean veterans have let their national service life insurance lapse, because of some misunderstanding, and would feel grateful for the opportunity to renew their insurance.

The First District Amvets appreciate the efforts you have given by introducing the above bill and feel you will be successful in having your bill passed.

Best wishes for your continued success.

Very truly yours,

JOSEPH F. KIHNEMANN, *Commander.*

RACELAND MEMORIAL POST, NO. 349,
AMERICAN LEGION,
Raceland, La., April 26, 1956.

Hon. RUSSELL B. LONG,
Washington, D. C.

DEAR MR. LONG: The Raceland Memorial Post, No. 349, American Legion, would appreciate anything you are able to do regarding the reviving of national service life insurance. We feel sure that as you have stated in your letter to this post, that a large majority of veterans at the time of their discharge did not realize the importance of this insurance and have since wanted to either increase or take out this insurance.

This American Legion post would like to go on record as fully approving your proposed bill, S. 3067.

Thanking you.

IRA J. UZEE, *Commander.*

EVANGELINE LOAN CO., INC.,
Ville Platte, La., June 18, 1956.

Hon. RUSSELL LONG,
Senate Office Building,
Washington, D. C.

DEAR SENATOR LONG: Just wondering what are the chances for your bill to permit myself and thousands of veterans throughout the country to reinstate our N. S. L. I. policies which we were forced to drop while attending college, or what have you, immediately after the war. I'm sure there must be worlds of us that weren't able to continue carrying the policy then that would be most grateful if we were permitted another chance to pick it up. In closing I would also like to thank you for introducing the bill.

With warmest personal regards, I am,

Very truly yours,

E. W. WARD.

REMINGTON RAND,
Shreveport, La., January 30, 1956.

Senator RUSSELL B. LONG,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I have been requested by many veterans of this area, to express to you our appreciation for the veterans insurance bill which you have introduced, that would permit them to renew their G. I. insurance.

We hope that this bill will become law, and we are confident it will, with your push behind it. If we can be of any help please let me know.

With kindest personal regards, I am,

Very truly yours,

Murphy J. Roden.

Mr. LONG. Mr. President, I have prepared a brief statement explaining in some detail just what is involved in the proposed legislation. I ask unanimous consent that it be printed in the RECORD at this point.

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

STATEMENT REGARDING THE BILL TO PROVIDE A 1-YEAR PERIOD DURING WHICH CERTAIN VETERANS MAY TAKE OUT NATIONAL SERVICE LIFE INSURANCE

The proposed bill provides a further opportunity for our veterans to have the protection afforded by a national service life insurance. It provides a period of 1 year from the date of enactment during which veterans can apply for this insurance protection. It requires that they be able to make a showing of good health to the Veterans' Administration.

What is intended by this bill is to permit veterans of World War II and the Korean war to obtain this insurance if they have either not previously applied for the insurance or have permitted their policies to lapse.

In the case of those whose policies have been permitted to lapse, the veterans concerned would not be able to have reinstated the original policies but would have to pay premiums on the basis of their attained age at the time of this new application.

Inasmuch as the premiums to be paid are based on actuarial tables, practically the only Federal cost involved would be the cost of administration, which under the law is borne by the Government. The Veterans' Administration estimates that administrative costs would average only $3.6 million annually. No new problems would be created. The Veterans' Administration would only have a higher volume of business.

Many of our young men regret very much that they did not take advantage of the opportunity of continuing in effect or converting their insurance coverage which was made available during World War II. At that time they were war weary and did not give as serious thought to their future as they might have done. Now they have very considerable family responsibilities and need additional protection very badly.

It should be emphasized that this bill does not make additional persons eligible beond those who were made eligible by the basic laws concerned. This will only provide a limited opportunity for those who were originally eligible to submit their applications for coverage.

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

The bill (S. 1088) to provide a 1-year period during which certain veterans may be granted national service life insurance by Mr. LONG, was received, read twice by its title, and referred to the Committee on Finance.

STIMULATION OF INDUSTRIAL DEVELOPMENT NEAR INDIAN RESERVATIONS

Mr. NEUBERGER. Mr. President, on behalf of myself and my colleague, the senior Senator from Oregon [Mr. MORSE], I introduce, for appropriate reference, a bill to stimulate industrial development near Indian reservations. I ask unanimous consent that a statement prepared by me explaining the purposes and reasons for the bill may be printed in the RECORD.

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

The bill (S. 1091) to stimulate industrial development near Indian reservations, introduced by Mr. NEUBERGER (for himself and Mr. MORSE) was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The statement presented by Mr. NEUBERGER is as follows:

STATEMENT BY SENATOR NEUBERGER—USE OF MCNARY DAM TOWNSITE FOR INDIAN EMPLOYMENT IN OREGON

Early in December a call was taken by one of my assistants and the memorandum of the call informed me that Carl Beck, assistant to the Commissioner of Indian Affairs, was going to Pendleton and Portland to discuss the possibility of the Bureau's obtaining McNary townsite from General Services Administration for use as a site to locate an industry which would commit itself to employ qualified Indians from the Umatilla, Yakima, and Warm Springs tribes. The memo explained further that this would be

under a Bureau program for finding employment opportunities for Indians near their home locations.

Having to be in Pendleton for meetings with constituent groups gave me an opportunity to confer on the spot with Mr. Beck. We met at Hermiston, Oreg., only a few minutes drive from McNary townsite.

We discussed the possibility of adapting the McNary village to a privately operated industrial project offering employment opportunities to as many as 200 or 300 Indians. Although employment would also be open to other persons, job preference would be given to Indians under contracts protecting their interests with regard to prevailing wage rates and working conditions.

What such a project might mean for the economically lagging Northwest was emphasized by the Portland area office of the Indian Bureau which estimated at least 1,300 Indians of both sexes were available in the Pacific Northwest as a labor supply for a McNary plant.

In a breakdown on the surplus-labor supply available, I was given the following figures for the 3 agencies near the site: Umatilla Agency, 64 male, 16 female; Warm Springs Agency, 62 male, 44 female; Yakima Agency, 400 male, 150 female.

It is my hope that some industry of substantial size will make use of the McNary townsite so that the wealth of the area can be increased, and so the Indians may find productive and rewarding employment. This also could contribute toward a reduction in welfare costs at the local level.

Buildings at the townsite contain 60,000 square feet of space in structure suitable for assembly plants and there are 315 comfortable and adequate dwellings. The village, built during early construction phases of the Federal McNary Dam, cost about $3 million. Indian Service representatives in Portland believe that the plant might be appropriate either for manufacturing in connection with the electronics industry or for a furniture factory. The site is close to abundant supplies of water and power and is served by rail, highway, and river transportation facilities.

Following my conferences with Mr. Beck, Umatilla County civic leaders, and spokesmen of the Indians in the vicinity, I promised, at their request, that I would offer legislation in this session to provide for transfer of the Army engineers' village at McNary Dam to the Umatilla Indian agency for industrial development. At the conclusion of my remarks in the RECORD, I would like to have included two supporting statements from the Pendleton Chamber of Commerce and the Common Council of the City of Umatilla.

In keeping with my commitment, I have conferred with the Bureau in recent weeks and I have had their valuable cooperation in the drafting of needed legislation. Representative ULLMAN, in whose district McNary townsite is located, has ready a companion bill for introduction in the House.

CITY OF UMATILLA,
"HOME OF MCNARY DAM,"
Umatilla, Oreg., January 15, 1956.

The Honorable RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.

DEAR SIR: The Common Council of the City of Umatilla would like to express their unanimous approval of the bill presented by you, proposing to turn McNary City over to the Bureau of Indian Affairs. This to be done for the purpose of establishing an industry for the Indians there.

We feel that this would be of great benefit in training the Indians for useful and gainful employment and having an industry there would be beneficial to the whole of Umatilla County. This site is ideal for industry due to the McNary Dam power, the Columbia River transportation and plenty of space in which to expand.

Very truly yours,
ARCHIE W. EASTON,
Mayor, City of Umatilla.

PENDLETON CHAMBER OF COMMERCE,
Pendleton, Oreg., December 18, 1956.

Senator RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: Our chamber urges that you sponsor legislation to transfer the McNary Village and site to the Umatilla Indian Agency for a planned industrial development tract to attract industry to provide employment for the Indians of this area.

We appreciated your statement while you were in Pendleton that you would do this and urge you to carry through. We want you to know that it is a project that all of us in Umatilla County and the entire surrounding area are keenly interested in.

Sincerely,
VERNE H. TINNERSTET, *Manager.*

Mr. MORSE subsequently said: Mr. President, I am pleased to be the cosponsor of the bill, S. 1091, introduced earlier today by my colleague [Mr. NEUBERGER]. His introduction of the bill to transfer McNary townsite to the Bureau of Indian Affairs will enable the site to be used for industrial purposes and will make possible the employment of many of our Oregon Indian citizens under desirable working conditions and at prevailing wage rates.

Once again, my colleague, by sponsoring this proposed legislation, has demonstrated his desire to improve the status of our Indian citizens in furtherance of the general public interest.

During the preparation of this bill, I discussed with my colleague the status of individuals presently residing in dwelling units at the McNary townsite. We concluded that these people will be most sympathetic with the purposes of S. 1091 and we appreciate the fact that many of the present occupants of these rental units will desire to continue their occupancies. We urge upon the committee to which this bill is referred, a very thorough consideration of the status of those now renting McNary townsite units to the end that they may be put to an absolute minimum of inconvenience.

EXPANSION OF TEACHING AND RESEARCH IN EDUCATION OF MENTALLY RETARDED CHILDREN

Mr. NEUBERGER. Mr. President, I introduce, for appropriate reference, a bill to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State education agencies.

Today there are an estimated 1 million school-age children in the United States who suffer from mental retardation. This number increases annually by approximately 80,000 cases. Until the turn of the century these children were regarded with shame, and the cause of their subnormal development was shrouded in superstition and ignorance. During the past 30 or 40 years advances in medical science have brought new hope to these long-forgotten children.

We know now that even severely retarded children can be rehabilitated or aided through proper instruction. We have initiated programs at Federal and State levels for the care and education of the mentally retarded. However, only a beginning has been made in the vast job of fitting these children for a useful place in society.

The bill which I introduce today in the Senate is similar to H. R. 3830, introduced in the House of Representatives by Representative FOGARTY of Rhode Island, long a leader in this field. It would supplement an existing program of cooperative research in the Office of Education of the Health, Education, and Welfare Department. If all our mentally retarded children are to receive the opportunity they require to develop their full capabilities, an estimated 40,000 specially trained teachers are needed. Less than half that number are now available.

This bill provides for Federal assistance in the training of professional personnel in fields related to education of mentally retarded children through grants to public or non-profit institutions of higher learning. Until our researchers have discovered methods of preventing mental retardation, we must fulfill our responsibility to these unfortunate children to help them toward a more self-sufficient existence.

Let me add that my special interest in this field stems in part from the active role of Mrs. Neuberger in sponsoring successfully bills in the Oregon State Legislature to provide pilot courses for retarded children at the State level. She was the Oregon pioneer in this program.

I ask unanimous consent that the bill, introduced by me for myself and my colleague, the senior Senator from Oregon [Mr. MORSE], may be printed in the RECORD.

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

The bill (S. 1092) to encourage expansion of teaching and research in the education of mentally retarded children through grants to institutions of higher learning and to State educational agencies, introduced by Mr. NEUBERGER (for himself and Mr. MORSE), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Commissioner of Education is authorized to make grants to public or other nonprofit institutions of higher learning to assist them in providing training of professional personnel to conduct research in, or conduct training of teachers in, fields related to education of mentally retarded children. Such grants may be used by such institutions to assist in covering the cost of courses of training or study for such personnel and for establishing and maintaining fellowships, with such stipends as may be determined by the Commissioner of Education.

SEC. 2. The Commissioner of Education is also authorized to make grants to State educational agencies to assist them in establishing and maintaining, directly or through grants to public or other nonprofit institutions of higher learning, fellowships or

traineeships for training personnel engaged or preparing to engage in employment as teachers of mentally retarded children or as supervisors of such teachers.

SEC. 3. Payments of grants pursuant to this act may be made by the Commissioner of Education from time to time, in advance or by way of reimbursement, on such conditions as the Commissioner may determine.

SEC. 4. For purposes of this act—

(a) The term "nonprofit institution" means an institution owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(b) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for State supervision of education of mentally retarded children and youths in public elementary and secondary schools in the State.

SEC. 5. The Commissioner of Education is authorized to delegate any of his functions under this act, except the making of regulations, to any officer or employee of the Office of Education.

AMENDMENTS OF VETERANS' READJUSTMENT ASSISTANCE ACT, RELATING TO EXTENSION OF EDUCATIONAL BENEFITS IN CERTAIN CASES

Mr. CASE of South Dakota. Mr. President, I introduce, for appropriate reference, a bill to amend title II of the Veterans' Assistance Act, which would provide for extension of the educational benefits in return for compulsory military service. The effect of the bill would be to provide about one and a half days of educational benefit for each day of compulsory military service.

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

The bill (S. 1095) to amend title II of the Veterans' Readjustment Assistance Act of 1952 to provide educational benefits to persons who perform active service in the Armed Forces after January 31, 1955, while compulsory military service is required under existing laws of the United States, introduced by Mr. CASE of South Dakota, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

SPECIAL LIVESTOCK LOANS

Mr. SCHOEPPEL. Mr. President, I introduce, for appropriate reference, a bill to amend section 2 (c) of the act of April 6, 1949, as amended, relating to special livestock loans. I ask unanimous consent that a statement prepared by me relating to the bill may be printed in the RECORD.

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

The bill (S. 1096) to amend section 2 (c) of the Act of April 6, 1949, as amended, relating to special livestock loans, introduced by Mr. SCHOEPPEL, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The statement presented by Mr. SCHOEPPEL is as follows:

A great deal has been said, and written, concerning the effects of one of the worst droughts in our history which presently plagues many of the States. Very little has been done to be of any real assistance to the many fine farm and ranch families suffering untold hardship and privation which was thrust upon them by the vagaries of climatic conditions.

The President has determined that a major disaster, occasioned by drought, exists in many of the States. Following this determination the Department of Agriculture is furnishing surplus feed grain at reduced prices to eligible farmers and livestockmen, also the Department of Agriculture is providing a cash subsidy on hay purchased by these eligible farmers and livestockmen. These items of assistance are designed to assist livestockmen in maintaining their basic herds during these periods of emergency. I shall have more to say, at a future date, concerning the actual benefits received by the livestockmen from these programs.

At this time I want to pay tribute to the American Association of Railroads, and especially to the carriers comprising the Western Traffic Association, for having voluntarily reduced their rates by 50 percent for the movement of hay, from areas where hay is plentiful, to those areas designated by the President as major disaster areas.

The 1st session of the 83d Congress in its enactment of Public Law 115 provided, in part, for "Special livestock loans." Under the authority of this act "loans of $2,500 or more" were authorized to be made to established producers and feeders, who had a good record but were unable to get their necessary credit requirements from private lending sources at reasonable rates of interest. This lending provision of the act was very helpful, especially at that time. Today, however, because of the long duration and extreme severity of the drought, and because of the inevitable higher cost of livestock feed, all owners of livestock in the drought-plagued areas have culled their herds down to a minimum number. To hold on to, and to buy feed for, these reduced numbers of livestock, the owners thereof have gone deeper and deeper into debt, and many deprive themselves and their families of the essential necessities of life, in order to buy feed for their animals.

In order to be of greater assistance to these small farmers and livestockmen, the people I have in mind own from 10 to 25 head of livestock, I have introduced an amendment to this Special Livestock Loan Act to reduce the minimum amount of these loans from $2,500 to $500. The small livestockman, and he is the one in greatest need of financial assistance for he had the least reserve for such an emergency, does not appreciate being told by his benevolent Government that he is not eligible for a special livestock loan unless he borrows, and has security for, a $2,500 loan. A $500 loan probably would enable this small livestockman to carry his reduced herd until grass grows once again on his presently barren pastures and fields.

Also, in the special livestock loan provisions of Public Law 115, the Congress fixed the interest rate for such loans at 5 percent per annum. In my amendment to this act it is provided that the interest rates shall not exceed 3 percent per annum on such loans which are made in an area, after it has been determined by the President to be a major disaster area, and on such loans made therein for a period of 12 months following the termination of such designation. This interest provision is in keeping with the interest rates on other types of Federal emergency loans made in such designated areas.

The prompt consideration and enactment of these two amendments to the aforesaid Special Livestock Loan Act will do much to assist the small livestockman in his present difficulties. These are the people who seek to retain their way of life by remaining on their lands. Such financial assistance will enable them to hold on to a few of their best livestock until such time as the good Lord above sends them rain. Then, and then only, will feed grow for their livestock and they will be able to work out of their present financial difficulties.

I urge your earnest and prompt consideration of these amendments.

THE SCHOOL MILK PROGRAM

Mr. HENNINGS. Mr. President, I wish to say a few words about a bill I introduce, for appropriate reference, to extend until 1960, the school-milk program, whereby $75 million of the funds of the Commodity Credit Corporation are to be authorized to provide milk for nonprofit schools, nursery schools, child-care centers, settlement houses, summer camps and other similar nonprofit institutions. This bill is similar to one already introduced in the House by Representative MELVIN LAIRD, of Wisconsin.

All too frequently in the past we have made inadequate provisions for the school milk program. We have not granted sufficient funds, nor have we had any kind of a long-range program. By extending the current provisions until 1960, the program will be able to function a great deal more effectively, and adequate planning and distribution will be assured. The sum has been settled upon after extensive hearings held in the House last year. I am introducing this measure in the Senate to facilitate its passage in both Houses as soon as possible.

I should also like to observe that this bill is closely related to my recently introduced food-stamp bill. They will both help the farmer because of the assured and broadened markets for their products, and they also are in keeping with the general concept that since America is a land of plenty, our surplus national products should be made available to the most needy here in this country, as well as the needy abroad.

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

The bill (S. 1103) to amend the Agricultural Act of 1949, as amended, with respect to the special school milk program, introduced by Mr. HENNINGS, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

PAYMENTS IN LIEU OF TAXES

Mr. HENNINGS. Mr. President, I introduce, for appropriate reference, a bill to provide for the making of payments to the States and their political subdivisions in lieu of taxes with respect to certain real property owned by the United States or its agencies.

Under this bill, Federal payments would be the same as the real property taxes which would have been levied on the property if it were privately owned. Additional Federal payments would cover school taxes in those jurisdictions where Federal property exists, on which officers, agents, and employees of the Federal Government reside.

The Federal Government now owns about one-fourth of the land in the Nation, and this ownership cuts down the potential tax revenue of many localities by large amounts. In Missouri, for example, the Federal Government owns 1,641,502 acres of land, or 3.7 percent of the land area of the State. Although Missouri does not suffer loss of tax revenues from this source as much as do some other States in similar situations, I believe legislation of this type is needed to help the States and many municipalities meet their financial obligations.

This bill would not cover Federal office buildings, or land in the public domain such as national parks.

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

The bill (S. 1104) providing for the making of payments to the States and their political subdivisions in lieu of taxes with respect to certain real property owned by the United States or its agencies, introduced by Mr. HENNINGS, was received, read twice by its title, and referred to the Committee on Government Operations.

PROPOSED MISSOURI BASIN COMMISSION AND COMPACT BOARD

Mr. HENNINGS. Mr. President, I introduce, for appropriate reference, a bill to establish a Missouri Basin Commission and Compact Board to provide coherent and unified direction for the development of the Missouri Basin's natural resources, to give responsible direction to the resource development activities of the Federal Government in the Missouri Basin, and for coordinating those activities with resource development activities of the States.

Mr. President, as far back as August 1951, I introduced a joint resolution to establish a Missouri Basin Survey Commission to be charged with the responsibility of formulating an integrated program based on the total land and water use of the area, and to make positive and specific recommendations for the carrying out of such a program. Although my resolution was never acted upon, President Truman, recognizing the need for an overall program for the basin instead of a piecemeal approach, established a Missouri Basin Survey Commission by Executive order.

It was my privilege to serve as Vice Chairman of this Commission, which was made up of Members of the Senate, the House of Representatives, and public members. Our Commission held extensive public hearings in every part of the 10 basin States. As a result of these hearings and detailed study by the Commission, we submitted findings and recommendations which were contained in a 300-page report entitled "Missouri: Land and Water." The report was submitted to President Eisenhower in February 1953 in the hope that our recommendations would form the basis for some legislative proposals in this field.

Mr. President, I regret to say that the President has made no legislative recommendations to date based on this report. I might add here that not only was nothing done with the report and recommendations of the Missouri Basin Survey Commission, but to date nothing has been done to implement the recommendations made as a result of three additional studies on water resources policy undertaken by the administration itself. These were the recommendations of the Cabinet Committee on Water Resources Policy which was later known as the Presidential Advisory Committee, the Hoover Commission and the Intergovernmental Relations Commission.

Mr. President, I think we have had enough studies and investigations; we have had enough task forces and committees and conferences and commissions. What we need is a long-range, comprehensive, well-thought-out policy for the solution of water resources problems.

The bill I am reintroducing today would provide just such a unified, overall, multipurpose program for the Missouri Basin—a vast section of our country comprising one-sixth of our Nation's land area. I might add, Mr. President, that although my bill deals with the Missouri Basin, I can see no reason why the policies proposed in this measure could not serve as a pattern for land and water development in other parts of the country. Right at this moment, there is more than ample evidence of the importance of an overall plan to solve the problems of water resources. Six States are now suffering the effects of devastating floods, and 15 Midwestern and Southwestern States including my own State of Missouri have had 5 prolonged years of ruinous and disastrous drought.

Mr. President, my bill would not only deal with the problems of flood control and drought, but the Missouri Basin Commission which would be established under this bill would have the authority to coordinate the overall activities of the Federal Government within the Missouri Basin relating to resource development.

Mr. President, I think it is clear that piecemeal, stop-gap, and emergency measures in dealing with water resource problems have been woefully inadequate. It is my hope that in spite of the President's failure to make recommendations in this area, the Congress will see fit to take action in this session.

I ask unanimous consent that the bill and a further statement in connection with it may be printed in the RECORD.

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

The bill (S. 1107) to establish a Missouri Basin Commission and Compact Board to provide coherent and unified direction for the development of the Missouri Basin's natural resources, to give responsible direction to the resource development activities of the Federal Government in the Missouri Basin, and for coordinating those activities with resource development activities of the States, introduced by Mr. Hennings, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Missouri Basin Commission and Compact Board Act."

DECLARATION OF POLICY AND OBJECTIVES

SEC. 2. (a) In order to provide for the control and prevention of floods in the Missouri Basin, the reclamation of public lands, the development of electric power, and for the application and use of the waters of the Missouri River and its tributaries on the public and private lands of the area for irrigation and other useful purposes, to safeguard the navigable waters, to promote navigation, to promote watershed management and land conservation, to encourage a sound agriculture and the development, protection, and improvement of municipal and industrial water supply, to encourage industrial development, to preserve and develop the recreational advantages, and to foster the fuller utilization of the resources of the region, all for the purpose of fostering and protecting commerce among the several States, strengthening the national defense, conserving the water, soil, and forest resources of the Nation, and promoting the general welfare of the United States, it is hereby declared to be the policy of the United States—

(1) that the Federal Government shall establish and maintain a broad program of unified water control and resource development for the Missouri Basin, consisting of the entire Missouri River, its tributaries and watershed, as located within the following States: Montana, Wyoming, North Dakota, South Dakota, Nebraska, Kansas, Missouri, Colorado, Minnesota, and Iowa; and including for the purposes of this act the drainage basin of the Souris River in North Dakota and the drainage basin of the Red River in North Dakota, South Dakota, and Minnesota;

(2) that the supervision of such a multipurpose program shall be entrusted to a Commission having its principal headquarters in the basin, which shall be directly responsible to the President and Congress, with full authority and responsibility for directing the carrying out of the program herein authorized, subject to review by the Missouri River Compact Board as provided in subsequent sections; and

(3) that the interest and rights of the States in determining the development of the watersheds within their borders and likewise their interests and rights in water utilization and control, as well as the preservation and protection of established and potential uses for all purposes, of the waters of the basin's rivers, shall be recognized by such a Commission and that accordingly such a Commission shall utilize to the fullest possible extent the advice, assistance, and cooperation of the people of the region and their public and private organizations, local and State, as well as the advice, assistance, and cooperation of the existing operating agencies of the Federal Government.

(b) The following principles shall provide the general framework for establishing resource goals and directing basin development in furtherance of the above-declared policy and objectives:

First: The program should be comprehensive—for the basin as a whole and for all its land and water resources.

Second: The people who will be affected by the program should have ample and continuing opportunity to participate in the formulation and to influence the operation of the program.

Third: The combined efforts of the State and Federal Governments should be employed in carrying out the program.

Fourth: Goals should assure a proper balance among all the various phases of the resource program.

Fifth: Each project in the program should offer total benefits in excess of all costs.

Sixth: Costs should be borne in relation to the sharing of the benefits.

Seventh: The program should encourage the diversified development of the basin's resources for both progressive growth and stability.

Eighth: Each part of the program should be flexible enough to respond to changing needs, yet specific enough to direct program and project plans forward in a consistent course.

Ninth: The program should be planned and managed to achieve widespread benefits to the residents of the basin.

Tenth: The program should recognize the basin's limited supply of water and should be based upon a sound preference in the use of this vital asset.

MISSOURI BASIN COMMISSION

SEC. 3. (a) There is hereby established a Missouri Basin Commission (herein called the "Commission"), which shall be composed of 5 members appointed by the President by and with the advice and consent of the Senate, from a list of 30 names submitted by the States. The Governors in consultation with members of the congressional delegation of each of the 10 Missouri Basin States will each submit 3 names, not more than 2 from the same political party. After the term of a member has expired, or as vacancies occur, the President shall make a like selection from names submitted as above by those States not having a member remaining on the Commission. The term of office of each member of the Commission shall be 9 years, except that the terms of office of the members first taking office shall expire as designated by the President at the time of nomination, 1 at the end of 3 years, 2 at the end of 6 years, and 2 at the end of 9 years, after the effective date of this act, and any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term. Not more than 3 of the 5 members of the Commission shall be members of any one political party. Each member of the Commission shall receive compensation at the rate of $ per annum. No member of the Commission shall engage in any other business, vocation, or employment than that of serving as a member of the Commission, or have a financial interest in any corporation or other enterprise which will be enhanced or adversely affected by the activities of the Commission in the basin development program.

(b) Each appointee to the Commission shall be a legal resident of one of the States that fall wholly or partly within the Missouri Basin, for a continuous period of not less than 5 years immediately prior to his appointment. Not more than 1 member shall be from a single State.

(c) Three members of the Commission shall constitute a quorum to do business.

(d) The President shall designate one of the members as Chairman of the Commission.

(e) The permanent office of the Commission shall be located within the Missouri Basin.

OFFICERS AND EMPLOYEES OF THE COMMISSION

SEC. 4. (a) The Commission shall, without regard to the provisions of the civil-service laws, employ such officers, employees, attorneys, agents, and consultants as are necessary for the transaction of its business, fix their compensation in accordance with the Classification Act of 1949, as amended, define their duties, require bonds of such of them as the Commission may designate, and provide a system of organization to fix responsibility and promote efficiency. The Commission may also produce, without regard to the civil-service laws and the Classification Act of 1949, as amended, temporary and intermittent services to the same extent as is authorized for the departments by section 15 of the act of August 2, 1946 (60 Stat. 810), but at rates not to exceed $50 per diem for individuals.

(b) In the employment, selection, classification, and promotion of officers and employees of the Commission, no political test or qualification shall be permitted or given consideration, but all such employments and promotions shall be given and made only on the basis of merit and efficiency. Any officer or employee of the Commission who is found by the Commission to be guilty of a violation of this section shall be removed from office by the Commission. It shall be unlawful for a member of the Commission to make or assist in the making of or cause to be made any employment, selection, classification, or promotion of any officer or employee of the Commission on the basis of or because of any political qualification or test, and any member of the Commission who violates this provision shall be fined not more than $5,000 or imprisonment not more than 1 year, or both.

(c) The Commission is authorized to request the assistance and advice of any officer, agent, or employee of any executive department or any independent establishment or agency of the United States, to enable the Commission to better carry out its functions, and as far as practicable shall utilize the services of such officers, agents, and employees. The President shall, if in his opinion the public interest, service, or economy so requires, direct that such assistnace, advice, and service be rendered to the Commission, and any individual that may be by the President directed to render such assistance, advice, and service shall thereafter be subject to the orders, rules, and regulations of the Commission, and the Commission shall reimburse such department, establishement, or agency for the compensation of such individuals while serving pursuant to such direction.

MISSOURI BASIN COMPACT BOARD

SEC. 5. (a) The Missouri Basin States are granted consent to negotiate an interstate compact which will become effective when ratified by the legislatures of the 7 States of the 10 basin States.

(b) The Compact Board created by the interstate compact is authorized to:

(1) Review, suggest revisions, and approve or disapprove the comprehensive program for the Missouri Basin and any subsequent revisions which may be submitted by the Missouri Basin Commission together with any recommended policies relating thereto.

(2) Promote supplemental agreements for the use of water and the division of water between States and for other purposes.

(3) Promote a program of State legislation to direct and regulate resource use and to protect investment in resource development.

(4) To promote joint Federal-State programs.

(5) Perform such additional functions as may be provided in the compact.

(c) Pending the negotiation and ratification of the interstate compact, the Governors of the Missouri Basin States shall constitute an advisory committee to consult with the Commission regarding resource development policy, to review Commission programs, and to develop related State programs. The Missouri Basin Commission will submit its program for review and approval by the advisory committee as would be provided when the Compact Board is established.

GENERAL AUTHORITY OF THE COMMISSION

SEC. 6. (a) The Commission shall have authority, for the direction, coordination, and control of overall activities of the Federal Government within the Missouri Basin relating to the development of the resource potential of such basin in general, and, in particular, to activities relating to watershed management and land conservation, flood control, forestry, irrigation, electric power, domestic and industrial water supply, navigation, stream-bank stabilization, pollution abatement, mosquito control, drainage, fish and wildlife, recreation, industrial development and related development of land and water resources and shall exercise general supervision, direction, and control with respect to any other activity of any Federal agency involving functions under the authority and control of the Commission (including but not limited to the Corps of Engineers, Department of the Interior, Department of Agriculture, Department of Commerce, Public Health Service, and Federal Power Commission).

(b) Any Federal agency engaged in any activity under the authority and control of the Commission shall, upon request therefor, submit to the Commission for examination and review, any data, plan, survey, or other information relating to any such activity.

FORMULATION OF A MISSOURI BASIN PROGRAM

SEC. 7. (a) The Commission shall proceed at once to direct the preparation of a comprehensive long-range program for the unified development of the land and water resources of the Missouri Basin in accordance with the purposes and policy of this act and shall submit such a program to the President, the Congress, and the governors of the States within the Missouri Basin.

(b) In the preparation of the program, the Commission shall establish the general goals and objectives toward which future basin development is to be directed and develop a program of specific proposals designed to attain such objectives.

(c) The Commission shall establish uniform standards and procedures for the formulation, evaluation, and cost allocation of proposals to be included in the program, review, and appraise project plans on a systematic basis and recommend priorities for project development, and shall have the power to review, approve, or modify such evaluations, allocations, and appraisals as it may deem necessary.

(d) The Commission shall incorporate into the basin program the present plans and programs of Federal agencies to the extent that they are compatible with the full development of the basin resources. The Commission shall examine and review all uncompleted Federal investigations, plans, and programs with respect to activities over which it has authority and which were initiated prior to the establishment of the Commission and shall recommend to the Congress the completion, reauthorization, modification, scheduling, or rescheduling or reappraisal of the same. Any request for authorization of completed project plans shall be submitted to the Commission for analysis and review with respect to engineering and economic feasibility and its relation to the basin program before transmittal to Congress. Each Federal agency shall submit such data and information on projects completed or under investigation as the Commission may require.

(e) In the preparation of the program, the Commission shall take into account projects, programs, and plans of State and local governments, as well as those of private groups, associations, and individuals, with respect to land and water resource development within the Missouri Basin.

(f) The basin program shall be kept current, may be modified, altered, and added to from time to time and the Commission shall periodically review all Federal projects and activities and report to the President, the Congress, and the governors of the States in

the Missouri Basin on the advisability of changes and modifications.

(g) Future resource investigations, examinations, and surveys in the basin by Federal agencies shall be under the general supervision of the Commission and the Commission may direct agencies to undertake specified investigations jointly or singly. The Commission may initiate studies of resource problems by any agency and may submit budget requirements for funds to carry on such studies. The Commision shall coordinate the procurement of basic data necessary to sound basin planning and project formulation and promote adequate research and surveys.

(h) The Federal Power Commision shall submit all applications and licenses filed with it to the Commission for examination and review, and the Commission shall, if it finds the issuance of any such license to be consistent with the overall Missouri Basin program, approve issuance of same. No license shall be issued by the Federal Power Commission without approval of the Commission.

(i) The Commission shall, in carying out the policies and objectives of this act with respect to the development of water resources, observe the following order of priority in the use of water:

(1) Water supply for domestic and municipal use, and pollution control.

(2) Irrigation and ground water recharge and industrial consumption.

(3) Hydroelectric power.

(4) Fish, wildlife, and recreation.

(5) Navigation.

The use for navigation of waters arising in States lying wholly or partly west of the ninety-eighth meridian shall be only such use as does not conflict with any beneficial consumptive use, present or future, in States lying wholly or partly west of the ninety-eighth meridian of such waters for domestic, municipal stock water, irrigation, mining, or industrial purposes.

(j) Before adoption of a comprehensive basin program and any proposed modifications, alterations, or extensions therein, the Commission shall hold formal public hearings at designated points, within the basin or the area affected by a modification, alteration or extension; submit its findings and recommendations to the Compact Board for review and approval or disapproval; and the Commission's report to the President and the Congress of the United States shall include the recommendations of the Compact Board, other State and local groups, and a record of the hearings: *Provided,* That if the Board takes no action within 90 days following submission, the Commission recommendations shall be considered as approved: *And provided further,* That in case the Board disapproves a program recommended by the Commission, the Board may propose revisions or a substitute program. If agreement between the Commission and the Board cannot be reached on a mutually acceptable program within two years from the submission of the initial Commission recommendations, the Commission may submit its proposal to the President and the Congress along with the specific recommendations of the Compact Board, accompanied by a full statement of the issues in dispute.

PROGRAM INSTALLATION, MANAGEMENT, AND OPERATION

SEC. 8. (a) In order that the comprehensive long-range programs for the unified development of the land and water resources of the Missouri Basin be systematically installed and maintained, with appropriate cost-sharing arrangements, the Commission shall have general authority and responsibility for management of the resource development budget, costs and accounts, and the operation of projects and programs involving land and water development in the basin.

(b) In carrying out the overall basin plan, the Commission shall, in consultation with the operating agencies, prepare annually a consolidated basin resource budget for land and water resource development. The budget shall consist of four parts: (1) A basic data budget, (2) a planning budget, (3) a construction budget, and (4) an operation budget. The budget shall be prepared on at least three levels of expenditure for the guidance of Congress in appropriating funds for resource development and shall contain recommendations showing the features to be added or dropped as the level changes.

(c) The Commission shall have general responsibility for the development and application of equitable cost-sharing arrangements and reimbursement requirements, including:

(1) Establishing uniform and consistent procedures for the allocation of project costs among purposes included in multiple-purpose programs.

(2) Establishing uniform and consistent procedures for cost-sharing and reimbursement requirements for various programs and purposes, to the extent such is in accordance with national policy.

(3) Negotiating agreements and contracts for sharing financial responsibility with States, districts, agencies, groups, and enterprises and supervision of their execution.

(4) Establishment and supervision of a system of accounts for reimbursable purposes and directing the payments and charges to be made from such accounts.

(5) Establishing bases and apportioning amounts of reimbursable revenues to be paid States and counties as payments in lieu of taxes.

(d) The Commission shall be responsible for carrying out legislative policy regarding land and water use and control and shall establish operational guides and standards. It shall exercise central control over water releases and river operations, direct operating plans for facilities utilizing water, and prepare coordinating plans in consultation with the national flood-control agency for emergency operation of water structures. It shall plan programs, recommend budgets for operation and maintenance, and coordinate related water use and control projects. The Commission shall establish a program of research and technical service to assist local districts with maintenance work and prepare long-range maintenance plans for projects under Federal control.

(e) The adoption of policies and procedures relating to the allocation of cost, and assessment and assignment of charges shall be made only after formal public hearings held within the area affected by the decisions. The Commission shall submit its findings and decisions to the Compact Board for review and approval or disapproval. If approved by the Compact Board, the Commission shall report its findings and decisions together with the recommendations of the Compact Board, of other State and local groups, and the record of the hearings to the President of the United States, and if such findings and decisions are not disapproved by the President within 90 days from date of submission of the report containing such findings, they shall become effective. If the Compact Board does not approve the findings and revised findings cannot be agreed on by the Compact Board and the Commission, then the Commission may submit the disputed findings to the President along with the recommendations of the Compact Board and a full record of the issues in dispute.

FLOOD CONTROL MEASURES

SEC. 9. (a) In the formulation of plans for any flood-control program or project, and in examining and reviewing any such plans made by any Federal agency engaged in activities under its authority and control, the Commission shall give consideration to all methods of preventing or reducing flood damage in each particular instance and shall choose the method or combinations of methods it deems to be the most effective and most economical, including:

(1) Flood plain development and redevelopment, relocation, and zoning.

(2) Sedimentation and runoff control.

(3) Storage of floodwaters on cultivated fields, other watershed lands, or underground through appropriate measures.

(4) Levee and flood wall construction.

(5) Reservoir storage.

(6) Channel improvement and rectification, bank stabilization, and floodways and diversions.

(7) Flood forecasting.

(8) Such other measures as will result in effective flood damage prevention or control.

(b) If the Commission finds that flood damage can be prevented or controlled most effectively and economically through adoption by States, local governments, or districts of programs for flood plain development and redevelopment, relocation, and zoning, or other similar measures, either in substitution for, or as a supplement to, construction of flood-control works, it shall, when feasible, enter into arrangements or agreements with such States, local governments, or districts providing for Federal assistance to them in carrying out such measures, but in any such arrangement or agreement the share of the cost to be borne by the Federal Government shall not be greater than the share of costs which the Federal Government would bear in prosecuting the most economic alternative method of obtaining similar reductions in flood damage.

RIVER STABILIZATION

SEC. 10. The Commission shall make a separate intensive study and investigation of bank stabilization and navigation on the Missouri River in order to ascertain (1) whether feasible methods may be employed in stabilizing and the effect of such stabilization on the various levees constructed along the river, and (2) the benefits and costs, and cost-sharing considerations, involved in any such stabilization of the Missouri River. Within 2 years from the date of its establishment, the Commission shall report to the Congress the results of such study and investigation together with its views and recommendations concerning a stabilization program for the Missouri River.

IRRIGATION PRACTICES AND POLICIES

SEC. 11. The Commission shall make a separate intensive study and investigation of the problems arising from the application of existing irrigation practices and policies of the Federal agencies operating in the Missouri Basin, including but not limited to (1) appropriate size of a farm limitation to allow efficient operations and wide distribution of benefits, (2) the enforcement of acreage limitations where reclaimed areas include large tracts of established farmlands that are privately owned, (3) means of assuring the acquisition of lands by settlers at reasonable prices through curbing undue windfall gains, (4) the conditions under which utility-type contracts might be used, and (5) means of assessing an appropriate share of irrigation costs against secondary beneficiaries. Within 2 years from the date of its establishment, the Commission shall report to the Congress the results of such study and investigation and shall recommend to the Congress any changes or revisions which would, in its opinion, improve such irrigation practices and policies.

ASSISTANCE TO STATES AND DISTRICTS

SEC. 12. The Commission shall establish, through the Compact Board, a program of research and technical service to assist States and local districts with investigations and planning of resource-development programs and shall have the authority to make funds available to States or local governments to

encourage their participation in the program of the Missouri Basin.

ATOMIC ENERGY AND DEFENSE PROJECTS

SEC. 13. Nothing in this act shall be construed to affect any provision of the Atomic Energy Act of 1946, as amended; and the Commission shall not have any jurisdiction of any project of the Atomic Energy Commission or any defense project which in the judgment of the President should be carried out without regard to the provisions of this act.

DISPOSITION OF ELECTRIC POWER

SEC. 14. (a) The Commission is authorized to carry out the policies of Congress governing power-marketing and power-system operation with respect to projects in the Missouri Basin and require the execution of these policies; make cost allocations and approve or modify power-rate schedules applicable to the Missouri Basin; approve contracts for the sale of electric power; and, in conjunction with control of river operations, direct power dispatching operations.

(b) The transmission and disposition of electric power and energy generated at projects in the Missouri Basin shall be carried out in such manner as to encourage the most widespread use thereof with the lowest possible rates to consumers consistent with sound business principles, the rate schedules to become effective upon confirmation and approval by the Commission.

(c) Preference in the sale of such power and energy shall be given to public bodies and cooperatives, subject to prior requirements of the Government for direct use, such as in national defense or in irrigation pumping. After the demands of preference customers have been assured, power shall be made available to nonpreference customers, giving consideration to operating efficiency, the extension of benefits, and the development of economic and desirable resource enterprises.

EXISTING RIGHTS

SEC. 15. (a) Nothing in this act shall be construed as affecting or intended to affect or in any way to interfere with any vested right acquired under the laws of any State or Territory relating to the control, appropriation, use, or distribution of water used in irrigation, and nothing herein shall in any way affect any right of any State or of the Federal Government or of any landowner, appropriator, or user of water in, to, or from any interstate stream, or the waters thereof.

(b) The Commission may propose, through the Compact Board, types of State water laws suitable for basin conditions and may recommend that each basin State take legislative action providing for an appraisal of its present water laws and a study of improvements needed to insure a firm basis for the orderly development of its water resources.

(c) The Commission shall, through the Compact Board, offer its services and facilities to the States in carrying out such program of law revision and shall from time to time call to the attention of the Board specific impediments which the laws of the States present to particular projects or to development in general.

SEPARABILITY PROVISIONS

SEC. 16. If any provision of this act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the act and the application of such provision to persons or circumstances other than those to which it is held invalid shall not be affected thereby.

The statement, presented by Mr. HENNINGS, is as follows:

STATEMENT BY SENATOR HENNINGS—NEED FOR UNIFIED MULTIPURPOSE PROGRAM

The situation in the Missouri Basin combines all the aspects of our natural resources problem. We find ourselves repeatedly in a state of emergency growing out of water—too much of it, or lack of it. I have spoken in the Senate and elsewhere in great detail about the land and water problems in the Missouri Basin, so I shall not again go into all of the details at this time. Suffice it to say that repeatedly, over many years, we have had recurring and terrible floods; we have had extended and disastrous droughts; and we have been severely handicapped by the lack of any adequate organization of all the diverse agencies and groups concerned with the problem.

My own State of Missouri, as well as 14 other Midwestern and Southwestern States, are now suffering the ravages of 5 long years of devastating drought. In this connection, I would like to call the attention of the Senate to an editorial which appeared in the St. Louis Post-Dispatch of January 16, 1957, concerning the President's drought plan which stated that a long-range solution to the drought problem needs the President's assurance, and I quote "that he recognizes, as Senator HENNINGS, of Missouri, has said, that truly unified development of the Missouri Valley and all other great regions of the United States can reduce to a minimum the destructive effects of drought on our human and natural resources."

The Commission on which it was my privilege to serve as Vice Chairman had been given a tremendous task. Our assignment was to prepare recommendations for the better protection, development, and use of the land and water resources of the Missouri Basin. The scope of our study was to be far broader than flood control and drought. It included irrigation, navigation and hydroelectric power development, pollution control, recreation, fish and wildlife conservation, as well as the highly controversial question of the allocation of costs for each of the aspects of resource development. As I said, this was a big assignment. In the first place, the Missouri Basin includes all or parts of 10 States. It embraces 529,000 square miles in the heart of our Nation.

Our Commission heard more than 400 witnesses at 17 separate hearings. In addition, we studied reports from Federal and State resource agencies and the activities which they regulated. We met in a great many executive sessions to hear spokesmen from these agencies. As a result of our hearings and our further detailed study over many months, it was apparent that there had to be some agency with authority (1) to determine the scope of operations of the various Federal bureaus and departments and (2) to bring these agencies together in a cooperative working relationship with the several States for the development of the resources in the basin. It was, moreover, our conclusion—and it is my own strong belief—that there should be as much State and local responsibility and control as could be achieved on a workable basis.

In the report of the Missouri Basin Survey Commission, we pinpointed certain deficiencies that have hamstrung the entire resources-development program. In particular, we discussed the delay and confusion in the basin program as a result of the inability or the unwillingness of the various Federal agencies to work together, to cooperate in the use of the most effective techniques and to find any solid basis of agreement on financial fundamentals. We discussed in considerable detail the weaknesses in Federal-State relationships and, in particular, the extremely limited participation presently accorded to the States and local communities. We pointed out that, under present arrangements, while it is true that the States and local communities may be permitted to review a specific project, this chance actually comes so late in the planning stage that a particular project has already become a firm part of the program of the sponsoring agency. In effect, the State's participation actually becomes, in many instances, merely a choice of being for or against a particular project. In our recommendations I believe that we made a conscientious effort to deal with and to ease the many conflicts of interest and of jurisdiction which have hindered good resource development.

RECOMMENDATIONS OF THE MISSOURI BASIN COMMISSION

The bill I am introducing today would, I believe, provide such a program and it would offer a sound basis for the orderly development of the great land and water resources in the Missouri Basin.

The bill recommends the establishment of a Missouri Basin Commission with authority to coordinate the activities of the various agencies operating in the basin—beginning at the planning stage and carrying through beyond the installation of the projects. It also includes a provision that would grant consent to the Missouri Basin States for the establishment of an interstate compact board. This provision assures a method whereby the various States would formally participate in the program, share in planning, review proposals of the Commission, and exercise a distinct function in approving or disapproving the programs and budgets for resources development which the Commission would submit to the Congress.

My bill is substantially in accord with the recommendations of the Missouri Basin Survey Commission. On the issue of State sovereignty this bill combines certain features of both the majority report and the dissent. I would like to explain that because it is a very important provision—perhaps the key provision of this bill.

One important and unique recommendation in our report was that each State, by formally refusing consent, could prevent the operation within its boundaries of the new commission. In addition to this extraordinary proviso, the survey commission suggested that the governors should constitute a permanent advisory board and that States would have a voice in selecting members of the new commission.

These several recommendations demonstrated that our Commission wanted to do everythnig possible to assure State participation. In fact, the minority proposal for an interstate compact, the sole dissent from the formal Commission recommendation (the only other dissent was from a finding), was aimed in the same direction. The Survey Commission, in effect was unanimous in recognizing the need for according the States a greater role than they now have in the task of resource development. The bill which I am introducing today, therefore, is designed, as I said, in an effort to insure that the full advantages and benefits of both the majority and minority proposals would be combined in the basin program.

The proposed basin Commission would have the same source of authority and same duties as the majority of the survey Commission has recommended. As a federally created body, the new Commission would not replace or supersede the resource functions of existing Federal agencies but would have authority for the coordination of overall activities of the Federal Government within the Missouri Basin relating to resource development. Coordination would begin at the planning stage and carry through beyond the installation of the projects. In particular, the Commission would be responsible for activities relating to watershed management, land conservation, flood control, forestry, irrigation, electric power, domestic and industrial water supply, navigation, streambank stabilization, pollution control, mosquito control, drainage, fish and wildlife, and recreation.

In addition, by the proposed interstate compact, the States could set up a board which would have a clearly defined scope of

operations. As the instrumentality of the several States in the basin, it would be invested with State sovereignty. Under the authorization of the compact, the States would formally participate in the program, sharing in the planning, reviewing proposals, and approving or disapproving the formal programs and the budgets which the Commission would present to the Congress in behalf of the Federal resource agencies, the States, and the basin as an entity.

Under its charter sanctioned by Congress, as proposed in my bill, the Interstate Compact Board would actually exercise a limited veto over the recommendations of the Commission. It would operate in this way. If the Interstate Board disapproved a Commission would be required, at the time of making its recommendations to Congress, to set forth the Board's disapproval and the basis thereof. Disapproval of the Board, furthermore, could be the basis for automatically restraining the Federal body temporarily from taking further action. In the interim, the Board and the Commission would have both the opportunity and the responsibility to work out a mutually satisfactory recommendation.

Machinery of this kind would assure realistic participation by the States without trespassing upon the responsibilities of the agencies authorized and directed by Congress—and accountable to the Congress—to carry out specific tasks. Moreover, the interstate board would open the way for the States to accept and carry out successfully an ever larger share of the resource-development work. The States could cooperate in programs of research and education aimed toward pollution control, recreation improvements, and zoning programs. The board likewise could become the vehicle by which, in the future, the States could participate in sharing the costs for resource developments.

I believe there are a number of advantages in the plan for the joint administration of a basin resource program, especially in the Missouri Valley, under the cooperative direction of a Federal commission and an interstate compact board. Only by pooling Federal and State authorities can the Missouri Basin have a resource program that would be sufficiently comprehensive to meet the many and diverse needs of the area.

CONVEYANCE OF CERTAIN LANDS TO CITY OF GLOUCESTER, MASS.

Mr. SALTONSTALL. Mr. President, I introduce, for appropriate reference, a bill to provide for the conveyance of certain lands of the United States to the city of Gloucester, Mass. I ask unanimous consent that a release prepared by me relating to the bill may be printed in the RECORD.

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

The bill (S. 1113) to provide for the conveyance of certain lands of the United States to the city of Gloucester, Mass., introduced by Mr. SALTONSTALL, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The release presented by Mr. SALTONSTALL is as follows:

Senator LEVERETT SALTONSTALL, Republican, of Massachusetts, introduced in today's session of the Senate a bill providing for the conveyance of Ten Pound Island to the city of Gloucester.

Ten Pound Island is in Gloucester Harbor. The total area which the bill directs be conveyed to the city is approximately 3.5 acres. The Senator's bill is a companion to H. R. 3748, introduced last week by Representative BATES. This land, which was at one time owned by the city of Gloucester, is to be transferred to the city for park and recreational purposes.

AMENDMENT OF SOCIAL SECURITY ACT

Mr. DOUGLAS. Mr. President, I introduce, for appropriate reference, a bill to amend the Social Security Act. My amendment would amend title I of the act, to permit States to disregard certain income in determining need for old-age assistance. To be specific, recipients of old-age assistance would be permitted to earn up to $50 per month without having that amount deducted from their subsistence grants.

I offered this amendment to the Social Security bill when it was before the Senate in the last session of Congress. The Senate adopted my amendment by a vote of 56 to 34, and it securied bipartisan support. Unfortunately, the amendment was deleted in conference.

Under the present system those who receive old-age assistance are discouraged from working. As their average age was given as 75 years in the 1953 study published by the Department of Health, Education, and Welfare, they are not a threat to the labor market or to the jobs of other people, and they should be encouraged to do those small tasks for which they are physically capable. Under the present system any money they earn as babysitters or for casual labor must be deducted from their assistance.

This provision is a holdover from the depression years when, with great unemployment, the system was designed to discourage older people from competing for jobs. Now the need is the other way around. The services of elderly people are needed. It is to the best interests of the community and to elderly people themselves for them to have some work which they can perform, and to encourage them in that endeavor. Therefore it is wise to allow them to work at some tasks without endangering their old-age assistance as a consequence.

A number of States, including my own, already have legislation which would disregard the first $50 of earnings by people on old-age assistance if the Federal Government will allow that to be done. Therefore, some of the States, at least, believe this would be wise policy. Although I am not a fervent supporter of "states rights", as those rights are sometimes interpreted, I should think that the supporters of "states rights" might find in this amendment a principle which was close to their hearts.

I hope, therefore, Mr. President, that the clear sense of the Senate as it was reflected in the 56-to-34 vote in the last session for my amendment, may have an opportunity to be reflected in another vote in this session.

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

The bill (S. 1121) to amend title I of the Social Security Act to permit the States to disregard certain income in determining need for old-age assistance, introduced by Mr. DOUGLAS, was received read twice by its title, and referred to the Committee on Finance.

REGISTRATION, REPORTING, AND DISCLOSURE OF EMPLOYEE WELFARE AND PENSION BENEFIT PLANS

Mr. DOUGLAS. 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 Illinois may proceed.

Mr. DOUGLAS. Mr. President, on behalf of the senior Senator from Montana [Mr. MURRAY], the senior Senator from New York [Mr. IVES] and myself, I introduce for appropriate reference a bill to provide for the registration, reporting and disclosure of employee welfare and pension benefit plans.

This bill is substantially the same as S. 3873, which the same sponsors introduced last year but which came too late in the session for it to be acted upon by this body.

This bill is the outgrowth of the investigation and studies carried on for nearly 2 years by a special subcommittee of the Senate Committee on Labor and Public Welfare which was first headed by the Senator from New York and later by me.

It was also influenced by investigations in the State of New York and elsewhere, including investigations by the House of Representatives, and by facts disclosed in public trials and in the press.

We believe that a conclusive showing has been made of the importance of the subject, the need for Federal action and the solid merit of our proposals.

BROAD SCOPE OF WELFARE AND PENSION PLANS

Briefly stated, the report of our subcommittee pointed out last year that over 75 million persons, including members of families, are now covered in some measure by employee welfare and pension programs.

We furthermore pointed out that the annual contributions to these funds amounted to over $6.8 billion, or, in round terms, approximately $7 billion. The welfare plans are almost universally financed on an annual or current basis, but the pension plans have built up funded reserves which now total between $20 and $25 billion. Their impact on the securities and investments markets can best be gaged in the light of the Securities and Exchange Commission report that pension funds reserves alone are currently the largest single source of equality capital.

Our committee therefore concluded that the private employee welfare and pension programs had grown to such proportions and involved the use of such large amounts of tax-exempt funds as to place a grave responsibility upon the Government for their sound operation and for the elimination of abuses.

MANY ABUSES REVEALED

We stated in the report that—

While the great majority of welfare and pension programs are being responsibly and

honestly administered, the rights and equities of the beneficiaries in many instances are being dangerously ignored. In other cases, the funds of the programs are being dissipated and at times become the hunting ground of the unscrupulous.

We also observed that—

The lack of standards and the inadequacies of State and Federal laws have permitted employee welfare and pension programs to operate in such manner as to give rise to many abuses, problems, weaknesses, and unsound practices which could jeopardize the operation of this system and give insufficient protection to the rights and equities of the employee-beneficiaries.

* * * there have been shocking abuses, such as embezzlement, collusion, kickbacks, exorbitant insurance charges, and various other forms of malfeasance. Mismanagement, lack of know-how, waste, extravagance, indifference, nepotism, and a lack of criteria for sound operation have contributed to the unnecessary drain on such funds with a consequent serious loss to the employee beneficiaries.

A major problem, we therefore stated, is one "of assuring the immediate and long-range stability of private pension and welfare programs * * * in order that they may better withstand the contingencies against which they were established. The breakdown of any significant part of either the pension or the welfare programs could, and undoubtedly would, amount to a major setback to our economy." As set forth in the report, we were "convinced that without some legislative direction, the abuses, problems, and weaknesses which do exist will not be self-correcting."

NO GROUP—UNIONS, MANAGEMENT, INSURANCE COMPANIES OR BANKS—EXEMPT FROM CRITICISM

Our report took note of the fact that labor had "condemned dishonesty, created committees on ethical practices, established codes of ethics for the operation of employee welfare and pension plans, and recommended legislation toward that end." We expressed the belief that such efforts would have a salutary effect but did not feel that the objectives would be quickly achieved by voluntary methods alone. Our report further pointed out that representatives of labor had been involved in some of the worst abuses found to exist and, in some cases, had been found unprepared for the responsibilities of trusteeship under these programs.

It is highly gratifying that the AFL–CIO has itself taken action to discipline those whom our hearings revealed to have engaged in some of the most flagrant abuses. It is also encouraging that the leaders of the AFL–CIO have endorsed the main principles of our proposal as a helpful step toward the elimination of such practices in the future.

We also pointed out in our report that the insurance industry, while opposing Federal control or supervision, had not set up a code of ethical practices to condemn the unscrupulous. Our report concluded that—

Many of the worst abuses found in welfare plan operations involve certain insurance practices. These abuses include high commissions, excessive administrative fees, high insurance-company retentions, unequal treatment of the policyholders, activities of unscrupulous brokers and agents, including embezzlement of premiums, sometimes in collusion with union officials or management—mostly the result of inadequate control and nondisclosure to the interested parties.

Management, too, came in for its share of criticism, the report pointing out that it—management—"shares the responsibility for many of the serious problems and abuses" found, and that "management, as well as labor, has at times been unreasonable and unsound in positions taken with respect to benefit programs." Employers, it was stated, "in too many cases have abdicated their responsibilities under jointly managed plans."

With reference to the banking industry, our report observed that banks, while recognized as competently managing pension investments under corporate trusts, do not have the responsibility for actuarial soundness, often have too little control over proper investments, but still sell the features of this type of pension plan without assuming all of the responsibilities necessarily inherent in a complete pension plan.

BROAD COVERAGE ESSENTIAL TO PROTECT MAIN GROUP OF BENEFICIARIES

According to our report, by far the largest percentage—about 90 percent—of employees included in health and welfare programs are covered in unilateral employer-administered plans. In including this type of plan in those which should register, report and disclose detailed information, the report stated "Since Congress has stated and the courts have held that employer contributions toward welfare and pension benefits are in the nature of compensation to employees, it must be concluded that whether the funds for such programs are contributed by the employers, the employees, or both, the employees have a right to know the financial details of such plans as well as to have their interest in such plans protected."

On the basis of the whole record, therefore, legislation requiring registration, reporting and disclosure of information to beneficiaries seemed to us a minimum protection that the Federal Government should provide for the millions of beneficiaries and their employers.

Our bill was, accordingly, drafted along those lines—I should also note that Senator ALLOTT, of Colorado, filed supplemental views to the report, and Senator NEELY, of West Virginia, who, because of other duties was unable to take an active part in preparation of the report, reserved judgment on the recommendations.

BILL PROVIDES FOR DISCLOSURE, NOT REGULATION

We feel it to be a moderate, but helpful, approach, still leaving much room for action by the respective States. The power to regulate would still remain with the States. The only Federal action proposed is for adequate disclosure.

We repeat, this is not a regulatory bill. It is only a disclosure bill. We who sponsor it hope that the healing qualities of sunlight on these plans will eliminate the abuses and make it unnecessary to go further.

I should like to emphasize, however, that these requirements of registration, reporting and disclosure will serve not only as a deterrent to the kinds of abuses and questionable practices uncovered by the committee, but also as an almost indispensable aid and encouragement to the self-policing of the kind initiated by the labor movement. This self-policing and the voluntary restraint of unions, management, banks and insurance companies are, in the long run, the only alternative to the more stringent Federal regulation of welfare and pension plans which the public is bound to demand in the absence of some remedial action now.

Surely, the added work which these reporting and disclosure provisions will admittedly require is a small price to pay for the added protections to beneficiaries and businesses alike, which this legislation would afford.

SUMMARY OF BILL'S PROVISIONS

Mr. President, I wish to summarize now the specific protections which the bill introduced today would provide.

REGISTRATION

The bill requires, in the first place, registration by all types of employee welfare and pension benefit plans covering 25 or more employees. This registration would provide basic, minimum data concerning each plan to permit its identification and classification.

REPORTING

For every plan which, with closely related plans, covers 100 or more employees, the bill, in the second place, requires the filing of annual reports. These reporting provisions are the real heart of the measure.

These annual reports would include full legal and financial data, as specifically provided in section 6 of the bill, and would be based upon an audit by an independent accountant. The bill requires, among other things, information concerning contributions, benefits paid, expenses, salaries and fees, reserves, and so forth.

If benefits are provided by an insurance carrier, the required data includes premiums paid, claims incurred and paid, dividends, commissions, fees, retentions, and so forth.

In the case of pension plans, or welfare plans which have a reserve fund, the report would include summary data concerning these reserves and their investment, and detailed information on (a) all investments in properties of any party in interest, (b) any investment in one security which exceeds 5 percent of the fund, and (c) any investment in one security which exceeds 10 percent of the outstanding securities of that issue.

SECURITIES AND EXCHANGE COMMISSION TO ADMINISTER

The agency charged with administration of the act under this bill would be the Securities and Exchange Commission, although the subcommittee found this allocation of responsibility its most difficult decision. This agency would be given discretion to require reporting by plans covering from 25 to 100 employees, if necessary, to accomplish the objectives of the bill.

DISCLOSURE

Disclosure of the information in the annual report, in the third place, would

be required by making copies available to beneficiaries and other interested parties at the office of the plan, and to the public generally, in the public documents room of the agency. In addition, summary data from the report as prescribed by the agency would have to be furnished to the beneficiaries.

ADVISORY COUNCIL

The bill sets up an advisory council drawn from insurance, banking, management, labor, related Government agencies, and the general public.

ENFORCEMENT

The administrative agency is empowered to make investigations and apply for court orders to secure compliance with the law. Criminal penalties are provided for those who willfully violate the law, who knowingly make false statements, and who embezzle moneys from any fund. Thus, while the provisions of the bill are moderate and do not impose any new standards of operation, commissions, fees, investments, benefit levels, reserves, and so forth, real teeth are put into the enforcement of these moderate provisions. And embezzlement, as well as perjury, are made subject to criminal penalties under Federal law.

THREE-YEAR TERM

The bill provides that the act shall be effective for 3 years. The administering agency would be required to file, on or before January 1, 1959, a report giving its recommendations as to the continuance, simplification, or modification of the law.

Congress would thus necessarily have a further opportunity, on the basis of 2½ years' experience to determine whether, and in what form, to make the protections of this bill a permanent part of our legal structure.

AFFIRMATIVE ACTION NOW IS ESSENTIAL

Mr. President, I hope the proposals in this bill may have early and favorable consideration in the Senate. Here is a specific affirmative program to help root out one of the newest and most clearly-evidenced sources of racketeering and abuse of trust affecting the welfare of millions of beneficiaries and thousands of businesses.

Further investigations could disclose further abuses. Our studies began with union and jointly administered plans, and only in their later stages did they begin to dig more deeply into the practices of insurance companies and employer-administered plans in this field. But the abuses and opportunities for abuse already revealed justify—indeed, they require—prompt remedial action of the broad character we are proposing.

To do nothing or to delay in the face of the proven needs would jeopardize the interests of many who are looking to Congress to follow up its investigation with appropriate legislation.

The endorsement of the general outline of the proposal by many union leaders is most encouraging. I hope that the management leaders, from whom I have been hearing about the evils of racketeering, and the banking and insurance representatives will also put their effective support behind this necessary, protective legislation, and not some poor, watered-down substitute that does not cover the situation.

The beneficiaries and businesses so vitally affected by this problem have a right to look to Congress now for action to match its findings and for protections adequate to meet the danger. I hope we shall not disappoint them.

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

The bill (S. 1122) to provide for registration, reporting, and disclosure of employee welfare and pension benefit plans, introduced by Mr. DOUGLAS (for himself, Mr. MURRAY, and Mr. IVES), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. DOUGLAS. Mr. President, recently at its meeting in Miami Beach, Fla., the AFL–CIO executive council adopted a most constructive and forward-looking code of ethical practices on the administration of health and welfare funds. This code recommends to the affiliated unions of the AFL–CIO not only practices of accounting and reporting to all beneficiaries of such funds, but also standards of conduct for individual officers and members of unions to avoid conflicts of interest, breaches of trust, improper fees and kickbacks, questionable investments, and other weaknesses that have characterized the administration of a few such plans.

The wholehearted application of such a code will be a great protection to the beneficiaries of such plans, as well as to the good name of the labor movement. I believe it may serve as a model to other branches of industry and finance which are involved in the administration of such funds.

The requirements of this code obviously go far beyond the legal requirements that would be set up in the bill I have just introduced, and I have been glad to note that the leaders of the AFL–CIO also endorse the basic registration, reporting, and disclosure requirements of that bill as a legal minimum applicable to all, regardless of their acceptance of some such code.

Because of its constructive contribution to the meeting of the problems in this field, and for the information of Members of Congress, I ask unanimous consent to have the text of that code printed at this point in the RECORD.

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

REPORT AND RECOMMENDATIONS OF THE AFL–CIO COMMITTEE ON ETHICAL PRACTICES, APPROVED BY THE AFL–CIO EXECUTIVE COUNCIL, MIAMI BEACH, FLA., JANUARY 31, 1957

AS TO A CODE OF ETHICAL PRACTICES REGARDING HEALTH AND WELFARE PLAN ADMINISTRATION

Code II: Health and welfare funds

At its June, 1956, meeting the executive council directed the committee on ethical practices "to develop a set of principles and guides for adoption by the AFL–CIO in order to implement the constitutional determination that the AFL–CIO shall be and remain free from all corrupt influences" and directed that such recommended guides and principles be submitted to the council. In accordance with this direction, and its constitutional responsibilities, the committee on ethical practices submitted to the executive council at its August, 1956, meeting the first of a proposed series of recommended codes. This code covering the issuance of local union charters was unanimously adopted by the council.

This report, and the recommended code contained in it, is the second in the series which the committee, in accordance with the council's direction, is developing to implement the constitutional mandate that the AFL–CIO shall be and remain free from any and all corrupt influences and the determination of the first constitutional convention of the AFL–CIO that the reputations of the vast majority of labor union officials, who accept their responsibilities and trust, are "imperiled by the dishonest, corrupt, unethical practices of the few who betray their trust and who look upon the trade union movement not as a brotherhood to serve the general welfare, but as a means to advance their own selfish purposes * * *."

Both the American Federation of Labor and the Congress of Industrial Organizations prior to the merger of these two organizations into the AFL–CIO gave thorough consideration to the subject of health and welfare funds. This subject was also considered by and dealt with by the first constitutional convention of the AFL–CIO and a resolution dealing with this subject matter was adopted by that convention.

As stated in the resolution adopted by the first constitutional convention of the AFL–CIO, the task of administering and operating health and welfare programs which have been developed through collective bargaining has placed heavy new responsibilities upon the shoulders of trade union officials. The funds involved are paid for through the labor of the workers covered by the plans. They must be administered, therefore, as a high trust for the benefit only of those workers.

Most trade union officials have been faithful to the high trust which has been imposed upon them because of the development of health and welfare funds. The malfeasances of a few, however, have served to bring into disrepute not only the officials of the particular unions involved, but also the good name of the entire American labor movement. For this reason, it is imperative that the AFL–CIO and each of the national and international unions affiliated with it rigorously adhere to the highest ethical standards in dealing with the subject of health and welfare funds.

For these reasons, the ethical practices committee, under the authority vested in it by the constitution of the AFL–CIO and pursuant to the mandate of the first constitutional convention of the AFL–CIO, recommends that the executive council of the AFL–CIO adopt the following policies to safeguard the good name of the AFL–CIO and its affiliated unions:

1. No union official who already receives full-time pay from his union should receive fees or salaries of any kind from a fund established for the provision of a health, welfare or retirement program. Where a salaried union official serves as employee representative or trustee in the administration of such programs, such service should be regarded as one of the functions expected to be performed by him in the normal course of his duties and not as an extra function requiring further compensation from the welfare fund.

2. No union official, employee, or other person acting as agent or representative of a union, who exercises responsibilities or influence in the administration of welfare

programs or the placement of insurance contracts, should have any compromising personal ties, direct or indirect, with outside agencies such as insurance carriers, brokers, or consultants doing business with the welfare plan. Such ties cannot be reconciled with the duty of a union official to be guided solely by the best interests of the membership in any transactions with such agencies. Any union official found to have such ties to his own personal advantage or to have accepted fees, inducements, benefits, or favors of any kind from any such outside agency, should be removed. This principle, of course, does not prevent the existence of a relationship between a union officer or employee and an outside agency where—

(a) no substantial personal advantage is derived from the relationship, and

(b) the outside agency is one in the management of which the union participates, as a union, for the benefit of its members.

3. Complete records of the financial operations of all welfare funds and programs should be maintained in accordance with the best accounting practice. Each such fund should be audited regularly by internal auditors. In addition, each such fund should be audited at least once each year, and preferably semi-annually, by certified public or other independent accountants of unquestioned professional integrity, who should certify that the audits fully and comprehensively show the financial condition of the fund and the results of the operation of the fund.

4. All audit reports should be available to the membership of the union and the affected employees.

5. The trustees or administrators of welfare funds should make a full disclosure and report to the beneficiaries at least once each year. Such report should set forth, in detail, the receipts and expenses of the fund; all salaries and fees paid by the fund, with a statement of the persons to whom paid; the amount paid, and the service or purpose for which paid; a breakdown of insurance premium paid, if a commercial insurance carrier is involved, showing, insofar as possible, the premiums paid, dividends, commissions, claims paid, retentions and service charges; a statement of the person to whom any commissions or fees of any kind were paid, a financial statement on the part of the insuring or service agency, if an agency other than a commercial insurance carrier is employed; and a detailed account of the manner in which the reserves held by the fund are invested.

6. Where health and welfare benefits are provided through the use of a commercial insurance carrier, the carrier should be selected through competitive bids solicited from a substantial number of reliable companies, on the basis of the lowest net cost for the given benefits submitted by a responsible carrier, taking into consideration such factors as comparative retention rates, financial responsibility, facilities for and promptness in servicing claims, and the past record of the carrier, including its record in dealing with trade unions representing its employees.

The trustees of the fund should be required to include in reporting to the membership the specific reasons for the selection of the carrier finally chosen. The carrier should be required to warrant that no fee or other remuneration of any kind has been paid directly or indirectly to any representative of the parties in connection with the business of the fund.

7. Where a union or union trustees participate in the administration of the investment of welfare fund reserves, the union or its trustees should make every effort to prohibit the investment of welfare fund reserves in the business of any contributing employer, insurance carrier or agency doing business with the fund, or in any enterprise in which any trustee, officer or employee of the fund has a personal financial interest of such a nature as to be affected by the fund's investment or disinvestment.

(This is not to be construed as preventing investment in an enterprise in which a union official is engaged by virtue to his office, provided (i) no substantial personal advantage is derived from the relationship, and (ii) the concern or enterprise is one in the management of which the union participates for the benefit of its members.)

8. Where any trustee, agent, fiduciary or employee of a health or welfare program is found to have received an unethical payment, the union should insist upon his removal and should take appropriate legal steps against both the party receiving and the party making the payment. Where health and welfare funds are negotiated or administered by local unions or by other organizations subordinate to or affiliated with a national or international union, provision should be made to give the national or international union the authority to audit such funds and to apply remedies where there is evidence of a violation of ethical standards.

9. Every welfare program should provide redress against the arbitrary or unjust denial of claims so as to afford the individual member prompt and effective relief where his claim for benefits has been improperly rejected. Every program should provide for the keeping of complete records of the claims experience so that a constant check can be maintained on the relationship between claims and premiums and dividends, and on the utilization of the various benefits.

10. The duty of policing and enforcing these standards is shared by every union member, as well as by local, national and international officials. The best safeguard against abuses lies in the hands of a vigilant, informed and active membership, jealous of their rights and interests in the operation of health and welfare programs, as well as any other trade union program. As a fundamental part of any approach to the problem of policing health and welfare funds, affiliated unions, through education, publicity and discussion programs, should seek to develop the widest possible degree of active and informed interest in all phases of these programs on the part of the membership at large. International unions should, wherever possible, have expert advice available for the negotiation, establishment and administration of health and welfare plans, and should provide training for union representatives in the techniques and standards of proper administration of welfare plans.

11. Where constitutional amendments or changes in internal administrative procedure are necessary to comply with the standards herein set forth, such amendments and changes should be undertaken at the earliest practicable time.

LAKE MICHIGAN WATER DIVERSION

Mr. DOUGLAS. Mr. President, on behalf of my colleague, the junior Senator from Illinois [Mr. DIRKSEN], and myself, I introduce for appropriate reference a bill to authorize the State of Illinois and the Sanitary District of Chicago to test, on a 3-year basis, under the direction of the Secretary of the Army, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway. The bill would authorize a desperately needed additional diversion at a rate providing a total annual average of not more than 2,500 cubic feet per second, which is an increase of an annual average rate of 1,000 cubic feet per second over existing diversion.

There is a real need for the benefits provided by this bill. The health and welfare of an expanding 5½ million people residing within the service area of the Chicago Sanitary District must be seriously considered. The increased demands of an expanding population require an equal expansion of facilities of this type, including the expanded need for water. The Chicago Sanitary District has spent over $300 million in an effort to solve this problem. The history of their accomplishments is an example of the finest in sanitary engineering skills. There is possible only 90 percent purification and the irreducible residue of effluvia has a bad effect upon the flow of the Illinois Waterway unless diluted with additional oxygen. The Illinois Waterway, a vital transportation link, connecting the Mississippi Valley with the Great Lakes, is carrying an ever-increasing volume of commercial water traffic. Development of the St. Lawrence Seaway will greatly increase the traffic demands on this Illinois water route. Additional water is needed to provide the Illinois River with the means of meeting this demand.

During the 84th Congress a similar bill—H. R. 3210—was considered by both the House and the Senate, and was the subject of extensive hearings before the House Public Works Committee and the Senate Public Works Committee. Each committee favorably reported the bill. Testimony and documents produced before each of the committees and on the floor of the Senate during debate, I believe, conclusively demonstrated the need for the bill, and the authority of Congress to enact the bill. The bill passed both the House and Senate with large majorities and support by both parties. The subsequent veto by the President expressed the need for additional reports on control of lake levels and discussion with Canada prior to enactment. The President has since requested the State Department to begin discussion with Canada to solve these differences, and that the Department of Defense expedite completion of their report. I hope those requests will be honored in time to permit early consideration and enactment of the bill.

Adequate safeguards have been retained in the bill. They are, first, a limitation of not more than 5,000 cubic feet per second at any time; second, the Secretary of the Army shall at all times have direct control and supervision of the amount of water directly diverted from Lake Michigan; and, third, prohibition of the diversion of water into the Illinois Waterway during times of flood in the Illinois, Des Plaines, Chicago, and Calumet Rivers. Downstate Illinois communities urge passage of the bill because of their need for increased water for navigation, a cleaner river, and the enhancement of their underground water supply.

I sincerely hope the Senate will carefully consider the bill and give the necessary approval.

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

The bill (S. 1123) to authorize the State of Illinois and the Sanitary District of Chicago, under the direction of the Secretary of the Army, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes, introduced by Mr. DOUGLAS (for himself and Mr. DIRKSEN), was received, read twice by its title, and referred to the Committee on Public Works.

TRANSFER OF PUBLIC EMPLOYMENT SERVICE FOR THE DISTRICT OF COLUMBIA TO THE GOVERNMENT OF THE DISTRICT OF COLUMBIA

Mr. CASE of New Jersey. Mr. President, the Wagner-Peyser Act of 1933 established a nationwide system of public employment offices. These offices, which are located in all 48 States, Alaska, Hawaii, Puerto Rico, and the Virgin Islands, are operated as a State function in cooperation with the United States Employment Service. In addition, the operation of these offices is coordinated with the administration of unemployment insurance, another State operation.

The District of Columbia is in an unusual situation with respect to these functions. On the one hand, the statutes presently require that the United States Department of Labor operate the public employment service for the District, a practice which does not conform with the pattern throughout the rest of the country. At the same time, unemployment insurance for workers in the District of Columbia is administered, as it should be, by the District government. Thus two different jurisdictions presently administer functions whose administration should be in conjunction with each other to assure maximum benefit from both.

I introduce, for appropriate reference, a bill which would transfer the public employment service for the District to the District government and thereby place responsibility for the operation of the program, together with the means of carrying it out, in the hands of local rather than Federal authority. The economy and efficiency of both employment service and unemployment insurance programs should increase as a result of administration by the same authority.

The proposal authorizes and directs the District Commissioners to furnish the public employment services required by the Wagner-Peyser Act. To accomplish this purpose, the Commissioners are directed to establish a new agency with at least two coordinate divisions, one to administer the employment service and the other to administer the unemployment insurance functions. As at present, all employees administering these functions are to be included in the Federal civil service.

No change in the cost to the Federal Government of operating this service should result from enactment of this proposal since the District will be reimbursed by the Federal Government, as are all States, of the costs of the operation.

This bill, if enacted, would constitute legislation separate from the Wagner-Peyser Act, but would contain certain necessary amendments of that act.

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

The bill (S. 1124) to transfer to the government of the District of Columbia the Public Employment Service for the District of Columbia, and for other purposes, introduced by Mr. CASE of New Jersey, was received, read twice by its title, and referred to the Committee on the District of Columbia.

PARTICIPATION BY CORN PRODUCERS IN 1957 SOIL-BANK AND PRICE-SUPPORT PROGRAMS

Mr. HICKENLOOPER. Mr. President, on behalf of myself, the Senator from Florida [Mr. HOLLAND], the junior Senator from Iowa [Mr. MARTIN], and the Senator from Nebraska [Mr. HRUSKA], I introduce, for appropriate reference, a bill relating to the corn program for the year 1956. I ask unanimous consent that the bill be printed in full at this point in my remarks, and that I may be permitted to have printed in the RECORD, following the printing of the bill, a statement I have prepared in connection therewith.

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

The bill (S. 1125) to enable corn producers to participate in the 1957 soil-bank and price-support programs and for other purposes, introduced by Mr. HICKENLOOPER (for himself, Mr. HOLLAND, and Mr. MARTIN of Iowa), 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, etc., That notwithstanding any other provision of law, section 103 of the Agricultural Act of 1956 (Public Law 540, 84th Cong.) is amended by adding a new subsection (c) as follows: (c) For the 1957 crop year, corn producers in the commercial corn area may qualify for price support on corn and participate in the soil bank program by complying, in accordance with regulations issued by the Secretary of Agriculture, with either of the alternatives presented to producers in the corn referendum dated December 11, 1956, pursuant to the provisions of the Agricultural Act of 1956 (Public Law 540, 84th Cong.) and price support in the noncommercial corn area shall be 82½ percent of the average of the price support in the commercial corn area as estimated by the Secretary of Agriculture.

The statement, presented by Mr. HICKENLOOPER, is as follows:

By introducing the accompanying bill, to enable corn producers to participate in the 1957 soil bank on a basis of the farmers' choice between the propositions submitted in the corn referendum of last December, I hope that it may provide a formula for a satisfactory compromise on this program as between a number of theories that have been advanced. Time is short; it is essential that farmers know very soon what the program is to be. By way of a short explanation at this time, I make the following statement:

(1) The Agricultural Act of 1956 authorized and directed the Secretary of Agriculture to offer corn farmers in the commercial area an opportunity to decide whether they preferred (1) a corn acre allotment of 37,289,000 with price support at $1.36 for bushels or (2) a corn base acreage of 51 million acres with price support at a level which will assist farmers in marketing corn but not encourage uneconomic production (set by the Secretary at $1.31 per bushel for 1957) provided that an acreage equal to 15 percent of the farm corn base acreage is put into the soil bank. Such acreage could be put into either the acreage reserve or the conservative reserve or a combination of the two programs.

(2) 61.5 percent of the 437,480 votes cast in the referendum on December 11, 1956 were for the lower price support and higher acreage with the requirement that an acreage equal to 15 percent of the farm corn base acreage must be put in the soil bank.

(3) Prior to the referendum, farmers were given a written notice of the acreages allotted to their farm under both the 51 million corn base acreage and the 37.3 million acre corn allotment, the level of price support under both programs, and what would be required for participation in the soil bank under both programs.

(4) The amendment here proposed would permit a corn farmer in the commercial corn area to plant within either the farm base acreage for his farm or the farm acreage allotment. Those farmers choosing to plant within the farm base acreage would be eligible for price support at a national average of $1.31 per bushel if an acreage equal to 15 percent of the farm base acreage was put into the soil bank. Those farmers planting within the farm corn allotment would be eligible for price support at $1.36 per bushel. They would not be required to put any acreage in the soil bank.

(5) The amendment is a temporary measure to deal with the corn problem in 1957 only.

(6) It permits farmers immediately upon passage of the act to know what they may do without further administrative work on the part of the USDA since farmers may use the same notice for planting purposes that they used to participate in the referendum.

(7) Noncommercial area price support would be determined by the Secretary of Agriculture on the basis of 82½ percent of the average of the price support in the commercial corn area.

EXTENSION OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954, AS AMENDED

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, I introduce, for appropriate reference, a bill to extend for 2 years the basic authority for disposal of surplus farm commodities for foreign currencies, under

title I of Public Law 480, enacted by the 83d Congress. The bill authorizes export commitments of an additional $3 billion worth of farm commodities during that extended period.

Mr. President, I wish to emphasize that this constructive program is far more than just a farm-surplus disposal program. It is another arm of our foreign policy, a vital part of our efforts to maintain trade relations with countries lacking dollars to trade with us.

In considering an extension and increase in authorization for sales of our farm commodities for foreign currencies, it should be understood that the foreign currencies obtained are used by the United States for constructive purposes which otherwise might require direct appropriations. In other words, in many instances the program permits us to make use of our abundance of American food, instead of just using American dollars in carrying forward programs abroad.

For example, foreign currencies obtained from Public Law 480 sales are being used for payment of United States obligations abroad, for military procurement, for purchase of strategic materials, for purchase of goods for other countries under military or economic-aid programs, loans for multilateral trade and economic development, financing of the international educational exchange program, and last, but far from least, new market development for American farm products.

It can easily be seen that the amount authorized for Public Law 480 is far from a loss in the economic sense, and far from being solely a charge against agriculture for surplus disposal. It is much broader; it is an interlocking program making wiser use of our abundance to carry forward objectives of our foreign policy, and our entire Nation's self-interest.

Mr. President, at the conclusion of my remarks I shall place in the RECORD tables indicating the amounts of farm commodities moved under this program, and the uses for which foreign currencies have been designated under agreements to date.

Mr. President, the budget message recognized the need for continuation of this program, but proposed an extension of the program to only June 30, 1958, and asked only an additional $1 billion for that purpose.

Mr. President, I wish to explain why, after a careful study of the program, I am asking that it be extended instead to June 30, 1959, with an authorization of an additional $3 billion.

Officials of the Department of Agriculture concede that they already have pending requests from countries seeking to conclude agreements amounting to more than $1 billion.

Furthermore, as a practical matter the increase we are talking about is not an extension covering the period from June 30, 1957, when the present authorization expires, to June 30, 1958, as the administration proposes. Actually, it must be enough to cover carrying on this program from the end of the current month, if we are to avoid a sharp curtailment in this export program.

In a letter to me, dated January 29, 1957, signed by Assistant Secretary Earl Butz, the Department of Agriculture confirms that its current funds for this program are virtually exhausted and will not be sufficient to complete this fiscal year.

Assistant Secretary Butz says, in part:

> The $3 billion authorization for foreign currency sales under title I of Public Law 480 is nearly exhausted; only about $200 million remains to be programed. On the basis of title I negotiations now in progress and current program planning, it is expected that the remaining $200 million will be committed by the end of February or soon thereafter.

It can be readily seen that the Department expects to be at the end of its present dollar authority by the end of this month—4 months before the end of the fiscal year during which its authority for the program continues.

Furthermore, the same letter makes it apparent that the Department expects to continue its program during those 4 months out of the additional authorization voted by Congress for the period ahead—whether that be the 1 year asked by the administration, or the 2 years I have proposed.

Mr. Butz continues:

> The President in his budget message requested an additional $1 billion for these sales and an extension of 1 year to the authority to June 30, 1958. It is hoped that this increase will be granted soon so that we can continue to enter into new agreements. Additional authority would also facilitate the orderly programing of commodities for fiscal year 1958.

Mr. President, it should be obvious that if the Department of Agriculture has pending requests for $1 billion worth of American farm commodities, and if it intends to proceed with new sales agreements between now and the start of the new fiscal year under the extension we are being asked to provide, new authority of $1 billion certainly is not going to carry on the program through another entire fiscal year. In fact, the possibility exists that the entire amount might be committed before the beginning of the fiscal year for which we are supposedly voting an extension.

For that reason I am asking us to be realistic: to consider the fact the Department has already used up available funds, and to provide realistically for carrying on the program between the present time and June 30, 1959.

Mr. President, the 2-year extension is more realistic in developing the kind of constructive programs we hope to achieve under this program, and in providing the time necessary for working out participation by some countries. It will also give us a better opportunity to appraise the effectiveness of the program and to consider transitional means of shifting more toward direct dollar trade.

Mr. President, if we do not provide the 2-year extension now, we can accept as a certainty that requests will be made of us a year from now for another 1-year extension. Even Secretary Benson indicated that possibility in his testimony before the Senate Committee on Agriculture.

For the purpose of more efficient operations, planning and programing, I believe it would be far wiser to grant the 2-year authority now, rather than to proceed in piecemeal, year-at-a-time fashion.

Mr. President, I have tried to emphasize the importance of Public Law 480 to our general trade and foreign policy. However, I do not want to minimize its vital importance to American agriculture at a time when it is the weakest link in our economy.

Let me quote further from Mr. Butz' letter of January 29, in response to my inquiry about this program:

> We agree that operations under Public Law 480 have stimulated agricultural marketing. Title I sales have contributed substantially to increases in United States agricultural exports that have taken place; for some commodities, these sales have been the primary factor in maintaining exports at high levels. Well over 400 million bushels of wheat will be exported under agreements signed to date, including the 3-year programs with Brazil and India; about 1.2 billion pounds of soybean oil and cottonseed oil, 65 million bushels of feed grains, 130 million pounds of dairy products, and 150 million pounds of meat and meat products have also been programed.
>
> Title I sales are making important reductions in Commodity Credit Corporation inventories, particularly wheat, rice, and cotton. In addition, these sales are moving other commodities in surplus supply directly into consumption channels.

Mr. President, it seems good business to me to keep going a program that reduces our surpluses, cuts domestic storage costs, and at the same time provides foreign currency for making military purchases and granting economic development loans.

Mr. President, I wish to make one further point. As a United States Delegate to the United Nations, it was my privilege recently to present to that body on behalf of our Government a United States proposal to encourage international assistance toward establishment of national food reserves in various parts of the world. Our Government extended an offer to cooperate in providing commodities for such stockpiles, as well as commodities to aid in financing construction of storage facilities for such reserves.

From all indications, our proposal was favorably received. My reason for mentioning it here, however, is to emphasize that our Government will need as a minimum the extension and expansion I have proposed under Public Law 480 if it is to carry forward in good faith the public commitment it has made through the United Nations to other countries of the world.

Mr. President, at this time I ask unanimous consent to have printed in the RECORD the full text of the letter from Assistant Secretary Butz, to which I have referred, as well as three tables prepared by the Department of Agriculture covering the operations of Public Law 480 to date. I also ask unanimous consent to have printed in the RECORD

a press release summarizing my presentation of the World Food Reserve program to the United Nations, to which I have also referred. Let me add that my presentation on the World Food Reserve program, which I submitted to the United Nations, was accepted unanimously by 80 nations in the United Nations General Assembly, and therefore commits our Government to long-term programs for the use of our agricultural abundance.

There being no objection, the letter, tables, and release were ordered to be printed in the RECORD, as follows:

DEPARTMENT OF AGRICULTURE,
Washington, D. C., January 29, 1957.

The Honorable HUBERT H. HUMPHREY,
United States Senate.

DEAR SENATOR HUMPHREY: This is in response to your letter of January 7, 1957, concerning the amount of funds available for programing under Public Law 480.

The $3 billion authorization for foreign currency sales under title I of Public Law 480 is nearly exhausted; only about $200 million remains to be programed. On the basis of title I negotiations now in progress and current program planning it is expected that the remaining $200 million will be committed by the end of February or soon thereafter.

The President in his budget message requested an additional $1 billion for these sales and an extension of 1 year to the authority to June 30, 1958. It is hoped that this increase will be granted soon so that we can continue to enter into new agreements. Additional authority would also facilitate the orderly programing of commodities for fiscal year 1958.

We agree that operations under Public Law 480 have stimulated agricultural marketing. Title I sales have contributed substantially to increases in United States agricultural exports that have taken place; for some commodities, these sales have been the primary factor in maintaining exports at high levels. Well over 400 million bushels of wheat will be exported under agreements signed to date, including the 3-year programs with Brazil and India; about 1.2 billion pounds of soybean oil and cottonseeed oil, 65 million bushels of feed grains, 130 million pounds of dairy products, and 150 million pounds of meat and meat products have also been programed.

Title I sales are making important reductions in Commodity Credit Corporation inventories, particularly wheat, rice, and cotton. In addition, these sales are moving other commodities in surplus supply directly into consumption channels.

We appreciate your interest in Public Law 480 activities and welcome your support for an extension of these programs.

Sincerely yours,

EARL L. BUTZ,
Assistant Secretary.

EXHIBIT I.—*Approximate quantities of commodities under title I, Public Law 480 agreements signed from beginning of program through Dec. 31, 1956*

Country	Wheat and flour	Feed grains [1]	Rice	Cotton [2]	Tobacco	Dairy products [3]	Fats and oils [4]	Poultry	Dry edible beans	Fruit and vegetables	Meat	Hay and pasture seeds
	Thousand bushels	*Thousand bushels*	*Thousand hundredweight*	*Thousand bales*	*Thousand pounds*	*Thousand pounds*	*Thousand pounds*	*Thousand pounds*	*Thousand hundredweight*	*Thousand pounds*	*Thousand pounds*	*Thousand hundredweight*
Argentina							220,000					
Austria	2,025	7,091		42.5	5,900		[5] 16,552			[6] 1,974		
Brazil	[7] 85,211	688			125	10,190	[5] 55,092					
Burma				125.2	1,467	9,682				[6] 1,579		
Chile	7,316			37.6	300	9,900	[5] 94,019					55
China (Taiwan)				35.6	2,000	4,740	10,811					
Colombia	2,612			48.3		3,307	14,141					
Ecuador	597			6.0	323		13,629					
Egypt	10,329											
Finland	3,724	1,581		36.1	9,990	1,163				[6] 10,720		
France					3,216							
Germany								3,000				
Greece	6,378	5,073				34,761	[5] 83,288					
India [8]	128,600		4,409	500.0	6,000	14,770						
Indonesia	2,894		5,629	250.2	23,000							
Iran	2,120					11,708	5,773					
Israel	9,251	7,356	7	15.5	550	18,556	19,450		37		[9] 40,000	
Italy	948	5,860		453.8	9,798		196,815					
Japan	30,866	11,450	2,111	305.0	9,462							
Korea	4,122	10,000		102.7	12,667	2,751	[5] 24,004				[9] 19,842	
Netherlands				1.8								
Pakistan	15,357		6,636	189.5	5,317	5,105	21,159					
Paraguay	994					933	[5] 3,126					
Peru	5,014					621	22,000					
Portugal	3,751											
Spain	[10] 2,446	5,916		[2] 221.9	11,388		515,001			[6] 66,667	[9] 71,255	
Thailand					2,700	1,857						
Turkey	26,890	10,902	220				92,551				[9] 17,637	
United Kingdom					38,625							
Yugoslavia	80,460			199.7	0	0	[5] 190,566					
Total	431,905	65,917	19,012	2,571.4	142,828	130,044	1,597,977	3,000	37	80,940	148,734	55

[1] Feed grains:

	Thousand bushels
Feed wheat	2,234
Corn	27,095
Oats	5,843
Barley	24,950
Grain sorghums	5,795
Total	65,917

[2] Includes 15,400 bales cotton linters for Spain.

[3] Dairy products:

	Thousand pounds
Condensed milk	6,229
Dry whole milk	3,831
Nonfat dry milk	55,602
Evaporated milk	14,680
Butter	17,057
Cheese	8,258
Butter oil	2,861
Butter oil and/or ghee	15,276
Ghee	4,249
Whey	2,001
Total	130,044

[4] Fats and oils:

	Thousand pounds
Cottonseed oil	121,590
Cottonseed oil and/or soybean oil	776,715
Cottonseed oil, soybean oil, and/or lard	320,151
Linseed oil	11,945
Lard	241,572
Tallow and/or grease	126,004
Total	1,597,977

[5] Entire quantity shown for country is lard except Brazil, Chile, Greece, Korea, Paraguay, and Yugoslavia which includes lard as follows:

	Thousand pounds
Brazil	44,069
Chile	3,241
Greece	3,571
Korea	14,327
Paraguay	1,300
Yugoslavia	158,512

[6] Fruits and vegetables:

	Thousand pounds
Austria:	
Canned fruit and fruit juices	47
Dried fruit	1,927
Burma:	
Canned fruit and fruit juices	769
Dried fruit	810
Finland:	
Dried fruit	9,800
Fresh pears	920
Spain, potatoes.	

[7] Includes 65,055,000 bushels under fiscal year 1957 program to be shipped over a 3-year period.

[8] 3-year program except rice which is a 1-year program.

[9] Meat:
Israel and Turkey, frozen beef.
Korea, canned pork.

Spain:	*Thousand pounds*
Canned hams	2,571
Salt pork	4,267
Frozen beef	64,417

[10] Wheat to be sold to Spain for resale to Switzerland for financing procurement of Swiss goods by Spain.

EXHIBIT II.—*Commodity composition of programs under title I, Public Law 480, agreements signed from beginning of program through Dec. 31, 1956*

[In millions of dollars]

Country	Wheat	Feed grains	Rice	Cotton [1]	Tobacco	Dairy products	Fats and oils	Other	Market value	Ocean transportation	Market value including ocean transportation [2]	Estimated CCC cost including ocean transportation [2]
Argentina							30.4		30.4	0.7	31.1	34.0
Austria	3.4	10.6		6.1	3.5		2.4	[3] 0.3	26.3	2.3	28.6	41.8
Brazil	[4] 145.2	.9			.2	2.2	8.3		156.8	23.9	180.7	201.0
Burma				17.5	1.1	2.0		[5] 2	20.8	.9	21.7	31.2
Chile	12.1			5.3	.2	1.0	16.0	[6] 2.5	37.1	3.0	40.1	56.0
China (Taiwan)				5.0	1.7	1.5	1.0		9.2	.6	9.8	12.5
Colombia	5.0			7.6		.7	2.5		15.8	1.1	16.9	24.1
Ecuador	1.2			.8	.2		1.5		3.7	.3	4.0	5.3
Egypt	17.1								17.1	2.5	19.6	38.7
Finland	6.3	2.3		5.8	6.0	.5		[3] 1.2	22.1	1.9	24.0	34.3
France					2.1				2.1		2.1	2.1
Germany								[6] 1.2	1.2		1.2	1.2
Greece	11.0	5.4				3.6	14.3		34.3	3.4	37.7	51.2
India [7]	200.0		26.4	70.0	6.0	3.5			305.9	[8] 60.2	366.1	553.4
Indonesia	5.0		35.8	36.0	15.0				91.8	6.1	97.9	153.5
Iran	3.9					6.0	1.4		11.3	1.2	12.5	20.0
Israel	15.8	8.4	.1	2.6	.4	5.8	3.0	[9] 10.3	46.4	5.2	51.6	76.5
Italy	1.6	10.0		65.3	7.4		30.0		114.3	4.5	118.8	157.3
Japan	49.7	14.3	14.4	52.8	7.7				138.9	11.9	150.8	210.1
Korea	6.4	11.5		17.2	6.6	1.0	3.0	[10] 8.0	53.7	5.3	59.0	74.6
Netherlands				.27					.27	.01	.28	.4
Pakistan	25.5		41.9	29.0	4.8	2.5	3.3		107.0	13.7	120.7	194.9
Paraguay	1.7					.4	.5		2.6	.4	3.0	4.3
Peru	8.9					.2	3.0		12.1	1.4	13.5	20.3
Portugal	6.3								6.3	.8	7.1	13.7
Spain [11]	4.6	9.1		[1] 32.9	6.2		89.6	[12] 19.3	161.7	15.0	176.7	199.2
Thailand					1.9	.5			2.4	.1	2.5	2.8
Turkey	45.4	13.3	1.4				12.3	[13] 4.4	76.8	13.9	90.7	136.2
United Kingdom					27.0				27.0	.4	27.4	27.4
Yugoslavia	137.2			30.9			26.0		194.1	28.0	222.1	348.1
Total agreements	713.3	85.8	120.0	385.07	98.0	31.4	248.5	47.4	1,729.47	208.71	1,938.18	2,826.1

[1] Spanish program includes $0.3 million cotton linters.
[2] Includes only ocean transportation to be financed by CCC except as noted in footnote 8.
[3] Fruit.
[4] Includes $111 million under fiscal year 1957 agreement to be shipped over a 3-year period.
[5] Hay and pasture seeds, $2.5 million.
[6] Poultry.
[7] 3-year program except rice, which is a 1-year program.
[8] Includes $6 million estimated for ocean freight differential for which no rupee deposits are required. The balance, $54.2 million, only, is reflected in the currency use table III.
[9] Dry edible beans, $0.3 million; chilled or frozen beef, $10 million.
[10] Canned pork.
[11] Wheat to be sold to Spain for resale to Switzerland for financing procurement of Swiss goods by Spain.
[12] Hams, $1.6 million; salt pork, $0.8 million; potatoes, $1.4 million; frozen beef $15.5 million.
[13] Frozen beef.

EXHIBIT III.—*Planned uses of foreign currency under title I, Public Law 480 agreements signed from beginning of program through Dec. 31, 1956* [1]

[In million dollars]

Country	Total amount programed (market value including ocean transportation)	Market development (sec. 104 (a))	Purchase of strategic material (sec. 104 (b))	Military procurement (sec. 104 (c))	Purchase of goods for other countries [2] (sec. 104 (d))	Grants for multilateral trade and economic development (sec. 104 (e))	Payment of United States obligations [3] (sec. 104 (f))	Loans for multilateral trade and economic development (sec. 104 (g))	International education exchange (sec. 104 (h))	Translation and publication (sec. 104 (i))	Information and education (sec. 104 (j))
Argentina	31.1	0.6			(2)		9.8	20.0	0.7		
Austria	28.6	.7			2.0		9.7	16.0	.2		
Brazil	180.7	2.7	3.2	2.0			20.1	149.2	2.1	0.5	0.9
Burma	21.7	.5			(2)		3.9	17.3			
Chile	40.1	.8					7.0	31.7	.6		
China (Taiwan)	9.8	.7		4.9			4.2				
Colombia	16.9	.8			(2)		5.5	10.0	.6		
Ecuador	4.0	.2					.4	3.1	.3		
Egypt	19.6	.5					4.7	13.6	.8		
Finland	24.0	.5			(2)		23.2		.3	.05	
France	2.1	1.2			.6		.3				
Germany	1.2	1.1					.1				
Greece	37.7	.8				7.5	8.9	20.5			
India (3-year program)	[4] 360.1	4.0			(2)	54.0	68.0	234.1			
Indonesia	97.9	1.0	2.0				17.2	77.4	.3		
Iran	12.5	.2		5.9			3.2	2.5	.7		
Israel	51.6	.4			(2)		14.0	36.8	.4		
Italy	118.8	2.7	1.0		[2] 10.0		22.9	81.2			1.0
Japan	150.8	3.3		(2)	10.9		[5] 25.6	108.9	2.1		
Korea	59.0	.5		45.4			12.2		.9		
Netherlands	.28	.25					.03				
Pakistan	120.7	1.7		74.3			18.8	23.6	1.0	.3	1.0
Paraguay	3.0	.2					.5	2.2	.1		
Peru	13.5	.7					.26	9.7	.5		

[1] Amounts shown on this table are subject to adjustment when actual purchases and allocations have been made.
[2] Amounts shown in this column indicate a specified amount in the agreement for this use. Footnote 2 only shows an unspecified amount for possible procurement for third countries. A footnote and an amount indicate more than 1 agreement including both specified and unspecified amounts.
[3] In order to provide flexibility in the use of funds, many agreements provide that a specified amount of local currency proceeds may be used under subsecs. 104 (a), (b), (f), (h), and (i). In some instances, possible uses under subsec. 104 (d) are also included in this category. Therefore, estimates based on the best information now available are indicated above under subsecs. (a), (b), (h), and (i). Balances not otherwise distributed are included under subsec. (f). This distribution is subject to revision when allocations have been completed.
[4] Total market value in table VI differs from total in table II by the $6 million estimated for ocean-freight differential in the Indian agreement for which no rupee deposits will be required.
[5] The Japanese agreement for the July-June year 1955-56 provides for the use of $8.1 million and the United Kingdom agreements provide for the entire currency use under subsec. 104 (e). However, since in return for this currency use, these countries will construct and make available to the U. S. Armed Forces an equivalent value of dependent housing, the amounts are shown under subsec. 104 (f).

EXHIBIT III.—*Planned uses of foreign currency under title I, Public Law 480 agreements signed from beginning of program through Dec. 31, 1956* —Continued

[In million dollars]

Country	Total amount programed (market value including ocean transportation)	Market development (sec. 104 (a))	Purchase of strategic material (sec. 104 (b))	Military procurement (sec. 104 (c))	Purchase of goods for other countries (sec. 104 (d))	Grants for multilateral trade and economic development (sec. 104 (e))	Payment of United States obligations (sec. 104 (f))	Loans for multilateral trade and economic development (sec. 104 (g))	International education exchange (sec. 104 (h))	Translation and publication (sec. 104 (i))	Information and education (sec. 104 (j))
Portugal	7.1	.3					3.1	3.4	.3		
Spain	176.7	3.0	1.0				62.9	107.7	1.1	.5	.5
Thailand	2.5	.4					.65	1.0	.45		
Turkey	90.7	.7					41.9	45.3	1.5	.1	1.2
United Kingdom	27.4			[5]			[5] 27.4				
Yugoslavia	222.1	1.0		88.8			49.3	82.7		.3	
Total agreements [4]	[6] 1,932.18	31.45	7.2	221.3	23.5	61.5	468.08	1,097.9	14.95	1.75	4.6
Use as percent of total	100.0	1.6	.4	11.5	1.2	3.2	24.2	56.8	.8	.1	.2

[4] In some instances column totals do not add to total amount programed because of slight differences in rounding.

SENATOR HUMPHREY OUTLINES NEW WORLD FOOD AID OFFER TO UNITED NATIONS

A proposal for international cooperation toward establishment of more adequate national food reserves was outlined to the United Nations in New York today by Senator HUBERT H. HUMPHREY (Democrat, Minnesota), member of the United States delegation to the United Nations General Assembly.

As spokesman for the United States on the world food reserves item on the U. N. agenda, Senator HUMPHREY's address explained a draft resolution submitted by the United States delegation calling for exploring possibilities of international assistance for national food reserves.

Calling attention to the fact that "the negative attitude of the United States in the past toward establishment of world food reserves has been concerned with means, rather than end," Senator HUMPHREY said he was offering the specific new proposal "in order to draw attention to approaches that might add realism to the further studies and evaluations now in progress."

"Feeling as we do about these matters of practical approach to a purpose on which there is no disagreement, it is only natural that we would want to explore a number of avenues that might, in our view, contribute to a speedier and more adequate attainment of our common objectives," Senator HUMPHREY explained.

"The establishment and maintenance of more adequate national food reserves, especially in crop-cycle and famine areas, would go a long way toward accomplishing most, if not all, of the purposes that some of us had hoped a world food reserve or a world food capital fund could meet.

"The construction of storage facilities and the accumulation of reserve stocks in 'crop-cycle' or 'famine' areas would seem to be an essential step toward general economic development. Surplus foods from abroad not only could in part finance the cost of the construction of strategically situated storage space but could also make an important direct contribution to providing the stocks that should be held as an emergency reserve. Moreover, if storage space were available, the local government's task of dealing with domestic surpluses in years of good crops would be vastly facilitated, and years of abundance would become the blessing they should be, instead of the embarrassment they now are sometimes even in countries normally plagued by shortages.

"Somehow it would seem only logical if some of the world's surplus holdings were used to bolster stocks in areas where the failure of a crop means famine and where people live on the brink of disaster from one harvest to the next.

"FAO's report eloquently describes the desirability of adequate national reserves in countries living near the margin of subsistence. Such reserves could be brought into action at an early stage of an emergency, before panic and hoarding aggravate the plight. They would also afford some 'elbow room' for projects of economic development; they could be drawn upon to help finance such projects—mitigating inflationary pressures of increased consumer demand resulting from intensified economic development.

"Unfortunately, the need for such reserves is greatest in the countries least able to afford diversion of output from current consumption to the building of stocks."

It is in the light of considerations such as these, Senator HUMPHREY told the U. N., that "my Government has authorized me to say that, in accordance with our traditions, the United States stands ready to make grants of agricultural commodities to countries facing famine or other emergencies."

"Furthermore, the United States is prepared to make available to needy countries, under existing legislation and subject to further congressional authorizations, surplus agricultural commodities for the establishment of reserve stocks to meet extraordinary needs due to crop failures or other emergencies, or to mitigate excessive price effects of increased demand due to economic development programs.

"Assistance of this kind is predicated on the development by the countries concerned of reasonable and realistic programs, and of safeguards that ensure the observance of the FAO principle of avoiding 'harmful interferences with the normal pattern of production and international trade.' United States assistance in the above sense would be fashioned after previous arrangements entered into with several individual countries under which large parts of the local currencies received in payment for agricultural commodities supplied for building up national reserves were made available for financing economic development.

"The United States will cooperate with other countries in the further development of programs for the establishment of national food reserves * * * it is in order to stimulate a more rapid exploration of such possibilities for national action, with international assistance * * * that we are submitting the draft resolution. * * * We should be happy if it would contribute to uncover additional realistic possibilities for action that serves the noble purpose of improving the lot of the common man."

Senator HUMPHREY said he was convinced "that our first task here in the United Nations is to be realistic."

"If we aim at the possible, we will advance further than if we get stuck halfway toward the best of all worlds. It is not enough to be wanting to do a good thing; it is equally important to do it well so that the highmindedness that we cherish does not fall into disrepute with consequent damage to the very purpose that we wish to advance," Senator HUMPHREY told the U. N.

It was in that spirit, he declared, that he presented what he regarded as a practical and constructive suggestion, going beyond past United States position on the subject of world food reserves.

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

The bill (S. 1127) to extend and enlarge the Agricultural Trade Development and Assistance Act of 1954, as amended, introduced by Mr. HUMPHREY was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

COMPULSORY POULTRY INSPECTION

Mr. HUMPHREY. Mr. President, on behalf of myself, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Pennsylvania [Mr. CLARK], the Senator from Illinois [Mr. DOUGLAS], the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. JACKSON], the Senator from North Dakota [Mr. LANGER], the Senator from Michigan [Mr. MCNAMARA], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MANSFIELD], the Senator from Oregon [Mr. MORSE], the Senator from Montana [Mr. MURRAY], the Senator from Oregon [Mr. NEUBERGER], and the Senator from Maine [Mrs. SMITH], I introduce for appropriate reference a bill providing for compulsory poultry inspection legislation.

I ask unanimous consent that I may speak on the bill 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, many of us in the Senate have for several years sought the enactment of compulsory poultry inspection legislation. We have asked congressional approval for a poultry program which would give Americans the same protection as meat inspection has provided during the last half century.

A nation as health- and public-relations conscious as ours needs a meaningful and truly consumer-protective sys-

tem of compulsory poultry inspection. It would assure the housewife that she is getting a clean and wholesome product when she puts her money on the counter.

Compulsory poultry inspection is vital for the protection of poultry consumers, poultry farmers, poultry processors, and poultry workers.

Three congressional hearings last year revealed some dangerous statistics. There are 26 diseases transmissible from poultry to humans.

Some of them are of only academic importance; some bring terrible illnesses and death. For example, three psittacosis epidemics, in Portland, Oreg.; Houston, Tex., and Virginia, hit 136 persons during 1956, killing 3 men. The United States Public Health Service blames poultry and poultry products for the unusually high average rate of one-third of the food poisoning cases reported each year.

I want to emphasize, Mr. President—and it cannot be emphasized too strongly—that most of the poultry processing industry is working hard to bring clean and wholesome poultry to the consumer. But there are many shady operators who are a thorn in the side of the industry—as they are a danger to consumers and poultry workers.

In an industry as highly competitive, and sometimes economically marginal, as the poultry industry, the shady operators put great pressure upon the reputable processors.

The lack of inspection also hurts the poultry farmer, who already suffers great economic distress. Although inspection will be carried out at the processing level, not at the farm, the poultry farmer will benefit from the consumer goodwill which inspection will bring. His market will expand, just as meat inspection helped to multiply the rancher's market many times over.

I am happy to see that there is now virtually unanimous acceptance of the need for and desirability of compulsory poultry inspection. I hope and believe that the Senate and the House of Representatives can enact a compulsory poultry inspection law in this session. When we do, we shall have made one of the greatest strides forward in health, consumer and agricultural legislation in many years.

But to enact legislation which will provide compulsory poultry inspection in name only, will help no one. We must be certain that the legislation actually protects the consumer, farmer, and worker and processor. It must be effective, meaningful, and practical. If it contains glaring loopholes, it harms all groups. Our consideration and time will have been spent for nothing. The clamor for consumer protection will have to, and will, continue.

Two compulsory poultry inspection bills have already been introduced in the Senate. One was sponsored by the distinguished senior Senator from Vermont [Mr. AIKEN] and one by the distinguished junior Senator from Georgia [Mr. TALMADGE].

I know that these two colleagues of mine on the Agriculture Committee seek a good poultry-inspection program and I honor them for their initiative. I regret that in studying their measures, I have found serious shortcomings. Unfortunately, S. 313 and S. 645 contain dangerous loopholes.

For example, they would be virtually impossible to enforce. They would not provide the much-needed ante-mortem inspection, which would, among other benefits, minimize psittacosis epidemics. They would permit a plan employee to inspect his employer's products. They would not require the placing of inspection in a consumer-protective agency within the Department of Agriculture. They could wipe out State and local jurisdiction in intrastate poultry commerce against the wishes of the States and municipalities involved.

Because of these and other shortcomings in S. 313 and S. 645, I today offer another compulsory poultry inspection bill. My measure is an amended version of a bill which the Department of Agriculture supported last year. I believe it would bring about an effective poultry-inspection system.

The bill I introduce is in many ways similar to S. 313 and S. 645. It uses the same legislative form, yet it does plug the dangerous loopholes which would make a mockery out of a compulsory inspection system.

This bill incorporates many of the principles demanded and supported during congressional hearings and in resolutions by more than a dozen consumer, public health, farm, women's labor, and professional groups. These organizations include General Federation of Women's Clubs, American Public Health Association, National Farmers' Union, American Nurses Association, Young Women's Christian Association—national board, Association of State and Territorial Health Officers, Conference of Public Health Veterinarians, AFL–CIO, Amalgamated Meat Cutters and Butcher Workmen of North America, American Veterinary Medical Association, Association of Food and Drug Officials of the United States, Association of State Public Health Veterinarians, United States Livestock Sanitary Association, American Association of University Women, Housewives United, and the National Consumers League.

Briefly, my bill provides mandatory ante-mortem inspection, to be carried out in such a manner as the Secretary of Agriculture determines necessary. It calls for a mandatory post-mortem inspection on the carcass of each bird. I want to emphasize that this is not double inspection, since the ante-mortem inspection may be fulfilled by the examination of a flock, coop or batch, if the Secretary so orders.

Plant sanitation and sanitary processing rules would be established by the Secretary of Agriculture. A processor who fails to meet the standards would not have his poultry inspected. Uninspected poultry would be banned from shipment or sale in interstate commerce and in designated areas.

Areas of intrastate commerce in which poultry is handled or consumed in so great volume as to affect interstate commerce could be designated and brought into the Federal program. But the designation could be achieved only with the consent of the governing body of the area or locality affected.

The inspection would be handled by Federal employees under the direction of the Agricultural Research Service of the United States Department of Agriculture. One of this Service's units has handled meat inspection for over 50 years. Cost of inspection—except for overtime—would be paid by the United States Government.

A farmer who slaughters his own poultry or a retailer who only cuts up poultry products would be specifically exempt from the provisions of the bill. The measure would establish sound labeling practices.

In short, Mr. President, I believe my bill would effectively protect consumers and poultry workers. It would benefit poultry processors and poultry farmers. It would establish an inspection system which is both effective and practical.

I ask unanimous consent, Mr. President, that the text of my bill and the memorandum I have prepared comparing the bills previously introduced be printed at this point in the RECORD; and I also ask unanimous consent that the bill remain at the desk until the close of the Senate day, Friday, February 15, so that additional Senators may cosponsor if they wish.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and memorandum will be printed in the RECORD, and the bill will lie on the desk, as requested by the Senator from Minnesota.

The bill (S. 1128) to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products, introduced by Mr. HUMPHREY (for himself and other Senators), 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:

A bill to provide for the compulsory inspection by the United States Department of Agriculture of poultry and poultry products

Be it enacted, etc., That this act may be cited as the "Poultry Products Inspection Act."

LEGISLATIVE FINDING

SEC. 2. Wholesome poultry products are an important source of the Nation's total supply of food. Such products are consumed throughout the Nation and substantial quantities thereof move in interstate and foreign commerce. Unwholesome poultry products in the channels of interstate or foreign commerce are injurious to the public welfare, adversely affect the marketing of wholesome poultry products, result in sundry losses to producers, and destroy markets for wholesome poultry products. The marketing of wholesome poultry products is affected with the public interest and directly affects the welfare of the people. All poultry and poultry products which have or are required to have inspection under this act are either in the current of interstate or foreign commerce or directly affect such commerce. That part that enters directly into the current of interstate or foreign commerce cannot be effectively inspected and regulated without also inspecting and regulating all poultry and poultry products processed or handled in the same establishment.

The great volume of poultry products required as an article of food for the inhabitants of large centers of population directly affects the movement of poultry and poultry products in interstate commerce. To protect interstate commerce in poultry and poultry products inspected for wholesomeness, from being adversely burdened, obstructed, or affected by uninspected poultry or poultry products, the Secretary of Agriculture should hold public hearing to ascertain from time to time and to designate cities or areas where poultry or poultry products are handled or consumed in such volume as to affect the movement of inspected poultry or poultry products in interstate commerce.

DECLARATION OF POLICY

SEC. 3. It is hereby declared to be the policy of Congress to provide for the inspection of poultry and poultry products by the inspection service as herein provided to prevent the movement in interstate or foreign commerce or in a designated city or area of poultry products which are unwholesome, adulterated, or otherwise unfit for human food.

DESIGNATION

SEC. 4. The Secretary is authorized to ascertain from time to time the cities or areas where poultry or poultry products are handled or consumed in such volume as to affect, burden, or obstruct the movement of inspected poultry products in commerce. Whenever, after public hearings he finds that the designation of such a city or area will tend to effectuate the purposes of this act, he shall by order designated such city or area: *Provided*, That the governing body of such a city or area has consented to such designation. Such designation shall not become effective until 6 months after the notice thereof is published in the Federal Register. On and after the effective date of such designation, all poultry and poultry products processed, sold, received, or delivered in any such designated city or area shall be subject to the provisions of this act.

INSPECTION

SEC. 5. (a) For the purpose of preventing the entry into or flow or movement in commerce or in a designated city or area of any poultry product which is unwholesome or adulterated, the Secretary shall, whenever processing operations are being conducted, cause to be made by inspectors ante-mortem inspection in such manner as he determines necessary; post-mortem inspection of the carcass of each bird processed, and such quarantine, segregation, and reinspection as he determines necessary of poultry and poultry products in each official establishment processing such poultry or poultry products for commerce or in, or for marketing in, a designated city or area. All poultry, carcasses, and parts thereof, and poultry products found to be unwholesome or adulterated shall be condemned and shall, if no appeal be taken from such determination of condemnation, be destroyed for human food purposes under the supervision of an inspector. If an appeal be taken from such determination, the product shall be appropriately marked and segregated pending completion of an appeal inspection, which appeal shall be at the cost of the appellant if the Secretary determines that the appeal is frivolous. If the determination of condemnation is sustained, the product shall be destroyed for human food purposes under the supervision of an inspector.

(b) The Secretary shall refuse to render inspection to any establishment whose premises, facilities, or equipment, or the operation thereof, fail to meet the requirements of section 6 of this act.

SANITATION, FACILITIES, AND PRACTICES

SEC. 6. Each official establishment slaughtering poultry or processing poultry products for commerce or in or for marketing in a designated city or area shall have such premises, facilities, and equipment, and be operated in accordance with such sanitary practices as are required and approved by the Secretary for the purpose of preventing the entry into or flow of movement in commerce or in a designated city or area, of poultry products which are unwholesome or adulterated.

LABELING

SEC. 7. (a) Each shipping container of any poultry product inspected under the authority of this act and found to be wholesome shall at the time such product leaves the official establishment bear, in distinctly legible form, the official inspection mark, the name of the product, an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count, and the name and address or an approved plant number of the official establishment in which the contents were processed. Each individual consumer package, if any, of any poultry product inspected under the authority of this act and found to be wholesome shall bear, in addition to the official inspection mark, in distinctly legible form, the name of the product, a statement of ingredients if fabricated from two or more ingredients, the net weight or other appropriate measure of the contents, and the name and address or approved plant number of the official establishment in which the contents were processed: *Provided*, That the name and address of the distributor may be used if the approved plant number is used to identify the official establishment in which the poultry product was prepared and packed.

(b) The use of any written, printed, or graphic matter upon or accompanying any poultry product inspected or required to be inspected pursuant to the provisions of this act or the container thereof which is false or misleading in any particular is prohibited. No poultry products inspected or required to be inspected pursuant to the provisions of this act shall be sold or offered for sale by any person, firm, or corporation under any false or deceptive name; but established trade name or names which are usual to such products and which are not false and deceptive and which shall be approved by the Secretary are permitted. If the Secretary has reason to believe that any label in use or prepared for use is false or misleading in any particular, he may direct that the use of the label be withheld unless it is modified in such manner as the Secretary may prescribe so that it will not be false or misleading. If the person using or proposing to use the label does not accept the determination of the Secretary, he may request a hearing, but the use of the label shall, if the Secretary so directs, be withheld pending hearing and final determination by the Secretary. Any such determination by the Secretary, shall be conclusive unless within 30 days after the receipt of notice of such final determination the person adversely affected thereby appeals to the United States court of appeals for the circuit in which he has his principal place of business or to the United States Court of Appeals for the District of Columbia Circuit. The provisions of section 204 of the Packers and Stockyards Act of 1921, as amended, shall be applicable to appeals taken under this section.

PROHIBITED ACTS

SEC. 8. The following acts or the causing thereof are hereby prohibited:

(a) The processing, sale, or offering for sale, transportation, or delivery or receiving for transportation, in commerce or in a designated city or area of any poultry products, unless such poultry product has been inspected for wholesomeness and unless the shipping container and the individual consumer package, if any, are marked in accordance with the provisions of this act.

(b) The sale or other disposition for human food of any poultry or poultry product which has been inspected and declared to be unwholesome or adulterated under this act.

(c) Falsely making or issuing, altering, forging, simulating, or counterfeiting any official inspection certificate, memorandum, mark, or other identification, or device for making such mark or identification, used in connection with the inspection of poultry or poultry products under this act, or causing, procuring, aiding, assisting in, or being a party to, such false making, issuing, altering, forging, simulating, or counterfeiting, or processing, without promptly notifying the Secretary of Agriculture or his representative, uttering, publishing, or using as true, or causing to be uttered, published, or used as true, any such falsely made or issued, altered, forged, simulated, or counterfeited official inspection certificate, memorandum, mark, or other identification, or device for making such mark or identification, or representing that any poultry or poultry product has been officially inspected under the authority of this act when such poultry or poultry product has in fact not been so inspected.

(d) Using in commerce, or in a designated city or area, a false or misleading label on any poultry product.

(e) The use of any container bearing an official inspection mark except for the poultry product in the original form in which it was inspected and covered by said mark unless the mark is removed, obliterated, or otherwise destroyed.

(f) The refusal to permit access by any duly authorized representative of the Secretary, at all reasonable times, to the premises of an establishment engaged in processing poultry or poultry products for commerce, or in or for marketing in a designated city or area, upon presentation of appropriate credentials.

(g) The refusal to permit access to and the copying of any record as authorized by section 10 of this act.

(h) The using by any person to his own advantage, or revealing, other than to the authorized representatives of the Government in their official capacity, or to the courts when relevant in any judicial proceeding under this act, any information acquired under the authority of this act, concerning any matter which as a trade secret is entitled to protection.

(i) Delivering, receiving, transporting, selling, or offering for sale or transport any poultry slaughtered for human food or any part thereof, separately or in combination with other ingredients, other than poultry products as defined in this act, in commerce or in a designated city or area, except that such poultry may be transported to foreign countries pursuant to rules and regulations prescribed by the Secretary.

SEC. 9. No establishment processing poultry or poultry products for commerce or in or for marketing in a designated city or area shall process any poultry or poultry product except in compliance with the requirements of this act.

RECORDS OF INTERSTATE SHIPMENT

SEC. 10. For the purpose of enforcing the provisions of this act, persons engaged in the business of processing, transporting, shipping, or receiving poultry slaughtered for human consumption or poultry products in commerce or in a designated city or area, or holding such products so received shall maintain records for a period of 2 years following each transaction showing, to the extent that they are concerned therewith, the receipt, delivery, sale, movement, or disposition of poultry and poultry products and shall, upon the request of a duly authorized representative of the Secretary, permit him at reasonable times to have access to and to copy all such records.

INJUNCTION PROCEEDINGS

SEC. 11. The district courts of the United States are vested with jurisdiction specifically to enforce, and to prevent and restrain violations of this act. The remedies provided for in this section shall be in addition to, and not exclusive of, any of the remedies or penalties provided for elsewhere in this act or now or hereafter existing at law or in equity.

PENALTIES

SEC. 12. Any person who violates the provisions of sections 8, 9, 10, or 17, shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than 1 year, or a fine of not more than $5,000, or both such imprisonment and fine; but if such violation is committed after a conviction of such person under this section has become final such person shall be subject to imprisonment for not more than 2 years, or a fine of not more than $10,000, or both such imprisonment and fine. When construing or enforcing the provisions of said sections, the act, omission, or failure of any person acting for or employed by any individual, partnership, corporation, or association within the scope of his employment or office shall in every case be deemed the act, omission, or failure of such individual, partnership, corporation, or association, as well as of such person.

SEC. 13. Before any violation of this act is reported by the Secretary to any United States attorney for institution of a criminal proceeding, the person against whom such proceeding is contemplated shall be given reasonable notice of the alleged violation and opportunity to present his views orally or in writing with regard to such contemplated proceeding. Nothing in this act shall be construed as requiring the Secretary to report for criminal prosecution or for the institution of injunction proceedings violations of this act whenever he believes that the public interest will be adequately served and compliance with the act obtained by a suitable written notice or warning.

REGULATIONS

SEC. 14. The Secretary shall promulgate such rules and regulations as are necessary to carry out the provisions of this act.

EXEMPTIONS

SEC. 15. (a) The Secretary is authorized, by regulation and under such conditions as to sanitary standards, practices, and procedures as he may prescribe, to exempt from specific provisions of this act—

(1) poultry producers with respect to poultry of their own raising on their own farms which they sell directly to household consumers only, provided that such poultry producers do not engage in buying or selling poultry products other than those produced from poultry raised on their own farms;

(2) retail dealers with respect to poultry products sold directly to consumers in individual retail stores provided that the only processing operation performed by such retail dealers is the cutting up of poultry products on the premises in which such sales to consumers are made.

(b) The Secretary may by order suspend or terminate any exemption under this section with respect to any person whenever he finds that such action will aid in effectuating the purposes of this act.

VIOLATIONS BY EXEMPTED PERSONS

SEC. 16. Any person who sells, delivers, transports, or offers for sale or transportation in commerce or in a designated city or area any poultry products which are exempt under section 15, and which are unwholesome and adulterated and are intended for human consumption, shall be guilty of a misdemeanor and shall on conviction thereof be subject to the penalties set forth in section 12.

IMPORTS

SEC. 17. (a) No slaughtered poultry or parts or products thereof, of any kind shall be imported into the United States unless they are healthful, wholesome, and fit for human food and contain no dye, chemical, preservative, or ingredient which renders them unhealthy, unwholesome, or unfit for human food and unless they also comply with the rules and regulations made by the Secretary of Agriculture. All imported slaughtered poultry, or parts or products thereof, shall after entry into the United States in compliance with such rules and regulations be deemed and treated as domestic slaughtered poultry, or parts or products thereof, within the meaning and subject to the provisions of this act and the Federal Food, Drug, and Cosmetic Act, and acts amendatory of, supplemental to, or in substitution for such acts.

(b) The Secretary of Agriculture is authorized to make rules and regulations to carry out the purposes of this section and in such rules and regulations the Secretary of Agriculture may prescribe the terms and conditions for the destruction of all slaughtered poultry, or parts or products thereof, offered for entry and refused admission into the United States unless such slaughtered poultry, or parts or products thereof, be exported by the consignee within the time fixed therefor in such rules and regulations.

(c) All charges for storage, cartage, and labor with respect to any product which is refused admission pursuant to this section shall be paid by the owner or consignee, and in default of such payment shall constitute a lien against any other products imported thereafter by or for such owner or consignee.

GENERAL PROVISIONS

SEC. 18. (a) Poultry and poultry products shall be exempt from the provisions of the Federal Food, Drug, and Cosmetic Act, as amended, to the extent of the application or the extension thereto of the provisions of this act.

(b) In carrying out the provisions of this act, the Secretary may cooperate with other branches of Government and with State agencies.

COST OF INSPECTION

SEC. 19. The cost of inspection rendered under the requirements of this act shall be borne by the United States except the cost of overtime. The Secretary of Agriculture is authorized in his discretion to pay employees employed in establishments subject to the provisions of this act for all overtime work performed at such establishments at such rates as he may determine and to accept from such establishments wherein such overtime work is performed reimbursement for any sums paid out by him for such overtime work.

APPROPRIATIONS

SEC. 20. There is hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this act.

SEPARABILITY OF PROVISIONS

SEC. 21. If any provision of this act or the application thereof to any person or circumstances is held invalid, the validity of the remainder of the act and of the application of such provision to other persons and circumstances shall not be affected thereby.

DEFINITIONS

SEC. 22. For purposes of this act—

(a) The term "commerce" means commerce between any State, Territory, or possession, or the District of Columbia, and any place outside thereof; or between points within the same State or the District of Columbia, but through any place outside thereof; or within the District of Columbia.

(b) The term "Secretary" means the Secretary of Agriculture.

(c) The term "person" means any individual, partnership, corporation, association, or any other business unit.

(d) The term "poultry" means any live or slaughtered domesticated or commercially produced game bird.

(e) The term "poultry product" means any poultry which has been slaughtered for human food from which the blood, feathers, feet, head and viscera have been removed in accordance with rules and regulations promulgated by the Secretary, any edible part of poultry, or, unless exempted by the Secretary, any human food product consisting of any edible part of poultry separately or in combination with other ingredients.

(f) The term "wholesome" means sound, healthful, wholesome and otherwise fit for human food.

(g) The term "unwholesome" means:

(1) Unsound, injurious to health or otherwise rendered unfit for human food.

(2) Consisting in whole or in part of any filthy, putrid, or decomposed substance.

(3) Processed, prepared, packed, or held under unsanitary conditions whereby a poultry carcass or parts thereof or any poultry product may have become contaminated with filth or whereby a poultry product may have been rendered injurious to health.

(4) Produced in whole or in part from diseased poultry or from poultry which has died otherwise than by slaughter.

(5) Packaged in a container composed of any poisonous or deleterious substance which may render the contents injurious to health.

(h) The term "adulterated" shall apply to poultry and poultry products under one or more of the following circumstances:

(1) If they bear or contain any poisonous or deleterious substance which may render them injurious to health; but, in case the substance is not an added substance, such poultry and poultry products shall not be considered adulterated under this clause if the quantity of such substance in such poultry and poultry products does not ordinarily render them injurious to health.

(2) If they bear or contain any added poisonous or added deleterious substance, unless such substance is permitted in their production or unavoidable under good manufacturing practices as may be determined by rules and regulations hereunder prescribed by the Secretary or other provisions of Federal law limiting or tolerating the quantity of such added substance on or in such poultry and poultry products: *Provided*, That any quantity of such added substance exceeding the limits so fixed shall also be deemed to constitute adulteration.

(3) If any substance has been substituted, wholly or in part, therefor.

(4) If damage or inferiority has been concealed in any manner.

(i) The term "inspector" means any employee of the Federal Government authorized by the Secretary of Agriculture to inspect poultry and poultry products under the authority of this act.

(j) The term "official inspection mark" means the symbol, formulated pursuant to rules and regulations prescribed by the Secretary, stating that the product was inspected.

(k) The term "inspection service" means the official Government service within the Agricultural Research Service, Department of Agriculture, having the responsibility for the inspection for wholesomeness of poultry and poultry products, and for carrying out the provisions of this act.

(l) The terms "container" or "package" include any box, can, tin, cloth, plastic, or any other receptacle, wrapper, or cover.

(m) The term "official establishment" means any establishment as determined by the Secretary at which inspection of the slaughter of poultry, or the processing of poultry products, is maintained under the authority of this act.

(n) The term "label" means any written, printed, or graphic material upon the shipping container or upon the individual consumer package, if any, of the poultry product, or accompanying such product.

EFFECTIVE DATE

SEC. 23. This act shall take effect upon enactment: *Provided*, That no person shall be subject to the provisions of this act prior to July 1, 1958, unless such person applies for and receives inspection for poultry or poultry products in accordance with the provisions of this act and pursuant to regulations promulgated by the Secretary hereunder, in any establishment processing poultry or poultry products in commerce or in a designated city or area. Any person who voluntarily applies for and receives such inspection prior to July 1, 1958, shall be subject, on and after the date he commences to receive such inspection, to all of the provisions and penalties provided for in this act with respect to all poultry or poultry products handled in the establishment for which said application for inspection is made.

The memorandum presented by Mr. HUMPHREY is as follows:

MEMORANDUM BY SENATOR HUMPHREY COMPARING POULTRY INSPECTION BILLS BEFORE THE SENATE

Three major mandatory poultry-inspection bills have been introduced in the United States Senate. These are S. 313, S. 645, and the Humphrey bill.

S. 313 and S. 645 are inadequate, however praiseworthy their purposes. The Humphrey bill is a measure which will truly protect the poultry consumer, poultry worker, poultry-processing industry, and poultry farmers. It helps all of these four groups and is no way harmful to any of them.

It is doubtful whether S. 645 actually provides mandatory poultry inspection. Both it and S. 313 contain loopholes which would rob a poultry-inspection program of effectiveness and integrity. Any comparison of them with the inspection programs carried out under the Meat Inspection Act finds them sadly lacking. In fact, some of their sections could be used in the future as precedents to weaken the Meat Inspection Act and the Federal Food, Drug, and Cosmetic Act.

Under S. 313 and S. 645 the inspection could be carried out by plant employees in their employers' processing establishments. Antemortem inspection, which health authorities, including the Food and Drug Administration, have testified is essential for the protection of consumers and poultry workers is not required. Prosecutions for violations of the act would be extremely difficult—if not impossible—to secure.

The Humphrey bill is on a superficial level similar to these two bills. Many sections of the three bills are the same, word for word. But the Humphrey bill plugs the loopholes in the other two bills. It provides for an effective system of mandatory poultry inspection in practice as well as in name. It is an amended form of a bill supported by the Department of Agriculture last year.

DIFFERENCES BETWEEN THE BILLS

Here are the major differences between S. 313 and S. 645, on the one hand, and the Humphrey bill, on the other:

1. Ante-mortem inspection: S. 313 and S. 645 do not require ante-mortem or before slaughter inspection. The Humphrey bill does require it. The manner of ante-mortem inspection is left by the Humphrey bill to the discretion of the Secretary. In other words, slaughter inspection is mandatory under the Humphrey bill, but it need not be bird-by-bird inspection; it can be an examination by flock, coop, batch, or in any way the Secretary of Agriculture will later prescribe.

Public health experts believe ante-mortem inspection is essential to protect consumer interests. Respiratory diseases which are difficult to detect after slaughter may be easily identified in the live bird.

Mandatory ante-mortem inspection is also a major protection for poultry workers against industrial hazards. Any diseased birds which are prevented from coming on the processing line obviously cannot infect the workers. The dread danger of psittacosis, which hit 136 persons, killing 3, in 3 epidemics during 1956 alone, could be minimized through the use of ante-mortem inspection.

2. Post-mortem inspection: S. 645 does not specify the type of post-mortem or after-slaughter inspection. The Humphrey bill and S. 313 agree in providing for carcass-by-carcass inspection.

A post-mortem inspection of the carcass of every bird is an absolute essential protection for consumers. Although the voluntary poultry-inspection program now carried on by the Department of Agriculture is lacking in many respects, it does require a post-mortem inspection which is carcass by carcass.

3. Prohibited acts: S. 313 and S. 645 Prohibited Acts and Penalties sections would make these measures extremely difficult—if not impossible—to enforce. These sections repeatedly state that a violator must knowingly commit illegal acts before he can be punished. This means that an extreme degree of intent of violation, as well as the violation itself, must be proved.

The Humphrey bill closes this loophole, which would allow violators to either ignore or flaunt the jurisdiction of the Department of Agriculture. The Humphrey bill still prevents any unfair or unwise indictments. Like S. 313 and S. 645 it gives the Secretary of Agriculture the discretion not to report for criminal prosecution or for institution of injunction proceedings any minor violations when the Secretary believes the public interest will be so served, and compliance may be obtained by other means.

Congress previously wrote the word "knowingly" in other bills pertaining to agriculture and was forced to initiate new legislation because the laws were thereby made unenforceable. The word is not contained in either the Meat Inspection Act or in the Food, Drug, and Cosmetic Act. In fact, if it is incorporated in a poultry-inspection law, it would set a very dangerous precedent for possible weakening of these two laws.

4. Inspectors: S. 313 and S. 645 identify inspectors simply as "any person authorized by the Secretary of Agriculture to inspect poultry or poultry products under the authority of this act." This seriously endangers the integrity of the program since it would permit, for example, the use of a company's employees to inspect the firm's poultry.

The Humphrey bill would avoid such dangers by stating that all inspectors must be employees of the Federal Government. Thus, the inspector would be responsible to the Secretary of Agriculture. There would be no chance for conflicts of interest.

The Humphrey bill thereby provides an extremely essential safeguard for the integrity of the inspection program. Further, it assures that if the Federal Government's seal, which is to signal clean and wholesome poultry to the consumer, is to be put on the bird, a man responsible to the Federal Government and having no conflicting interests would do it.

5. Designated areas: All three bills, S. 313, S. 645, and the Humphrey bill contain a provision that the Secretary of Agriculture may, after hearings, designate certain cities and areas of intrastate commerce which have such a large volume of poultry business as to affect interstate commerce. After designation, these cities and areas are brought under the scope of the act. This extends the protection of the poultry inspection law to many more consumers, poultry workers, poultry farmers, and poultry processors.

However, care must be taken that the jurisdiction of State and local governing bodies will be protected. Inspection programs by States and local governments for intrastate commerce within their areas should be encouraged and not wiped out. The Humphrey bill therefore provides that the governing bodies of the city or area affected must consent to the designation before the Secretary can authorize it.

6. Inspecting agency: S. 313 and S. 645 do not specify which agency in the Department of Agriculture would be responsible for the inspection work. Under such circumstances, it is most likely that the work will be performed by the Agricultural Marketing Service. Under the Humphrey bill, the Agricultural Research Service would specifically be delegated with the poultry inspection work.

The Meat Inspection Branch of the Agricultural Research Service has done an excellent job in protecting the public against undesirable meat during the past 50 years. It has done the type of work on red meat which is now sought for poultry. The Agricultural Marketing Service, although having done admirable work in promoting the sale of agricultural products, has often done an unsatisfactory job in protecting consumers with its voluntary poultry inspection program.

The Meat Inspection Branch has only one function: making certain that meats are wholesome and clean. The Agricultural Marketing Service's main task is to promote the sale of farm products—a duty which conflicts with consumer protection.

7. Shipment of uneviscerated poultry: Some of the practices used in holding dressed, but uneviscerated poultry carcasses, for later evisceration are among the most unsanitary and most objectionable practices existing in the poultry industry today. S. 313 and S. 645 would allow these practices to continue. The Humphrey bill, however, would prohibit the shipment of uneviscerated carcasses in domestic commerce.

8. Insanitary processing: In the definition of "unwholesome" S. 313 and S. 645 can be interpreted to excuse any filthy conditions during the processing through the point of evisceration. The Humphrey bill plugs this loophole or possible oversight.

9. Records of interstate shipments: S. 313 and S. 645 are indefinite concerning the length of time processors, wholesalers, retailers, and shippers must keep records. S. 313 would put the unnecessary hardship upon them of permanent retention. S. 645 says that they must maintain records for a period of 2 years, but does not state when the 2-year period begins. The Humphrey bill very specifically provides that they must maintain the record of each transaction only for 2 years after the transaction has taken place.

10. Labeling: Both S. 313 and S. 645 would allow the Secretary to grant any exemption from the labeling requirements. The Humphrey bill contains no such loophole. The public depends upon factual and informative labeling of food products. Exemptions from basic labeling requirements would confuse the housewife and would make the task of State and local regulatory officials very difficult.

11. Parts of diseased birds: S. 313 would permit, because of its definition of "unwholesome," the sale of parts of diseased birds. The horrible practice, used by some processors, of cutting off the unmarked wings and legs of tubercular birds would be allowed to continue. The Humphrey bill and S. 645 provide that poultry which is "produced in whole or in part from diseased poultry or poultry which has died otherwise than by slaughter" is unwholesome and therefore, to be condemned.

With the exception of the above points, which are vital to the effectiveness and integrity of an inspection program, the three bills contain only minor differences.

In short, the Humphrey bill contains all of the constructive provisions of S. 313 and S. 645. In addition, it closes the loopholes which would prove detrimental to all whose best interests depend upon an effective poultry-inspection program, that is, poultry consumers, poultry workers, poultry processors, and poultry farmers.

AMENDMENT OF SOCIAL SECURITY ACT, RELATING TO DISABILITY BENEFITS

Mr. MORSE. Mr. President, last year the Congress adopted a series of changes in the Social Security Act, among them a provision for payment of benefits to persons who become totally and permanently disabled, upon reaching the age of 50. That was a bare beginning; now we should move forward to do an adequate job.

Provision for disability in the Social Security law by the 84th Congress was the most notable and desirable extension since the basic law was instituted 20 years ago. It recognized the desperate plight of working people and of their families when the provider is stricken with an illness or suffers an injury which robs him of his earning power. Until last year, many families in such circumstances were compelled to apply for public assistance and became wards of their communities.

We have removed this injustice for persons with social security coverage who are 50 years old or over. I am pleased that we have made that much progress. However, I am disturbed by the remaining thousands of individuals under 50 who are not able to work for a living because of disability. I am disturbed by the many hundreds of thousands of disabled men and women, not to mention their dependents, who continue to rely upon meager public relief for their subsistence.

If a man or woman who has worked enough to gain social security coverage becomes disabled at the age of 28, or 30, or 35, or 45 the children of such a person are so much the more dependent upon public welfare. The younger the age at which the disability is incurred, the longer the dependents must live on charitable donations or public aid, without the assurance of a steady income.

I think every Member of Congress knows many such families; we know of the despair and grief that parents face when a father becomes disabled; of the difficulty that an untrained or unskilled mother will have in trying to earn an income for the family; of the dependence of such families upon the charity and good will of relatives and neighbors to provide them with the essentials of living.

Testimony to the Senate Finance Committee last year in support of the disability section of H. R. 7225 shows that the State public welfare agencies are particularly emphatic in urging disability payments. Many of them noted that the families of disabled workers make up the greatest single share of public-assistance recipients, and that the financial burden on these families involves more than living costs alone, since medical care is usually necessary.

In some countries, social insurance began with disability and was expanded later to include old-age insurance. In the United States, insurance against loss of earning power through permanent disability at any age remains the greatest shortcoming in our social-security program. It was estimated in the Senate hearings that about 2.2 million persons are prevented from seeking work because of a disability that has lasted 6 months or more. Yet the amendment of last year extends benefits to not more than about 250,000. So the job of Congress has only begun, insofar as the disabled are concerned. We have provided this form of insurance for the employees of the Federal Government, and for railroad workers covered under the Railroad Retirement Act; but we have not provided it for the great bulk of wage earners who are employed in private industry and are covered by social security.

The bill I am introducing for myself, my colleague, the junior Senator from Oregon [Mr. NEUBERGER], and the Senator from Louisiana [Mr. LONG], would repeal the age requirement and make social-security benefits available to the disabled without regard to age. In all other respects the requirements of length of coverage and the like are not changed.

The evidence is that this change in the law would be of comparatively slight cost. Failure to provide this minimum insurance against complete disability already costs the Nation far too much in public assistance and the many charges that inadequate income lead to.

Let us give working people what they earn by their social-security payments—security against disabling illness and injury.

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

The bill (S. 1137) to amend title II of the Social Security Act to eliminate the requirement that an individual attain 50 years of age in order to be eligible for disability benefits, introduced by Mr. MORSE (for himself, Mr. NEUBERGER, and Mr. LONG), was received, read twice by its title, and referred to the Committee on Finance.

DESIGNATION OF DECEMBER 7 OF EACH YEAR AS PREPAREDNESS DAY

Mr. SMATHERS. Mr. President, we all remember only too well December 7, 1941, as "the day that will live long in infamy." That day was indeed a dark one in the epochal history of the United States. It was a day that impressed upon all freedom-loving Americans the importance of the strongest possible national defense to the preservation of our democracy. I think it fitting and proper that this day be set aside and declared to be National Preparedness Day to serve as a constant reminder that we must be forever vigilant in keeping our defenses strong if we are to preserve for ourselves and posterity our American way of life, and maintain leadership for world peace.

In behalf of my able and distinguished colleague [Mr. HOLLAND] and myself, I now introduce for appropriate reference a joint resolution which would designate December 7 of each year as Preparedness Day and which would authorize the President to issue an annual proclamation calling on the officials of the Government to display the American flag on all Government buildings, and invite the people of the United States to observe such day with appropriate ceremonies in schools, churches, and other suitable places.

I ask unanimous consent that the joint resolution be printed in the RECORD, together with an editorial which appeared in the Miami Daily News under date of January 30 entitled "Let Congress Act Now To Set December 7 as Preparedness Day." I trust that the committee to which this joint resolution is referred will act promptly and favorably on it, and that it will be adopted by the Congress.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and editorial will be printed in the RECORD.

The joint resolution (S. J. Res. 52) designating the 7th day of December in each year as Preparedness Day, introduced by Mr. SMATHERS (for himself and Mr. HOLLAND), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 52

Joint resolution designating the 7th day of December in each year as Preparedness Day

Resolved, etc., that the 7th day of December in each year is hereby designated as "Preparedness Day." The memory of a day that will long live in infamy, December 7, 1941, should be a constant reminder of America's need for preparedness. Today America should look to the future to assure our country's preparedness for our own protection and to maintain our leadership for world peace; and be it further

Resolved, That a state of preparedness is not merely material but is one of moral strength and will. It is determined, wise, and resolute. It must start in the minds and hearts of the people. The President is authorized and requested to issue annually a proclamation calling upon officials of the Government to display the flag of the United States on all Government buildings on such day and inviting the people of the United States to observe such day with appropriate ceremonies in schools, churches, and other suitable places.

The editorial presented by Mr. SMATHERS is as follows:

[From the Miami Daily News of January 30, 1957]

LET CONGRESS ACT NOW TO SET DECEMBER 7 AS PREPAREDNESS DAY

The Miami News suggested last December 2 that December 7 be set by act of Congress as Preparedness Day. Yesterday Representative PAUL ROGERS, Democrat, of Florida, introduced a resolution into the House of Representatives proposing a national Preparedness Day in accordance with the suggestion.

The entire Florida House delegation is prepared to support this proposal. Across the Capitol in the Senate both Florida Senators' offices have expressed interest and one or both Senators may introduce a companion bill.

The significance of Pearl Harbor Day is in danger of being lost in barebone versions of "the day that will live long in infamy."

The bombing of an American naval base in 1941 could well be remembered as a symbol of all that was lacking in our national defense on that day 15 years ago—and beyond that, all that is lacking every year on that day. It could be an annual Preparedness Day.

Last December 2, this newspaper concluded to bring the matter to the attention of the 85th Congress, and pointed out:

"December 7 is a good day for Preparedness Day. It will come always after the heat of political elections and every 4 years after the election of a President and the promise of peace for 4 more years. The 85th Congress would do well to consider Preparedness Day because preparedness starts in the minds and hearts of the people."

This newspaper has received favorable comments from all eight Florida Congressmen and both Florida Senators. Most of them were enthusiastic.

Senator GEORGE SMATHERS inserted the above editorial in the CONGRESSIONAL RECORD, as has Representative ROGERS.

This newspaper believes strongly in the idea of Preparedness Day on the day that the first treacherous air attack on America occurred.

In retrospect, no nation was ever absolutely secure from attack from a foreign power. America, so long isolated from the warring continents by the oceans, is doing much better by contrast to prepare itself for world war III—in the hope and assurance that that is the best way to avoid it. But many Americans are disturbed because of conflicting reports, disagreements among the experts, and partisan clamor for less, rather than more spending.

What does America need to be prepared? There is no one answer. But the question is a challenge to all Americans to be about the seeking of the answer.

Preparedness Day is a good day for dedication to that purpose.

APPOINTMENT OF DOCTORS OF CHIROPRACTIC IN THE DEPARTMENT OF MEDICINE AND SURGERY OF THE VETERANS' ADMINISTRATION—AMENDMENT

Mr. MAGNUSON submitted an amendment, in the nature of a substitute, intended to be proposed by him, to the bill (S. 968) to authorize the appointment of doctors of chiropractic in the Department of Medicine and Surgery of the Veterans' Administration, which was referred to the Committee on Labor and Public Welfare, and ordered to be printed.

CIVILIAN ATOMIC POWER ACCELERATION PROGRAM—ADDITIONAL COSPONSORS OF BILL

Mr. GORE. Mr. President, I ask unanimous consent that the names of the Senators from Washington [Mr. MAGNUSON and Mr. JACKSON] may be added as additional cosponsors of the bill (S. 151) providing for a civilian atomic power acceleration program, introduced by me on January 7, 1957.

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

AMENDMENT OF RAILROAD RETIREMENT ACT OF 1937, AS AMENDED—ADDITIONAL COSPONSOR OF BILL

Mr. LANGER. Mr. President, I ask unanimous consent that the name of the Senator from Iowa [Mr. MARTIN] may be added as a cosponsor of the bill (S. 945) to amend the Railroad Retirement Act of 1937, as amended, introduced by me on January 29, 1957.

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

FILING OF NON-COMMUNIST AFFIDAVITS BY CERTAIN PRIVATE EDUCATIONAL INSTITUTIONS—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of February 4, 1957,

The names of Mr. MUNDT, Mr. SYMINGTON, Mr. JACKSON, Mr. MCCARTHY and Mr. ERVIN were added as additional cosponsors of the bill (S. 1061) to amend the Veterans' Readjustment Assistance Act of 1952 and part VIII of Veterans Regulation No. 1 (a) so as to require certain private educational institutions and training establishments to file non-Communist affidavits with the Administrator of Veterans' Affairs and to require disapproval under such act, or such part, of any such institution or establishment which fails to file such affidavit, introduced by Mr. MCCLELLAN (for himself and Mr. ALLOTT) on February 4, 1957.

RECOGNITION OF THE ALTAR OF THE NATION AS A NATIONAL SHRINE—ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTION

Under authority of the order of the Senate of January 30, 1957,

The names of Mrs. SMITH of Maine, Mr. BUSH, Mr. GREEN, Mr. KEFAUVER, Mr. BEALL, Mr. PAYNE, Mr. KENNEDY, Mr. PASTORE, Mr. YOUNG, Mr. HUMPHREY, Mr. BARRETT, and Mr. THURMOND were added as additional cosponsors of the concurrent resolution (S. Con. Res. 9) favoring the recognition of the Altar of the Nation as a national shrine, submitted by Mr. BRIDGES (for himself and Mr. COTTON) on January 30, 1957.

SELF-DETERMINATION FOR PEOPLE OF CYPRUS—ADDITIONAL COSPONSORS OF RESOLUTION

Mr. IVES. Mr. President, I ask unanimous consent that the names of the Senator from Rhode Island [Mr. GREEN], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], the Senator from North Dakota [Mr. LANGER], and the Senator from Louisiana [Mr. LONG] may be added as cosponsors of Senate Resolution 81, favoring the application of the principle of self-determination to the people of Cyprus, submitted by me on January 30, 1957.

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

CHANGE OF REFERENCE

Mr. HENNINGS. Mr. President, I ask unanimous consent that the Committee on Government Operations be discharged from the further consideration of the bill (S. 932) to establish an Office of Federal Administrative Practice; to provide for the appointment and administration of a corps of hearing commissioners; to provide for admission to and control of practice; to establish a Legal Career Service for improvement of legal services in Government; and for other purposes, and that the bill be referred to the Committee on the Judiciary. This bill, known as the Federal Administration Practices Act of 1957, was originally referred to the Committee on Government Operations. I have consulted with the Senator from Arkansas [Mr. MCCLELLAN] and he is agreeable to having the bill referred to the Judiciary Committee.

Mr. MCCLELLAN. Mr. President, the Committee on Government Operations has no objection to the request.

The VICE PRESIDENT. Is there objection to the request of the Senator from Missouri? The Chair hears none, and it is so ordered.

PRINTING OF DOCUMENT ENTITLED "PROPOSALS FOR IMPROVING THE PATENT SYSTEM" AS A SENATE DOCUMENT (S. DOC. NO. 21)

Mr. O'MAHONEY. Mr. President, on behalf of the Subcommittee on Patents of the Committee on the Judiciary, I ask unanimous consent that a document entitled "Proposals for Improving the Patent System," written by Dr. Vannevar Bush, may be printed as a Senate document.

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

PRINTING OF DOCUMENT ENTITLED "THE PATENT SYSTEM AND THE MODERN ECONOMY" AS A SENATE DOCUMENT (S. DOC. NO. 22)

Mr. O'MAHONEY. Mr. President, I ask unanimous consent, on behalf of the Subcommittee on Patents of the Committee on the Judiciary, that a document entitled "The Patent System and the Modern Economy," prepared by Mr. George E. Frost, a patent lawyer of Chicago, Ill., may be printed as a Senate document.

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

PRINTING OF DOCUMENT ENTITLED "DISTRIBUTION OF PATENTS ISSUED TO CORPORATIONS (1939–1955)" AS A SENATE DOCUMENT (S. DOC. NO. 23)

Mr. O'MAHONEY. Mr. President, I ask unanimous consent, on behalf of the Subcommittee on Patents of the Committee on the Judiciary, that a document entitled "Distribution of Patents Issued to Corporations (1939–1955)," prepared by the Patent Office, may be printed as a Senate document.

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

PRINTING OF DOCUMENT ENTITLED "OPPOSITION AND REVOCATION PROCEEDINGS IN PATENT CASES" AS A SENATE DOCUMENT (S. DOC. NO. 24)

Mr. O'MAHONEY. Mr. President, I ask unanimous consent, on behalf of the Subcommittee on Patents of the Committee on the Judiciary, that a document entitled "Opposition and Revocation Proceedings in Patent Cases," prepared by Mr. P. J. Federico, Examiner in Chief of the Patent Office, may be printed as a Senate document.

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

Mr. O'MAHONEY. Mr. President, I may say that all these documents are available for purchase from the Superintendent of Documents, Government Printing Office. It is my understanding that all of them sell for 15 cents a copy. There has been a tremendous demand for them throughout the country, especially by the various industries affected by the patents.

I felt it desirable that through the CONGRESSIONAL RECORD all persons who may desire copies of the documents should know that they are obtainable directly from the Superintendent of Documents at 15 cents a copy. On orders of 100 or more copies, delivered to the same address, a discount of 25 percent is given.

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. THURMOND:

Address delivered by Senator ROBERTSON before Senate breakfast group on February 6, 1957.

By Mr. CASE of New Jersey:

Statement made by him on December 27, 1956, relative to the shortage in college facilities.

By Mr. WILEY:

Article entitled "World Teamwork," written by Senator MUNDT, and published in the February 1957 issue of the magazine Childhood Education.

NOTICE OF HEARING ON NOMINATION OF RANDOLPH H. WEBER TO BE UNITED STATES DISTRICT JUDGE, EASTERN DISTRICT OF MISSOURI

Mr. McCLELLAN. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Monday, February 18, 1957, at 2:30 p. m., in room 424, Senate Office Building, upon the nomination of Randolph H. Weber, of Missouri, to be United States District Judge for the Eastern District of Missouri, vice Rubey M. Hulen, deceased.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Mississippi [Mr. EASTLAND], Chairman, the Senator from Missouri [Mr. HENNINGS], and the Senator from Utah [Mr. WATKINS].

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

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

Leon H. A. Pierson, of Maryland, to be United States Attorney for the District of Maryland for a term of 4 years;

Antonio C. Baza, of Guam, to be United States Marshal for the District of Guam for a term of 4 years; and

Thomas James Donegan, of New York, to be a member of the Subversive Activities Control Board for the remainder of the term expiring April 9, 1957.

On behalf of the Committee on the Judiciary notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Friday, February 15, 1957, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

NOTICE OF HEARING ON NOMINATION OF WILLIAM JOSEPH BRENNAN, JR., TO BE AN ASSOCIATE JUSTICE OF THE SUPREME COURT OF THE UNITED STATES

Mr. McCLELLAN. Mr. President, on behalf of the Committee on the Judiciary, I desire to give notice that a public hearing has been scheduled for Tuesday, February 19, 1957, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of William Joseph Brennan, Jr., of New Jersey, to be an Associate Justice of the Supreme Court of the United States.

At the indicated time and place all persons interested in the above nomination may make such representations as may be pertinent.

NOTICE OF CONSIDERATION OF NOMINATION OF C. FREDERICK REINHARDT TO BE COUNSELOR OF THE DEPARTMENT OF STATE

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of C. Frederick Reinhardt, of California, to be counselor of the Department of State, vice Douglas MacArthur 2d.

Notice is given that the nomination will be eligible for consideration by the Committee on Foreign Relations at the expiraiton of 6 days, in accordance with the committee rule.

NOTICE OF HEARINGS ON S. 420, THE OMNIBUS JUDGESHIP BILL, AND OTHER RELATED BILLS

Mr. JOHNSTON of South Carolina. Mr. President, on behalf of the Standing Subcommittee on Improvements in Judicial Machinery of the Committee on the Judiciary, I desire to give notice that public hearings have been scheduled to commence on Wednesday, February 20, 1957, at 10:30 a. m., in room 424 Senate Office Building, on S. 420, to provide for the appointment of additional circuit and district judges, and for other purposes, and other related bills. At the indicated time and place all persons interested in the proposed legislation may make such representations as may be pertinent. The subcommittee consists of the Senator from Arkansas [Mr. McCLELLAN]; the Senator from Wyoming [Mr. O'MAHONEY]; the Senator from Utah [Mr. WATKINS]; the Senator from Nebraska [Mr. HRUSKA], and myself, chairman.

THE NATIONAL GUARD

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that certain other letters and communications dealing with the same subject be printed at this point in the RECORD and then referred to the Committee on Armed Services.

There being no objection, the matters were referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows.

COMPANY A,
1022D ENGINEER BATTALION (COMBAT),
Afton, Wyo., February 1, 1957.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

DEAR MR. O'MAHONEY: Strongly oppose the mandatory 6 months' active duty for training requirement for all enlistees without prior service, who join the National Guard after April 1, 1957.

As a counter-proposal highly recommend adoption of proposal No. 3 as set forth by the Adjutants General Association and other General Officers of the Army National Guard. In that all men ages 17 to 18½ years who are enlisted on or after April 1, 1957 be required to take 11 weeks of active duty for training as a mandatory condition to their enlistment. These men may volunteeer for 6 months' active duty training.

Sincerely yours,

BOYD W. BARRUS,
Captain, Corps of Engineers,
Wyoming National Guard,
Commanding.

POWELL, WYO., *February 1, 1957.*

Hon. JOSEPH C. O'MAHONEY,
United States Senator for Wyoming,
Washington, D. C.

DEAR SENATOR O'MAHONEY: I have been following the recent arguments on the National Guard controversy in newspapers and the radio. I feel that the proposed Department of the Army program of 6 months active duty training for National Guard personnel without prior service would be detrimental to the guard program.

In addition to other arguments which have been presented I feel that this program would interrupt the educational programs of many of the present guardsmen not to mention future enlistees. I feel that these active duty periods could be better accomplished during the summer vacations. This would also create job vacancies for other workers because of guard personnel attending active duty training camps.

The members of my National Guard company and myself would appreciate your support of the National Guard program in Congress.

Sincerely yours,

DWAIN H. EHRLICH,
Company Commander,
Co. B, 1022d Engr. Bn. (C),
Powell, Wyo.

BATTERY "B,"
300TH ARMORED FIELD
ARTILLERY BATTALION,
WYOMING NATIONAL GUARD,
Cody, Wyo., January 29, 1957.

Hon. JOSEPH O'MAHONEY,
United States Senator,
State of Wyoming,
Washington, D. C.

DEAR SENATOR O'MAHONEY: I think the recent action taken by the Department of the Army will do a great deal to tear down the best Reserve program the United States has—the National Guard. I have been a part of this program for a number of years and have seen the success it has had compared to the near failure of all others. The unit I belong to went to Korea and made a good record for itself as did many other National Guard units.

The many things said by Secretary Wilson are very unfair and are not based on fact. There may be isolated cases where he gets his information but on the whole anyone who would use a little reason could not say the things he has. Many National Guard units were called so how could a man join one of them to dodge the draft. He would not have any way of knowing that it wouldn't be taken in.

If the present program passes it will deeply cut into our enlistments as a good portion of them come from high school or college students. None of them would want to join as it would interfere with their schooling.

I recommend if the powers that be are going to insist extra training be given National Guardsmen that the 11-week program be put into effect so they can work it in between school years.

The whole Reserve program is not as effective as it should be now, without someone throwing another monkey wrench in the very heart of it for some selfish or political reason.

DAVID G. NELSON III,
Captain, Artillery,
Battery B, 300th AFA Bn.,
Commanding.

CODY, WYO., *January 31, 1957.*

The Honorable JOSEPH O'MAHONEY,
United States Senate,
Washington, D. C.

SIR: This is to express my thoughts and reaction to the charges made against the National Guard. We all know they need service training to be prepared in the armed services.

I am in favor of the 11 weeks' training program in the summer for the high school boys in the National Guard. This would give them a basic knowledge and training in military service. Then their training could be continued while they get an education. In turn their education would make their training more valuable when they are needed in combat service.

Sincerely yours,

SCOTT HALL.

CHEYENNE, WYO., *February 3, 1957.*

Hon. JOSEPH C. O'MAHONEY,
United States Senator,
Washington, D. C.:

To preserve the greatest military establishment in the history of United States; request you support the 11 weeks' training program for National Guard, and oppose 6 months as recommended by Defense Department. Six months' training hampers National Guard's objective to properly train men, and at the same time secure proper education.

Capt. DONALD R. COON,
Headquarters Battery,
115th Field Artillery Group.

C BATTERY 351 AFA BATTALION,
Evanston, Wyo., January 30, 1957.

To: Hon. JOSEPH O'MAHONEY.

Subject: Active duty training for National Guard.

I am taking this opportunity to write you in regards to the hearing on February 4. It appears to me that if this bill to require National Guards to take 6 months' active duty training, it will mean certain death to the National Guard. I am asking as a ground level battery commander, that if any way possible we might have this training period reduced. I understand this could be cut to 11 weeks. I would appreciate it if you could help us out in this matter.

RAYMOND A. TANNER,
Second Lieutenant, Artillery, C Battery, 315 AFA Battalion, Evanston, Wyo.

LUSK, WYO., *January 31, 1957.*

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

DEAR SENATOR: Current pending legislative hearings concerning the military defense of the United States and affecting the National Guard component prompts the undersigned to direct this communication. I seek consideration of my views as a citizen, as a World War II veteran; and because of my personal interest manifested by over 26 years as an active National Guard man of which 5 years were Federal service during World War II with 2½ years overseas duty.

As a company-size National Guard unit commander continuously prior to and since World War II I feel that I am somewhat qualified to speak. I have observed, particularly since World War II, the lack of unity and cooperation between the various components of the Military Establishment; and the National Guard coming under unjustifiable and unfair criticism. As a result the National Guard is confronted with a multitude of problems, one being that of maintaining manpower with our recruiting field limited basically to only 17 to 18½ year old youths with the situation of parental consent necessary to enlist a 17-year-old.

Apparently, fault is being found with the National Guard in order to advance universal military training which is only a nicer way of saying universal military conscription. Except during times of national emergency or imminent danger, every effort should be made to maintain national defense on a voluntary basis. As the people of the greatest nation on earth our daily prayer and effort must be to bring about peace; to live and let live. Permit me to present several reasons why we must exercise great care in this matter:

1. If the advocates of universal military conscription acquire 6-months compulsory training for every American youth, how soon will the demand be for 1 year, year and a half, 2 or 3 years of such training?

2. Is the answer to all our military defense problems conscription? This Nation under God has lived through wars and hardships, and our military forces have won every war. Our men have always responded to the call to arms. The spirit to defend and the will to fight are first requisites for a soldier.

3. Conscription with the involvement of maintaining training centers presents a huge financial burden for each American taxpayer.

4. Calling all our young men to military posts involves the problem (especially for the homesick and weak lad) of their falling into habits not moral, drunkenness, and the like; which the authorities find difficult to control.

5. The fact that the 6-months training program has not succeeded according to expectations should be sufficient evidence that parents and young men are skeptical as to its merits, and it does not have the support of our citizenry.

6. A 6-months training program interferes and places too much interruption for the young man who expects to continue education above high school.

Let us place the National Guard and support it as the line of defense originally intended next below the Regular Army. Give the National Guard adequate armories, rifle ranges, garages, and other necessary facilities to conduct training. Authorize and carry on training (in addition to the regular 48 armory drills and 15 days field training) as demanded for national defense from time to time as the need or emergencies occur. Present world conditions would indicate a need for the Army National Guard basic training program as unanimously was recommended by the Adjutants General and other general officers of the Army National Guard in Washington, D. C. on January 23, 1957; namely:

1. That all men age 18½ to 25 years now in (as members before April 1, 1957) be permitted to take 6 months' active duty for training on a voluntary basis, provided they have not already had active duty for training.

2. All men age 18½ to 25 years who are enlisted on or after April 1, 1957, be required to take 6 months' active duty for training as a mandatory condition to their enlistment.

3. All men age 17 to 18½ years who are enlisted on or after April 1, 1957, be required to take 11 weeks of active duty for training as a mandatory condition to their enlistment. These men may volunteer for 6 months' active duty training.

4. All men age 17 to 18½ years now in (as members before April 1, 1957) be permitted to choose either 11 weeks' active duty training or 6 months' active duty training, on a voluntary basis.

5. That there would be no ratio imposed upon the component to the number of men to participate in either the 11-week program or the 6-month program.

Respectfully,

JOHNNIE A. THON.

RIVERTON, WYO., *January 30, 1957.*

Senator O'MAHONEY,
United States Senate,
Washington, D. C.

DEAR SIR: In regard to the slanderous statement about the National Guard, made by Defense Secretary Wilson, I believe he should have looked into the records of the guard and then made a public statement. I'm sure it would have been a reversal of the draft-dodging theme.

To show this more fully, the National Guard at this very time is fighting a series of floods in Kentucky. During hurricanes the guard is right there to help.

On the national scene Wyoming had three-fifths of its total military strength in the Korean police action. And in World War II, where would America have been if the National Guard had not been ready with what training they had received while they were on their voluntary training program.

I joined the National Guard after 2 years of Regular Army because it does not interfere with my civilian job, and also keeps me fit for future service to my country.

Sincerely yours,

FLOYD LOGHRY.

DOUGLAS, WYO., *February 2, 1957.*

Senator O'MAHONEY,
United States Senate,
Washington, D. C.

DEAR MR. O'MAHONEY: We feel Secretary of Defense Mr. Wilson's remark about the National Guard was not at all necessary and

wish you would do all in your power to make things right.

Thank you.

Sincerely,

Sfc. CLARENCE C. DUGAN
and Mrs. CLARENCE C. DUGAN.

KINNEAR, WYO., *January 30, 1957.*

Senator JOSEPH C. O'MAHONEY,
Washington, D. C.

DEAR SIR: In reference to Defense Secretary Wilson's statement and politics concerning the National Guard. The past record of the National Guard should have been examined before making any statements that insults and slanders a large percentage of the people, direct or indirect.

If appointed members of the public office can overrule laws, affecting the majority of people, passed by elected Members, then it's time for a change in politics somewhere along the line.

I request that you do all in your power as an elected Member of the people of Wyoming to correct the politics, and a public withdrawal of Defense Secretary Wilson's statement.

I do not feel that joining the National Guard would be trying to dodge the draft board as we, the National Guard, were the first ones to be in Korea when war broke out.

Most respectfully,

WAYNE JOSEPH YOURICK.

RIVERTON, WYO., *January 30, 1957.*

DEAR SIR: I am an ex-serviceman and have fulfilled my military obligation by serving in the Korean war.

However, I am now a member of the Wyoming National Guard and I feel that Mr. Wilson's comment of early this week is an insult to me, to all other veterans who are in the position and to more than 1 million National Guard men.

I feel that a fellow who joints the National Guard for a period of 8 years is doing every bit as much as one who goes on actual duty for 6 months or equal to one who puts in 24 months.

If we have a so-called draft-dodging group it is in college—I am a college graduate.

A person who is deferred for a semester to finish school, then is married and expecting a family at the end of this deferment, so he is reclassified.

I feel the National Guard has an apology coming from Mr. Wilson or I feel you should use your power to strive for his resignation.

Thank you.

J. E. SALLARS.

351ST ARMORED FIELD
ARTILLERY BATTALION,
WYOMING NATIONAL GUARD,
Laramie, Wyo., January 30, 1957.

Hon. JOSEPH C. O'MAHONEY,
United States Senate,
Washington, D. C.

DEAR SENATOR O'MAHONEY: As a battery commander in the Wyoming National Guard, and very much concerned with the recruiting problems of the National Guard, I strongly urge your support of the 11-week basic training course in lieu of the 6-month program for National Guard men.

As the main strength of the National Guard consists of prior servicemen and young men of school age, my opinion is that through the 11-week program you will receive a basically trained man and still not interrupt his plans for schooling or entering the business world.

I further wish to state that I and a large percentage of my "Draft Dodgers" served during the so-called Korean police action with the 141st Tank Battalion, Wyoming National Guard.

Sincerely yours,

ROBERT K. RASMUSSEN,
First Lieutenant, Artillery, Commanding.

Mr. O'MAHONEY. I ask unanimous consent that a citation received by the Wyoming National Guard for its services at the front during the war in Korea be made a part of the RECORD and then referred to the appropriate committee.

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

DEPARTMENT OF THE ARMY,
Washington, D. C., June 30, 1953.

(General Orders No. 55.)

Meritorious Unit Commendation: By direction of the Secretary of the Army, under AR 220–315, the Meritorious Unit Commendation is awarded to the following units of the United States Army for exceptionally meritorious conduct in the performance of outstanding service during the periods indicated. The citations read as follows:

* * * * *

7. The 300th Armored Field Artillery Battalion is cited for exceptionally meritorious conduct in the performance of outstanding services in support of combat operations in Korea during the period April 1, 1952, to April 27, 1953. Operating first in support of Task Force Paik, a Republic of Korea Army tactical maneuver designed to free large areas in Southern Korea from the grip of powerful guerrilla forces, this battalion participated in a series of vigorous, decisive actions which completely neutralized the collective fighting effectiveness of these groups. The artillery support of the 300th Armored Field Artillery Battalion was of vital importance to the success of the operation. Subsequently, the members of this battalion exhibited determination of purpose and singular technical skill in supporting the II Republic of Korea Army Corps in bitter engagements against the foe. Despite the seemingly impossible problems resulting from language and custom differences, the battalion carried out its mission with a degree of proficiency which instilled great confidence in every unit of the Republic of Korea Army with which it worked. Not only did this battalion provide direct artillery support, but its personnel gave intensive technical training to their Korean counterparts who were striving to organize their artillery battalions. Highly practical training methods were employed, numerous effective visual teaching aids were utilized, and the monumental task of translating field manuals and training directives from English to Korean was completed quickly and thoroughly. The allied fields of vehicle operation and maintenance, photo interpretation, observation methods, and signal communication were not neglected. Specialists in these subjects successfully imparted their knowledge while, at the same time, fully impressing upon their students the distinct value of the techniques they advocated. The superior support rendered by the battalion's members enabled the Republic of Korea Army to organize its organic artillery units with maximum effectiveness, while the battalion provided direct supporting fire. The 300th Armored Field Artillery Battalion displayed such outstanding devotion to duty in the performance of exceptionally difficult tasks as to set it apart from and above other units having similar missions. The technical skill, esprit de corps, and high standards of excellence exhibited by the personnel of this battalion reflect great credit on themselves and the military service of the United States.

* * * * *

By order of the Secretary of the Army:

J. LAWTON COLLINS,
Chief of Staff, United States Army.

Official:

WM. E. BERGIN,
Major General, USA,
The Adjutant General.

DEPARTMENT OF THE ARMY,
Washington 25, D. C., March 26, 1953.

(General Orders No. 31.)

Republic of Korea Presidential Unit Citation: The Republic of Korea Presidential Unit Citation which was awarded by the Republic of Korea to the following units of the United States Army is confirmed in accordance with AR 220–315:

Headquarters and Headquarters Battery, 5th Field Artillery Group, and attached units as follows: 176th Armored Field Artillery Battalion; 300th Armored Field Artillery Battalion; 987th Armored Field Artillery Battalion.

Republic of Korea Presidential Unit Citation awarded by citation dated October 31, 1952, by Syngman Rhee, President of the Republic of Korea, for outstanding and superior performance of duty during the period from February 7, 1952, to September 15, 1952, inclusive, with citation as follows:

Headquarters and Headquarters Battery, 5th Field Artillery Group, has rendered superlative artillery support for Republic of Korea units exclusively. While providing artillery support for II Republic of Korea Corps in active combat against an aggressor Communist enemy, the 5th Field Artillery Group and attached United States units have contributed materially to the successful development and expansion of the Republic of Korea Army. Overcoming barriers of language and customs with tact and diplomacy, they imparted sound, comprehensive knowledge of artillery techniques to all Republic of Korea units which were initially attached and to all field artillery groups and light artillery battalions subsequently activated. Continually evidencing exceptional ingenuity and resourcefulness, and overcoming myriad difficulties which confronted an undertaking of unprecedented magnitude, 5th Field Artillery Group planned and established an extensive program of training for Republic of Korea artillery units. In order to accomplish the monumental task, numerous schools were established to facilitate and expedite training and a wealth of artillery reference material were published, employing interlinear translation into the Korean language. This invaluable technical-training material was later published in volume for distribution to all Republic of Korea artillery units and to the Artillery School. This alone was a herculean undertaking. The proficiency and highly developed skill demonstrated by Republic of Korea artillery units in active combat operations is a tribute to the mastery of the training techniques employed by the 5th Field Artillery Group. The personnel of the 5th Field Artillery Group and attached United States units have repeatedly demonstrated their devotion to the principle of democracy and freedom by standing side by side with our own gallant soldiers during combat operations. It is with extreme gratitude that the people of Korea will remember the valiant and meritorious service rendered by the 5th Field Artillery Group. Their exemplary performance and devotion to duty has been an outstanding example reflecting great credit upon the personnel of these units, and is in the highest tradition of the military service.

By order of the Secretary of the Army:

J. LAWTON COLLINS,
Chief of Staff, United States Army.

Official:

WM. E. BERGIN,
Major General, USA,
The Adjutant General.

DEPARTMENT OF THE ARMY,
Washington, D. C., January 7, 1954.

(General Order No. 1.)

I. Distinguished Unit Citation: As authorized by Executive Order 9396 (sec. I, WD Bul. 22, 1943), superseding Executive Order 9075

(sec. III, WD Bul. 11, 1942), citation of the following units in the general orders indicated is confirmed in accordance with AR 220–315 in the name of the President of the United States as public evidence of deserved honor and distinction. The citations read as follows:

* * * * *

"8. The 300th Armored Field Artillery Battalion (second award), (Battery B, first award), distinguished itself by extraordinary heroism in the performance of exceptionally difficult tasks in the vicinity of Kumsong, Korea. On July 10, 1953, the battalion was providing artillery support to the 6th Republic of Korea Division and other units when the area was subjected to a series of attacks by enemy troops of overwhelming numbers. Although hampered by the mountainous terrain, poor supply routes, and a lack of communications, the members of the unit remained with their guns. They inflicted heavy casualties on the enemy which enabled the United Nations infantry to hold the critical position. When the enemy finally succeeded in penetrating the main line of resistance and the Republic of Korea units were forced to evacuate, the battalion remained in position and enabled the supported organizations to withdraw with a minimum of casualties. Disregarding the intense mortar and artillery barrage and the increasing small arms fire, the battalion continued to direct effective fire on the enemy until July 15, when the infantry units had established blocking position and all field artillery battalions had displaced to new areas of operation. The magnificent fighting spirit exhibited by the members of the 300th Armored Field Artillery Battalion reflects great credit on themselves and the military service. (General Orders 1018, Headquarters Eighth United States Army, November 17, 1953.)"

* * * * *

By order of the Secretary of the Army:

M. B. RIDGWAY,
General, United States Army,
Chief of Staff.

Official:

WM. E. BERGIN,
Major General, United States Army,
The Adjutant General.

DEPARTMENT OF THE ARMY,
Washington 25, D. C., August 9, 1956.
(General Orders No. 72.)

I. Distinguished Unit Citation: As authorized by Executive Order 9396 (sec. I, WD Bul. 22, 1943), superseding Executive Order 9075 (sec. III, WD Bull. 11, 1942), the following units are cited under AR 260–15 in the name of the President of the United States as public evidence of deserved honor and distinction. The citations read as follows:

* * * * *

"2. The 2d Infantry Division and the following attached units: * * * 300th Armored Field Artillery Battalion (less Battery B); * * * are cited for extraordinary heroism and outstanding performance of duty in action against the armed enemy in the vicinity of Hongchon, Korea, during the period May 16 to 22, 1951. Defending the critical sector of the Eighth Army battlefront, the Second Infantry Division and attached units faced a hostile force of 12 Chinese Communist divisions with an estimated strength of 120,000 troops. The Third Chinese Communist Army Group drove the full force of its savage assault against the 2d Infantry Division with the specific mission of annihilation of the unit. The right flank of the unit was completely exposed when enemy pressure broke through adjacent United Nations elements. Pressure increased and each night enemy forces bypassed the stanch defenders and occupied positions to their rear areas. Tactical units of the 2d Infantry Division launched fierce counterattacks which destroyed enemy penetrations, successfully extricated themselves, and through readjustment of positions, stopped the onslaught of the Chinese Communist forces. Executing planned withdrawals and extending their flank eastward over extremely rugged, mountainous terrain, the 2d Infantry Division contained and held all enemy attempts to envelop and destroy the Eighth Army. The heroic and determined stand by the 2d Infantry Division and attached units provided critically required time for other Eighth Army units to regroup and block the attempted enemy envelopment. Without thought of defeat, this heroic unit demonstrated superb battlefield courage, knowledge, and discipline and displayed such gallantry, determination, and esprit de corps in accomplishing this extremely difficult and hazardous mission as to set it apart and above other units participating in similar operations. Its sustained brilliance in battle, resolution, and extraordinary heroism reflect unsurpassed credit on those courageous soldiers who participated and are in keeping with the finest traditions of the United States Army, the United Nations Forces, and their own homelands. * * *"

* * * * *

By order of the Secretary of the Army:

J. LAWTON COLLINS,
Chief of Staff, United States Army.

Official:

WM. E. BERGIN,
Major General, USA,
The Adjutant General.

THE DOUBLE STANDARD OF INTERNATIONAL MORALITY AT THE UNITED NATIONS

Mr. KNOWLAND. Mr. President, it is time that we review the double standard of international morality growing like a cancer at the United Nations.

Nations which urged speed to stop aggression in the Middle East abstained from voting on resolutions aimed at stopping Soviet aggression in Hungary.

Nations which failed to show the slightest interest in applying either moral or economic sanctions against the Soviet Union, which has failed to respect any of the 10 resolutions passed on the Hungarian issue, now urge sanctions against Israel, which at least has partially conformed to the United Nations resolutions relative to the Middle East.

Mr. President, on the day before yesterday, I issued the following statement:

I do not believe the United States should support United Nations sanctions against Israel unless the United Nations is prepared to apply sanctions against the Soviet Union for its noncompliance with 10 General Assembly resolutions relative to Soviet aggression against Hungary.

A double standard by the United Nations that would apply sanctions to a small country that has at least partially complied with the resolutions of the General Assembly on the Suez-Near East conflict, while sidestepping the question of sanctions on a larger aggressor which has totally ignored all the resolutions on the crime against Hungary, is both immoral and in good conscience insupportable.

Mr. President, not only do we have the ludicrous situation of a failure even to suggest sanctions against the Soviet Union; but in the case of India, which at times has taken a high moral position at the United Nations, we find that in the Kashmir situation, India has failed to respect the resolutions of the General Assembly, and India has unilaterally incorporated Kashmir into the Indian state, in defiance of previous resolutions and actions of the United Nations and the recent unanimous action of the Security Council.

I ask unanimous consent that two editorials from the New York Times, and editorial comment from the Washington Star, and the Washington Post and Times Herald be printed at this point in the RECORD, as a part of my remarks.

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

[From the New York Times of January 28, 1957]

THE PAKISTAN RIOTS

The Pakistan riots, in protest against India's attempt to attach Kashmir by force and decree and in violation of repeated United Nations resolutions, are the wrong way to go at the problem. We congratulate the Government of Pakistan on its firm efforts to curb this sort of demonstration. Nothing will be solved by burning anyone in effigy. No basis for agreement is reached by throwing stones.

This does not mean that we are insensible to the grave provocation under which the Pakistanis now feel themselves to be. The Indian statements in the United Nations on this disputed case were more than provocative. They were defiant, not merely of Pakistan, not merely of the will of the Kashmiri people, but of the United Nations itself. There was on the part of the Indian spokesman no attempt to reach agreement or settlement. There was no disposition to allow the representatives of other nations to make a dispassionate judgment. There was no indication of allowing the people of Kashmir to make their own decisions.

Under those conditions we are obliged to reach the conclusion that the Indian case must be woefully weak or it would not be presented with such a maximum of arrogant words, such a minimum of goodwill and such meager search for a rightful solution. Pakistan, in agreeing to 11 different decisions of the United Nations—all of which were rejected by India—has shown a more constructive approach to the problem.

It is for this reason that we feel impelled to urge the Pakistanis to be patient once more. Their case is so strong that it should not be weakened by any thoughtless show of violence. The situation is so sensitive, in both India and Pakistan, that any breakdown of public order may have grave consequences. Pakistan's Government obviously knows this.

The United Nations is not absolved from responsibility. Its Security Council has once more indicated the proper course of action. The United Nations cannot afford to let one member, India, flout that collective will. Rioting in Pakistan will not do any good. Firmness of purpose in the United Nations may help.

[From the New York Times of January 25, 1957]

KASHMIR FOR THE KASHMIRIS

India's approach in the United Nations to the Kashmir question has gone far to justify some of the fears and charges of Pakistan. What V. K. Krishna Menon's long speech boils down to is simply that India considers the case closed. Kashmir is part of India, in this view, and will remain so.

It will be remembered that it was India's Prime Minister, Jawaharlal Nehru, who originally suggested that the political disposition of Kashmir ought to be determined by a free vote of the Kashmiris themselves.

This position was reasonable and liberal. The United Nations concurred. A plebiscite was authorized and a plebiscite administrator was named. The United Nations reiterated this position subsequently and has not repudiated it. The repudiation, however, has come from India and from India's spokesman here. Kashmir's accession to India has been made constitutional and India seems prepared to stand upon that ground.

The ultimate political place of the Kashmiris ought not to be decided in New Delhi. It ought not to be decided in Karachi. It ought to be decided in Kashmir, by Kashmiris who have the opportunity freely to express their will. Pakistan's suggestion that an international police force, under the United Nations might well supervise such a plebiscite is constructive. It would solve, at the outset, this troublesome question of foreign troops in Kashmir. It should make it possible for Indian as well as Pakistani soldiers to be withdrawn. It should make a truly free vote possible. It should give substance to the resolutions of the United Nations, which India has now disregarded.

Mr. Nehru was right in the first place. He should not allow himself to be put in the wrong now.

[From the Washington Star of January 28, 1957]

INDIA'S CONTEMPT

India's contemptuous disregard of United Nations opinion on the Kashmir question is shocking and discouraging. Equally so is its disregard for whatever may be the wishes of the Kashmiri people—promised nearly a decade ago that they would have the same rights to political self-determination given to all Indian states when the subcontinent was partitioned. Indeed, India's offense in this matter is compounded by the fact that it was Prime Minister Nehru himself who first proposed after partition that Kashmiri sentiment—on whether the state wished to join India or Pakistan, or become independent—should be established through a free vote of the people. It was largely on the basis of that proposal that the United Nations in 1948, 1950, and 1951 called for "a free and impartial plebiscite" in the territory, to be conducted under the neutral auspices of the world agency. By a vote of 10 to 0, the Security Council now has reaffirmed that position. The answer of Mr. Nehru's government is that Kashmir has been an "inseparable" part of India since 1947, and that the formality of its accession is now irrevocable."

Preceding this latest flaunting of world judgment is the long and consistent record of India's refusal to withdraw its troops from Kashmir or to allow the plebiscite to be held. At the same time, it has systematically crushed political freedom within the territory—ousting opposition leaders from office and even jailing some who dared express their disagreement with Indian policies. Its arbitrary position today is "justified" on the grounds that a Kashmiri Constituent Assembly—purged of opposition leaders and completely subservient to Indian wishes—has adopted a constitution authorizing accession of the state to the Republic of India. Without qualification, the Security Council's latest resolution declares that this action does not "constitute a disposition of the state."

It is not surprising that India's defiant action has prompted protest violence in Pakistan. But violence does not offer a solution, and indeed it is the danger that violence might become war that is causing gravest concern today. The Security Council resolved "to continue its consideration" of the Kashmir dispute. Pakistan should continue to press its cause before the U. N. And Mr. Nehru should think again about his own course and the indictment brought against it by such an important body of world opinion.

[From the Washington Post and Times Herald of January 21, 1957]

FESTERING KASHMIR

Pakistan's urgent appeal to the United Nations Security Council for preventive action in Kashmir points to new trouble with an old and unhealed wound. India reportedly is about to absorb Kashmir on the basis of a vote by the Indian-sponsored Kashmiri Constituent Assembly. The Pakistani Foreign Minister, Malik Firoz Khan Noon, has given a veiled warning that if the U. N. allows this to happen irate refugees and tribesmen may move across the border into Kashmir.

This faces the U. N. with an excruciating test. The rights and wrongs of the military occupation (and division) of Kashmir by both countries after partition of the subcontinent in 1947 are obscure. A charge of aggression might be sustained against Pakistan as well as India. In recent years, however, pretty clearly it has been India that has frustrated the free plebiscite among the people of Kashmir and Jammu recommended by the Security Council and accepted by the Indo-Pakistani agreement at the end of 1948.

India has controlled most of Kashmir, and all mediation efforts and direct negotiations over the status of the province, which has a heavy Moslem majority, have failed. Sheikh Abdullah, the Moslem ruler, was jailed by India without trial in 1953. Subsequently Prime Minister Nehru, who is of Kashmiri ancestry, has made it clear that he considers Kashmir to be part of India.

There can be little doubt that India's attitude on many questions of world affairs—for example, her refusal to endorse the sending of observers to Hungary—is bound up with the question of Kashmir. Here, as on other issues, there is no easy cure for defiance of United Nations resolutions. It is difficult for any country to bow to international rulings that seem to go against its self-interest. Yet this is really the test of belief in the U. N.; and certainly India's influence on world affairs would be sadly undercut by any move in direct contradiction of the U. N. request.

The hope is, after India's rebuttal is heard this week, that the Security Council will be able to devise some new basis for settlement that will save face on both sides. This will require, first of all, a standstill against any unilateral change in the status of Kashmir. Even this possibility will be complicated by the attitude of Russia, since Mr. Khrushchev on his visit to India in 1955 proclaimed baldly that Kashmir belongs to India.

No doubt it would be possible to settle for a division of Kashmir along the present de facto line. But that would sanction a rebuff to the U. N., and it would give the people of Kashmir no free voice in their future. The U. N. cannot afford to consent to anything less than a fair plebiscite, however it is clothed. The issue will be a touchy one, however, and it will be interesting to see whether it will arouse the same concern as the clash in Egypt produced.

Mr. KNOWLAND. Mr. President, I close by saying that if we are to have sanctions at the United Nations, they should apply to all nations which defy the resolutions and the mandates of that organization. Otherwise the moral foundation of the United Nations is destroyed and a doctrine of "might makes right" condoned. This issue of principle cannot be brushed aside or avoided.

INFLATION

Mr. ROBERTSON. Mr. President, at his press conference on yesterday, the President called attention to the current danger of price inflation, and asked the cooperation of both labor and industry. The President said:

I am asking them merely to act as enlightened Americans. Now, unless this happens, the United States then has to move in more firmly with so-called controls of some kind, and when we begin to control prices and allocations and wages, and all the rest, then it is not the America we know.

Mr. President, I wish to emphasize two phases of the President's statement about inflation. First, the inflationary trend was clearly apparent in the spring of last year. Second, the President warns that if the inflationary trend is not checked, he will ask Congress not only for price controls and allocations, but for wage controls, as well.

In addressing the Colorado Bankers Association at Colorado Springs on May 21 of last year I said:

What happens in 1957 will depend largely on developments involving potentially inflationary factors which we should not ignore.

The purchasing power of the dollar has been stable for the last 3 years but it may not remain so much longer. Food accounts for 40 percent of the cost-of-living index and if the food consumed had advanced in proportion to all other products, that index already would have moved up enough to touch off wage increases of serious proportions which would have been followed inevitably by price increases.

It appears now that the steelworkers will get an increase and all other workers will demand equal treatment. Steel prices were advanced last year $7.50 a ton and if there is a similar increase this year that will be inflationary. Wage increases already given to garment workers indicate that clothing prices will be up next fall about 5 percent.

Considering the influence of Government spending on inflationary prospects we must recognize that about half of the Federal budget is allocated directly to defense and a major portion of the remainder is for the cost of previous wars, including interest on the national debt. There can be no major reduction in that spending until there is some trustworthy plan for world disarmament and no such plan is now in sight. There also may be increased spending if Congress passes a major highway bill.

All of these things suggest to me that we have less reason to fear a major depression in the near future than to fear the kind of inflation which will cause trouble later on.

I am concerned because, while our economy is more depression-resistant than it used to be, we cannot eliminate the business cycle completely and keeping the economy balanced on a high level will depend very largely on human factors.

Mr. President, since so many people like just a little bit of inflation—call it creeping, burning, or what you please—it is only human that during the campaign last fall the political leaders of both parties refrained from any serious discussion of the inflation problem. But, as the President said on yesterday, the issue can no longer be ignored. It has been emphasized by the Secretary of the Treasury, by former President Hoover, and by many of the leading economists of the Nation. The general impression is that current prices do not yet fully reflect recent wage increases, and that further wage increases are scheduled for the current year.

It is encouraging to me to know that the President intends to use the tremendous influence of his office to prevent a

boom from eventually turning into a bust. I have been through the nerve-racking strain of trying to draft a fair price law. I have lived through a period of bitter complaint concerning the failure of impartial administration; and I have observed, of course, how impotent price controls are in the absence of wage controls. Therefore, I share the hope of the President that we shall not live to see a peacetime program of a freeze across the board of wages and prices simply because labor and management have not been willing to cooperate in behalf of a stable economy.

FARMERS AT THE CROSSROADS—BOOK BY SECRETARY OF AGRICULTURE BENSON

Mr. MURRAY. Mr. President, the Subcommittee on Privileges and Elections recently issued a splendid report on election campaign financing. Among other important matters, the subcommittee reported specifically on the nationwide distribution by a tax-free organization, during the 1956 election campaign, of Secretary of Agriculture Benson's book, Farmers at the Crossroads. The subcommittee has referred its material on this matter to the Bureau of Internal Revenue.

The subcommittee has pointed out that, while the distributors hail the work as a nonpolitical solution to the farm problem, it contains chapters headed:

Controls Versus Initiative.
Why Price and Acreage Controls Don't Work.
Should Efficiency Be Outlawed?
The Paternalistic Road to Disaster.

Few books contain the quantity of sheer political bunkum that is contained in Mr. Benson's volume, as written for him by Carlyle Bargeron. The work will probably become known as the last defense ever made of the theory that lower prices result in lower production on the farm—the basis of the most expensive blunder ever made by a Cabinet officer of the United States of America.

Benson's multi-billion-dollar boner—the theory that low prices bring low production—is costing the farmers of the United States about $5 billion a year in net income. Instead of resulting in lowered production, it resulted in alltime record production in 1956, and skyrocketed Government costs.

Our 1956 farm production was an alltime record of 113 percent of the 1947–49 average. The record up to that time was the 1952 crop, which was only 107 percent of the 1947–49 average.

Significantly, the Benson theory that low feed prices would advantage livestock producers also resulted in a major fiasco in that branch of agriculture during the year. Livestock production went to 123 percent of that of the 1947–49 base period. We all know of the ruinous prices which prevailed.

In addition to the billions of dollars Benson's blunders have cost the farmers, they are costing the taxpayers additional billions. The budget requests for agriculture and agricultural resources this year exceed $5 billion—up more than five times since 1952.

It is in the face of these Benson multi-billion-dollar blunders that the taxpayers are asked to swallow, not only the mass circulation of his book on a tax-free basis during the political campaign, but also its continuing circulation at this time on a tax-free basis with a subsidy from the Post Office Department.

I invite the attention of the Senate to the daily CONGRESSIONAL RECORD for Thursday, January 31. On page A672 there is an insertion of materials showing that the Constitution and Free Enterprise Foundation is continuing the promotion of this book, soliciting wealthy interests to give the farmers' programs which were so successful in the thirties and forties in adjusting production to market requirement a tax-free kick in the face by Ezra Taft Benson as told to Carlyle Bargeron.

I wish to advise the Senate that I have turned over to the Post Office and Civil Service Committee a set of circulars promoting this book, which was mailed out by the Constitution and Free Enterprise Foundation this year at a subsidized 1-cent rate, with a rubber stamp endorsement under the postage reading "Nonprofit organization."

Inquiry reveals that the Postmaster General has given a certificate to the organization extending this special postal privilege to them, so that in addition to the tax exemption provided wealthy backers of this propaganda job, the taxpayers are providing a special postal subsidy for the promotion of this tax-dodging scheme.

Mr. President, I submit that the farmers and the taxpayers of the Nation have been burdened enough by the billions of dollars Benson's blunders have cost them without adding to that burden a large share of the costs of this propaganda job, whether it be done before or after election.

In my opinion, a very thorough investigation should be made of all the circumstances surrounding this operation by the Constitution and Free Enterprise Foundation on behalf of the Eisenhower-Benson farm policies.

MILITARY STATUS OF STUDENTS AND GRADUATES OF THE MARITIME ACADEMY

Mr. PAYNE. Mr. President, during the 2d session of the 84th Congress I made a series of three statements in the Senate—March 15, 1956; March 29, 1956; and May 10, 1956—concerning the policies and attitude of the Department of Defense toward students and graduates of the State and Federal maritime academies. Very briefly stated, the problem was that the Department of Defense took the position that under the Reserve Forces Act of 1955 federally subsidized students at these maritime schools should be required to serve on active duty in the Navy upon graduation. These students had military status while attending school and were deferred from the draft.

A bill—S. 1748—introduced by my distinguished colleague, the senior Senator from Maine [Mrs. SMITH], was passed by the Senate in the 1st session of the 84th Congress which would have restored the midshipmen merchant marine reserve program that was terminated by the Armed Forces Reserve Act of 1952. At hearings before a subcommittee of the House Armed Services Committee last spring the Department of Defense vigorously opposed S. 1748.

The controversy over whether maritime academy graduates should be called to active military service developed to major proportions, and at times there was rather heated feeling on both sides. In retrospect, I am confident that both sides acted in complete good conscience, though at the time each side felt the other was being utterly unreasonable, and each to some extent was suspicious of the other's motives.

At any rate, the House Armed Services Committee refused to report S. 1748, and the 84th Congress adjourned without a solution being found for this very critical problem.

During the summer and fall of 1956 the Department of Defense, the Department of the Navy, the Selective Service System, and the Maritime Administration, held a series of conferences in an effort to reach a satisfactory solution regarding the military status and obligations of students at the maritime academies. A working plan to resolve the difficulty by administrative action emerged from these discussions. This plan was approved by the responsible officials, and has now been placed in effect. In brief, students entering the maritime academies after the fall of 1956 will have only civilian status, but will be deferred by the Selective Service System.

The details of the plan are set forth clearly in a directive issued by Vice Adm. J. L. Holloway, Jr., Chief of Naval Personnel, on December 21, 1956. I ask unanimous consent that the text of Admiral Holloway's directive may be printed in the RECORD as a part of my remarks.

Mr. President, I take this opportunity to commend all the departments and agencies of the Government that were concerned with this problem. The final solution is one that clearly defines the military status and obligation of maritime academy students, fully recognizing the vital need for a strong and effective merchant marine whose officer requirements are carefully related to those of the rest of the National Defense Establishment.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the Senator from Maine?

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

TEXT OF A LETTER OF DECEMBER 21, 1956, FROM ADMIRAL HOLLOWAY, CHIEF OF NAVAL PERSONNEL

1. Purpose: The purpose of this letter is to outline recent developments, and clearly establish the future relationship of the Navy with students and graduates of the Merchant Marine Academies. Specifically, it is intended to disseminate information with respect to students enrolled as officer candidates (merchant marine), USNR, and students scheduled to be graduated who have not participated in the officer candidate (merchant marine), USNR, or Midshipmen Merchant Marine Reserve, USNR, programs.

2. Background: (a) The Navy's interest in the maritime academies stems from the national defense requirement for an adequate merchant marine manned by well-trained officers possessing an understanding of naval procedures and capable of operating with the Navy in time of war. The Secretary of the Navy is continuing his unswerving support, maintenance, and assistance wherever possible in areas, particularly with respect to future officers of the merchant marine, that will promote a strong merchant marine, fully recognizing the importance of the merchant marine to our great maritime Nation. It follows that the primary responsibility for the merchant marine properly remains fixed with the Secretary of Commerce.

To the extent that budgetary limitations permit, the Navy will continue to participate in training maritime academy students by conducting naval science courses, wherever practicable, in these institutions in order that the officers of our merchant marine may have some knowledge of naval procedure and further enhance their usefulness in the merchant marine in time of war. In addition, the Navy will continue to commission those eligible officers in the merchant marine serving on ships on which an operating differential subsidy is paid pursuant to law.

The Navy does not, under any circumstances, desire to be obligated to consider the merchant marine academies as basic sources of Naval Reserve officers, nor be obligated to call graduates of these institutions to active duty. To assume any other position would vitiate our concept that the maritime academies are for the purpose of supporting a strong merchant marine.

The Navy conceives of these schools as primarily required for the manning of our merchant marine.

(b) The Secretary of the Navy has approved a plan developed in concert with the Secretary of Commerce for students who entered in the fall of 1956 and for future students who will attend the Merchant Marine Academies. The Secretary of Defense has fully concurred with this mutual agreement. Pertinent points of the program thus established are as follows:

(1) The Navy will perform the screening and physical examinations of students who enter merchant marine academies.

(2) Students will retain civilian status.

(3) The Director of Selective Service has provided for the deferment of these students.

(4) Navy will continue to offer naval science courses.

(5) After graduation, those who obtain employment at sea in the merchant marine and who so request shall be tendered Naval Reserve commissions, if eligible.

(6) After graduation, those who through no fault of their own are unable to obtain employment at sea in the merchant marine and who volunteer for active Navy duty, may be commissioned, if eligible, and placed on active duty if there is an actual need for their services.

3. Information: Under present instruction, students who are officer candidates (merchant marine), United States Naval Reserve, are required to report to active duty in accordance with their agreements executed upon enrollment into the program. This is recognized as undesirable since the primary purpose of merchant marine academies is to produce officers for the merchant marine. Furthermore, there is an actual need for such trained officers in the merchant marine. In order to alleviate the situation insofar as practicable, the Secretary of the Navy, again in concert with the Secretary of Commerce and full concurrence of the Secretary of Defense, has approved the following plan:

(a) Those students who entered the officer candidate (merchant marine), United States Naval Reserve, program prior to August 10, 1955, effective date of the Reserve Forces Act of 1955, and who were enlisted under section 227 of the Armed Forces Reserve Act of 1952, as amended, may have the designation of officer candidate (merchant marine), United States Naval Reserve, revoked, provided such individuals request such revocation. The Reserve enlistment will remain in effect and they will no longer be afforded a deferment under section 6 (d) (1), Universal Military Training and Service Act, as amended. Commissioning of these individuals would be handled in the same manner as for students entering this last fall as outlined below:

(1) After graduation, those who obtain employment at sea in the merchant marine and who so request shall be tendered Naval Reserve commissions, if eligible.

(2) After graduation those who, through no fault of their own, are unable to obtain employment at sea in the merchant marine and who volunteer for active naval duty may be commissioned, if eligible, and placed on active duty if there is an actual need for their services.

(b) Those students under the officer candidate (merchant marine), USNR program who entered on and subsequent to August 10, 1955, will retain their designation officer candidate (merchant marine), USNR, including their deferment and 2 or 3 years' active duty obligation incurred under section 6 (d) (1), Universal Military Training and Service Act, as amended. This active duty obligation and that in the plan outlined below are for service on active duty as distinguished from the 6 months' active duty for training plan as outlined in section 6 (d) (1), Universal Military Training and Service Act, as amended. Salient features of the plan for this group are as follows:

(1) Commission all qualified Maritime Academy graduates and order them to active duty in accordance with their agreements under section 6 (d) (1), of the Universal Military Training and Service Act, as amended.

(2) Those who find employment in the merchant marine may be prereleased from active duty in accordance with the provisions of section 4 (d) (3) of the Universal Military Training and Service Act, as amended, but not earlier than the completion of 6 months of such duty. Such individuals would be subject to pertinent Department of Defense directives and instructions relating to the Ready Reserve and Standby Reserve.

4. Action: The heads of the Department of Naval Science at Merchant Marine Academies, both State and Federal, are requested to bring the contents of this letter to the attention of all students.

OFFICER CANDIDATE (MERCHANT MARINE), USNR, WHO ENTERED PRIOR TO AUGUST 10, 1955

(a) The heads, Department of Naval Science are requested to ascertain the desires of the individuals affected by virtue of their entering the officer candidate (merchant marine), USNR program prior to August 10, 1955, as described in paragraph 3 (a).

(b) Individuals entering the program prior to August 10, 1955, must indicate their desire with respect to the option offered no later than 6 months from the date of this letter.

(c) Students desiring the revocation of their designation of officer candidate (merchant marine), USNR, will forward their request to the Chief of Naval Personnel (Pers–B6262) via the Head, Department of Naval Science and the Superintendent of the Academy. The letter shall state that he has read and understands the provisions contained in this letter. A sample letter is contained in enclosure (1).

(d) Since there are certain officer candidates (merchant marine), USNR, who are scheduled to be graduated in February 1957 and who are already in process for commissioning, it is imperative that the desires of these students be known as soon as possible. In this connection, a copy of evidence of prospective employment, if appropriate, will be forwarded with the request for revocation of the designation "officer candidate (merchant marine), USNR," in order that active-duty orders will not be issued.

(e) When directed by the Chief of Naval Personnel, the Commandant of the Naval District maintaining the officer candidate's (merchant marine), USNR, record shall revoke the officer candidate's (merchant marine), USNR, designation. The heads of the Department of Naval Science will notify the officer candidate's (merchant marine), USNR, local selective-service board of his change of military status, using form DD 44.

OFFICER CANDIDATE (MERCHANT MARINE), USNR, WHO ENTERED ON AND AFTER AUGUST 10, 1955

(a) Heads of the Department of Naval Science shall bring the attention of such students to the plan outlined in subparagraph 3.b. Special amplifying instructions will be issued concerning such students at a later date.

MIDSHIPMEN, MERCHANT MARINE RESERVE, USNR

(b) There are no changes with respect to such midshipmen. They will be commissioned, if qualified, but active duty will not be required.

CIVILIANS AND STATE NAUTICAL STUDENTS

(c) Students who have not participated in the midshipmen merchant marine or the the officer candidate (merchant marine), USNR, programs will be commissioned, if qualified, under the principles outlined in subparagraphs 2.b (5) and (6).

6. Information contained in this letter will be incorporated in the recruiting service manual.

ONE HUNDRED AND FIFTIETH ANNIVERSARY OF CREATION OF UNITED STATES COAST AND GEODETIC SURVEY

Mr. PAYNE. Mr. President, 150 years ago this Sunday on February 10, 1807, President Thomas Jefferson signed into law the measure which established the Federal Bureau which is today known as the United States Coast and Geodetic Survey. The original authorization was intended to provide a survey of the shoreline of the new Republic in order to assist marine commerce, which was then, and still is, the lifeblood of our Nation. In all probability, the sponsors of this early legislation were completely unaware that they had in effect founded the first technical bureau of the Federal Government, a bureau which was destined to grow in size, scope, and importance of function until its activities in 1957 would vitally affect millions of people throughout the world.

The United States Coast and Geodetic Survey cannot be praised too highly for the manner in which it has fulfilled its responsibilities throughout its first 150 years. Few of us today truly appreciate the importance of the work performed by the Survey. Most of us are aware of the fact that it charts the coastal waters of the United States and is, therefore, of value to fishermen, mariners, and others who use the sea for commercial or recreational purposes. But how many of us realize that the Survey also charts the land area of the United States. In fact, the Survey has established the reference points which local surveyors use in laying out areas of land. The

Survey has completely mapped the United States and located the imaginary lines on which the determination of all American boundaries is based. Every citizen's back fence depends for its accurate location on the work of the Coast and Geodetic Survey.

The round bronze markers of the Coast and Geodetic Survey are familiar to mountain climbers from the White Mountains to the Sierra Nevada, and dot the desert areas of the Great Basin. The Survey has installed nearly 400,000 benchmarks for distances above sea level, and more than 150,000 triangulation stations for which exact longitude and latitude have been calculated.

The Survey helps avert not only shipwrecks, but air crashes. Since 1926 it has supplied the country's aeronautical charts, which show airlanes, beacons, airports, and the obstructions that bother pilots on landing and takeoff. More than 43 million copies of its aeronautical charts were issued in the fiscal year 1956, besides 750,000 nautical charts.

Since 1952, in addition to improving its charts and maps, the Coast and Geodetic Survey has completed a survey of the strategic Arctic coast of Alaska; has intensified its charting work in the Bering Sea and its search for sunken wrecks along the Atlantic coast; and has broadened its contributions to science. For 1957 it is planning extended charting of the Georges Banks area off New England. One modern survey ship is on the drawing boards and another is projected under authorizing legislation sponsored by my distinguished colleague, the senior Senator from Maine [Mrs. SMITH], and myself in the 84th Congress.

Mr. President, the 150th anniversary of the Coast and Geodetic Survey is a fitting time to pay tribute to the men who have manned the Survey over the years, to recognize the many valuable contributions which the Survey has made, and to look forward with confidence to another 150 years of service marked by the same caliber of work, with increasing contributions to science and mankind.

It is a privilege today to salute the men and ships of the United States Coast and Geodetic Survey—surveyors extraordinary of both land and sea.

REMARKS BY THE PRESIDENT AND BY FORMER PRESIDENT HOOVER ON THE OCCASION OF THE PRESENTATION OF A CITATION TO HIM

Mr. MARTIN of Pennsylvania. Mr. President, on Monday last President Eisenhower presented a citation to former President Hoover.

In his remarks he made statements which should be carefully considered by every American. If we are to lessen the cost of government, all of us must assist in this effort.

President Hoover, on the same date, spoke on inflation, spending, taxes, and some reforms. This address should be carefully read by all Americans.

I ask unanimous consent that the remarks of the President and those of former President Hoover be printed at this point in the RECORD as a part of my remarks.

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

REMARKS BY THE PRESIDENT, IN CONJUNCTION WITH HIS PRESENTATION OF A CITATION TO FORMER PRESIDENT HERBERT HOOVER FOR DISTINGUISHED CIVILIAN SERVICE TO THE CITIZENS OF THE UNITED STATES, AT THE LUNCHEON GIVEN BY THE CITIZENS COMMITTEE FOR THE HOOVER REPORT AT THE SHOREHAM HOTEL, WASHINGTON, D. C., FEBRUARY 4, 1957

President Hoover, Mr. Chairman, and my friends, you see, there was some excuse for my question addressed to the chairman because I had been assigned a very specific and succinct part of this program. But I did feel I wanted to express a few personal sentiments with which I hope most of you can agree.

First, my purpose was to pay a great tribute—as great a tribute as I am capable of delivering—to the youthfulness of our guest of honor, Mr. Hoover.

Someone said that any man is young who retains his optimism. And optimism, I believe, is a capacity for looking toward the future with hope and enthusiasm.

Now our guest of honor has shown his optimism twice. He has headed great commissions determined to deliver to us better service in the Government that we must maintain, and at less cost to ourselves. He remains optimistic, or he would not have devoted so many years of his life to this work.

And in his case, I think, there would be a great deal of excuse—at least at times I feel so—for an opposite conclusion.

He spent many years in public service, and I know something of some of the frustrations and difficulties he had during at least 4 years of that service.

He knows what it means to attempt to install new methods, new procedures, in a great hierarchy, in a great bureaucracy.

Now, I would not have any of you think that your public servants in the civil service and in other areas are not good people. Indeed they are. Some of them are extraordinarily intelligent and capable. But they are a very large group that has been accustomed to operate according to certain procedures—certain methods. We do it ourselves, in our daily lives. We become creatures of habit.

I won't venture to remark about the ladies. But I would bet any man here puts the same foot into his trousers first every morning.

In all our daily lives you can find that we fall into habits. Take the one of eating. How many people are in this room, I wonder, whose doctors have not asked them to keep their weight down, but who go on indulging themselves?

The same way in Government. We become used to these procedures and practices, and they involve these millions of people. I declare, if you could provide for the Government, through the Bureau of the Budget, a new accounting system, with the utmost expedition and efficiency, it would certainly take you many months before you could reach the last echelon of government. And why not? They will plead: Why, we have blank forms printed for the next 3 years. We will have to retrain our clerks. They have every good reason in the world for not doing this hastily.

Our guest of honor has never lost his enthusiasm for better government through all this kind of thing.

I merely wanted to point out, this is an unusual kind of enthusiasm and leadership, from which all of us benefit.

And may I say that every one of the recommendations submitted by the people—by the leaders of the Hoover Commission, have been the subject of earnest study. They have been monitored within the Government by one of our noted businessmen, Mr. Meyer Kestnbaum, in order to get every one of them implemented as rapidly as possible. I am very sorry to admit that that speed has not been sufficient and all we could ask. But it is progress, and it will continue. That I promise this body, which has worked so hard to bring it about.

And now after that comes the real purpose of my coming to this platform to speak: I have been privileged to prepare—to get ready for Mr. Hoover a short citation which I shall now read.

Mr. HOOVER. Mr. President, fellow members of this citizens committee: I have only to express my deep emotion and appreciation for the extraordinary honor which the President has just conferred upon me. And I also want to express to him the appreciation which you have for the constant support that he has given to the work of this body of citizens.

And I have the idea that when he has finished this term, he will certainly merit even a greater tribute than that which has come to me.

For he will have, I hope, a successor of an appreciation of a great national man.

Thank you.

INFLATION, SPENDING, TAXES, AND SOME REFORMS

(By the Honorable Herbert Hoover)[1]

The purpose of these meetings is to stimulate interest in reducing waste, increasing efficiency, decreasing expenses and taxes in the Government, and thereby also contributing to curbing inflation.

I hope you will be patient with my approach to these questions. The modern connotation of liberalism having taken on one of its dictionary definitions as free spending, I hope I may be regarded as a constructive conservative.

THE INFLATION MOVEMENT

No one here needs to be told that we are in the midst of an inflation movement. Both President Eisenhower and Secretary Humphrey as well as a host of nonofficial persons have called full warning of it.

You do not need to be told that unless inflation is stopped, the end is a bump.

While Secretary of Commerce I witnessed a growing inflation movement. I protested vigorously at its promotion by Federal activities. Then I had to live through the agony of its inevitable consequences. Secretary Humphrey says that unless we change some of our ways, we will see "a depression that will curl your hair." Mine has already been curled once—and I think I can detect the signs.

The obvious gain of inflation is the advance of prices, wages, and the cost of living. But another sign is the temperament of some of our economists. Again you hear the same expressions as in the inflation period of 30 years ago, that "we are in a new economic era"; that "the old economic laws are outmoded." I just suggest to you that even in a partially free economy, unless we curb inflation on its way up, Old Man Economic Law will return with a full equipment of hair curlers.

THE AMERICAN PEOPLE NEED TO BE MORE AWAKE

There are several things as to Government financial operations of which our people should be more fully awake.

First. The Federal Government spending is much larger than the figures in the annual Federal budget. There is spending on various governmentally conducted pensions and on some trust funds. And there is indirect

[1] Thirty-first President of the United States; chairman of the 1947–49 and the 1953–55 Commission on Organization of the Executive Branch of the Government.

spending on projects financed by guaranties and loans. And there is the spending of our State and local governments which we must take within our vision. Various responsible institutions have estimated the total of these expenditures during the last calendar year at over $103 billion.

Second. The American people should realize that this spending has to be met with some kind of levies on the people, whether they appear as taxes or under some other guise, and these levies are also estimated at about $103 billion.

Third. They need to realize that this enormous Federal and local spending and the levies which it requires has some part in this inflation movement.

Fourth. They should also realize that these total levies are taking so much from the people that their savings are insufficient to finance the needs of growing private enterprise to provide 1,500,000 new jobs each year, and to provide homes for the new couples. This is thwarting progress itself. Incidentally the rise in interest rates is an indication of inflation.

Fifth. They should realize that with combined Federal, State, and local taxes, we are a long way on the road to socializing the income of the people. Moreover, the form of these taxes is making new individual enterprise most difficult and is driving small businesses to sell out to big business. And the Government is engaged in a host of businesses in competition with private enterprise.

The spirit of Karl Marx no doubt rejoices at these phenomena. He recommended some such action as the road to socialism.

But lest I be misunderstood as to expenditures, let me repeat what I have said many times over the years. The Federal Government should undertake and only undertake, competitive business and public improvements which cannot be otherwise attained by the people or their local governments. There are less of them than some pressure groups would have you think.

Sixth. The American people must realize that they cannot have every social and public works improvement of their dreams all at once, especially in a world where we have to defend ourselves from a monstrous international danger.

At least we should only undertake such ventures in order of their urgency.

OUR PROPOSALS

Our Commission has made a multitude of proposals for reducing the cost of Government. We have not proposed to abolish or injure any necessary functions of the Government. With the support of President Eisenhower and the Congress a good deal of progress has been made.

Out of scores of further such opportunities to save expenditures I will mention at this time only four.

BUDGETING AND ACCOUNTING

Our Federal budgeting and accounting is not adapted to these enormous expenditures. Two things have resulted. No one today can tell what the actual annual expenditures of the Government really are. And for this reason, and the continuing appropriations, the Congress has lost control of the purse—the very foundation of free men.

The remedy we proposed has been supported by President Eisenhower, the Comptroller General and the Director of the Budget. Under the leadership of Senator JOHN KENNEDY, a bill providing these reforms was passed unanimously by the Senate in the last session. The act was divided into three parts. Two parts were passed by the House and are now law. The key part, however, was deleted in the House. Again under Senator KENNEDY's leadership, this legislation has been introduced into the Senate with 48 Senators as sponsors.

Here is a spot for the citizens committee and the other agencies of reform in Government to express themselves vigorously, for there are savings estimated at over $3 billions to be had. And further, the country and the Congress could then know what the Government really spends each year and the Congress could really control it.

DEFENSE

In the face of the Communist threat, we must maintain our military strength. But we need a soul-searching look into the abandonment of obsolete methods and weapons of defense. Beyond that we proposed the effective unification of the common-use business service of the four military departments with a saving of over $2 billions a year. Some admirable steps have been taken by the Defense Department—but there is still a long way to go. I might remind you that unification of these common-use activities was one of the great hopes of the Congress when it enacted the unification of the defense services.

THE CIVIL SERVICE

There is another area in which there are billions of dollars to be saved. The turnover in our civil service is about 500,000 employees annually; that is 25 percent per annum, three or four times the normal of a well-conducted business. It costs about $3,000 to process and to give a year's training to a new employee. If this turnover could be reduced by 200,000, that alone would produce a saving of over $5 billion a year.

Another cause of this turnover comes from the failure of Government service to attract and hold men and women who have developed unusual administrative abilities. With inadequate pay for top executive skill and the uncertainty of promotions our best employees become the easy recruits of private business. In consequence many services are left to be administered by deadwood. President Eisenhower has approved our proposals.

GOVERNMENT IN BUSINESS

The Federal Government is engaged in a multitude of business enterprises in competition with private business. As a whole they pay microscopic taxes—either Federal, State, or local; few of them pay interest on Government capital and still fewer amortize this capital. Any strict accounting would show, as a whole, that they are a burden on the taxpayer and that they deprive the Government of taxes that would be paid on the same service by private enterprise. Some headway is being made on getting rid of them, but there is still a long way to go.

WHO IS RESPONSIBLE FOR THIS SPENDING AND TAXES?

And now I will disclose to you who is mostly responsible in these unnecessary and wasteful expenditures. They are opposed by some Government employees. But the most important opposition is the pressure groups who operate among our people. Many of their names are on the Federal register of lobbyists as required by law. Others of them operate strenuously on Senators and Congressmen and the public in the field. There are probably more than a thousand of these pressure groups, working day and night, to get what they call theirs. So far as I know, there is not a name among the registered lobbyists whose purpose is to decrease public expenditures. I know of only two private organizations in Washington working to reduce expenses and taxes.

I suggest to you, the American people, that each of you examine yourself as to whether you belong to any pressure group asking for Federal spending. If you value your own safety and future peace of mind, just resign from it, and do it loudly.

However, despite the pressure groups we are making progress on the Commission's recommendations.

And may I add that, so far as our internal economic forces are concerned, I have no fear of a serious depression if we can stop the march of inflation.

INVESTIGATION OF LABOR-MANAGEMENT RELATIONS—AMENDMENT OF SENATE RESOLUTION 74

Mr. McCLELLAN. Mr. President, I submit a resolution and ask for its immediate consideration.

The VICE PRESIDENT. The resolution will be stated.

The legislative clerk read the resolution (S. Res. 88), as follows:

Resolved, That section 2 of Senate Resolution 74, 85th Congress, 1st session, agreed to January 30, 1957 (establishing a select committee to investigate certain matters pertaining to labor-management relations), is amended by—

(1) striking out the period at the end of subsection (a) thereof, and inserting in lieu thereof the following: "governing standing committees of the Senate."

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arkansas that the Senate proceed to the consideration of the resolution.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. McCLELLAN. Mr. President, I might make this observation. Since the adoption of Senate Resolution 74, the select committee that was established has been organized, and in examining the resolution, it was found there may be a technical defect in section 2, to which the present resolution refers. Section 2 reads:

The select committee shall consist of 8 members, to be appointed by the Vice President, 4 each from the majority and minority Members of the Senate, and shall at the first meeting called by the Vice President select a chairman and vice chairman, and adopt rules of procedure not inconsistent with the rules of the Senate.

All this resolution does is add to what was in the original resolution the following words: "governing standing committees of the Senate."

The rules of the Senate require a majority to constitute a quorum. The resolution enables us to conform with the established procedures regarding standing committees, and I hope there will be no objection to the resolution.

The PRESIDING OFFICER (Mr. PAYNE in the chair). The question is on agreeing to the resolution.

The resolution (S. Res. 88) was agreed to.

ONE HUNDREDTH ANNIVERSARY OF MEXICAN FEDERAL CONSTITUTION

Mr. GOLDWATER. Mr. President, on February 5 of this year the Mexican people celebrated the 100th anniversary of the establishment of their federal constitution. I would be remiss in my duties to my respect for these fine people if I failed to comment briefly on this very important event.

It has been my pleasure to have lived my life close to Mexico and the people who claim that country as their home

and also those of Mexican ancestry who as proudly call the United States their home. To know these people is to respect them. To respect them for their unswerving allegiance to the principles of freedom; to respect them for their recognition of the spiritual values of life; to respect them as honest, decent, forthright people. To visit their country affords one the opportunity of seeing the vigorous progress they are making in developing the natural resources that abound within Mexico's farflung borders.

These people are our neighbors and they are good ones whom we should visit more often. Their way of life is woven closely into the pattern of the Southwest. Our streets bear names as familiar in Mexico as in the United States, and many of our cities have taken their names from the language spoken in Mexico. The majority of the Southwest itself came from Mexico as a result of the treaty of Guadalupe Hidalgo which was signed in 1848, and our present borders were rounded out by the Gadsden Purchase of 1853.

So, Mr. President, it is proper that this country should pay tribute this day to the Republic of Mexico, recognizing as we do that she is a friend of ours, and a strong and understanding ally.

I ask unanimous consent that there be printed in the body of the RECORD at this point as a part of my remarks an editorial entiled "Mexican Milestone," published in the Washington Post and Times Herald of February 6, 1957.

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

MEXICAN MILESTONE

Yesterday Mexico began the celebration of the 100th anniversary of its liberal federal constitution. The observance has importance for the United States as well as Mexico because of the maturity it signifies in the growing democracy south of the border. The ideas of individual freedom and justice in the Mexican constitution of 1857 were carried over and amplified in the constitution of 1917 which remains in force today. Mexico's course has not been easy, and relations with the United States have sometimes been sorely troubled. But Mexico has mastered its revolution, and the constitution has practical and lasting meaning in vigorous popular institutions. The country has made enormous progress in industrialization, in diversification of agriculture, in education, in health, and in broadening participation in public affairs. Today, as large numbers of American tourists have had occasion to see for themselves, Mexico enjoys a stable elected government and a rapidly increasing standard of living. All of this is the more reason to commemorate the friendship between good neighbors, which never ought to be taken for granted, by joining in the applause for Mexico's achievements.

PROPOSED NATIONAL TAX COMMISSION

Mr. WILEY. Mr. President, on January 30, as appears in the CONGRESSIONAL RECORD on page 1256, I indicated additional cosponsorship of my bill, S. 769, for the establishment of a National Tax Commission.

I should like to present at this time the names of Senators who have agreed to be cosponsors.

I ask unanimous consent that the names of the following Senators be so listed:

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Indiana [Mr. CAPEHART], the Senator from Ohio [Mr. LAUSCHE], the Senator from Wyoming [Mr. BARRETT], the Senator from Arizona [Mr. GOLDWATER], the Senator from Maine [Mr. PAYNE], the Senator from Maine [Mrs. SMITH], the Senator from New York [Mr. IVES], the Senator from Michigan [Mr. POTTER], the Senator from Nevada [Mr. BIBLE], the Senator from Mississippi [Mr. EASTLAND], the Senator from Colorado [Mr. ALLOTT], the Senator from North Dakota [Mr. LANGER], the Senator from South Dakota [Mr. MUNDT].

One of my brother Senators, when writing to me to ask that he be listed as a cosponsor, sent along a letter as evidence of the need for this bill. The Senator had received the letter from one of his constituents in a small town of less than 2,500 population.

This man, a merchant, sent to his Senator a letter which affords a real insight into the terrific problem faced by the average small-business man these days.

The letter included a long sheet—several feet long—of individual taxes at Federal, State, and local levels paid by this businessman. The merchant wrote:

The business or individual just simply cannot stand any more (taxes). Our business now needs, and has for several years, new fixtures and equipment. We are buying part of it at this time, hoping that we may be able in some way to make the payments.

His experiences could, I know, be duplicated manyfold.

As an indication of the wide approval which my suggestion has received, I send to the desk the text of an editorial which was carried in the February 2, 1957, issue of the Janesville Gazette. This editorial entitled "For a New Tax Law" uniformly praises the Wiley tax-commission bill.

I ask unanimous consent that its text be printed in the body of the CONGRESSIONAL RECORD at this point.

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

FOR A NEW TAX LAW

Citizens often wonder why Congress occasionally does not repeal a whole section of the law and start over with a clean slate.

Many of the laws under which we are operating date back decades but are amended at every session. Often the result is a totally new system with a background more or less in direct conflict with present provisions. To find out what the law really is, it is often necessary to trace back through the amendments to the amendments of the amendments.

The tax laws are particularly bad in this respect. We practically never have a new Federal tax law. Changes are made from session to session, but never a whole new start.

Something of this kind is proposed, however, by Senator ALEXANDER WILEY in his proposal for a Hoover-type Commission on Federal Taxation. The group he proposes would be comprised of Presidential appointees and Members of the House and Senate, a portion of them private citizens. Its function would be to "take a comprehensive look at the Nation's tax structure," in the words of the Senator.

In his statement accompanying the introduction of his proposal, Senator WILEY points out that "the American tax structure has become a complex spider's web of levies—we have taxes of 1 percent, 3 percent, 5 percent, 10 percent, 15 percent, 20 percent and more—all the way up to 91 percent. We have individual income taxes, partnership, corporation, excise, gift, inheritance, capital gains, and a vast variety of other, hidden and direct."

He adds:

"We all recognize that the entire tendency of Congress has been to add piecemeal or subtract piecemeal to our tax structure. The result, while unintended, has often been to cause still more confusion."

Senator WILEY calls attention to the fact that the adoption of his proposal and the appointment of the Commission in themselves would solve nothing. It will be the attitude of Congress toward any suggestions which may come from it and as Senator WILEY says, "basically upon the attitude of the American people."

"Let it not be thought that the commission will come up with all sorts of pleasant suggestions simply to reduce taxes," he said. "On the contrary, we may expect realistically that tax increases in numerous categories may be suggested."

There are about three things in the Wiley proposal which will receive almost universal approval. One of these is the possibility of some sort of division of tax revenues among local, State and Federal Governments, so that the same taxpayers will not be called upon to pay the same kind of taxes to 2 or 3 different tax collectors. One of the thoughts is that some areas of taxation should be left by the Federal Government so that State and local governments can carry on their functions without bankrupting their citizens.

A second is that new and clear-cut tax laws would encourage cooperation by taxpayers. The Wiley statement says on this point:

"I do not believe that our tax statutes and regulations should have the effect of encouraging all sorts of dubious subterfuges by taxpayers. I do not believe that a condition should be developed in which the line between legitimate tax avoidance and illegal tax evasion becomes more and more blurred and indistinct and almost impossible to determine.

"The mass of American people are honest, law-abiding citizens. If and when people come to feel that they are the victims of complete injustice, if they feel that there is rank discrimination, complete inequities, then almost inevitably there is a tendency for moral scruples to decline."

His third point is that there are "new industries, new products, new services, new forms of organizations" which may be taxed. By bringing into the tax structure some of these things which may not be carrying their fair share of the taxload, the burden may be lessened for the rest of the taxpayers.

The proposed commission study, if followed up by a newly written, fair and unified tax law, should command support everywhere.

THE 1957 CORN PROGRAM

Mr. DOUGLAS. Mr. President, farmers in my State are now making their plans for planting the 1957 corn crop. But until the Congress acts, either one way or another on the corn program, they will be at a loss to know what to do in this coming year. I am, therefore, rising to urge immediate and speedy action on a corn program for 1957.

In 1956 the Secretary of Agriculture set 43 million acres as the allotment in the commercial Corn Belt which would bring normal production. During the farm debate last year, Congress accepted

an amendment making 51 million the base acreage. This made it possible for corn farmers to take part in the soil bank and to devote at least 15 percent of their base acreage to the soil bank. If they complied with the program they received an average support price for corn of $1.50 per bushel. If they were not in compliance in the commercial corn area and planted all the corn they wanted, they could receive either $1.25 per bushel under a support program or the market price, whichever was higher.

On December 11, 1956, corn farmers voted in a referendum on the 1957 program. They were given two choices, neither of which, in my opinion, was satisfactory. If two-thirds of those voting, or more, voted to give the Secretary of Agriculture discretion to set the support price from 0 to 90 percent of parity, they were to be allowed a base acreage of 51 million acres.

If two-thirds failed to vote for this provision, the alternative was to accept a 37.3 million acreage allotment for the commercial corn belt with price supports at $1.36 or 77 percent of parity as of October 15, 1956.

Farmers in Kansas, Minnesota, Missouri, Nebraska, and North and South Dakota generally favored the acreage allotment program because it guaranteed price supports of 77 percent of parity. They did not trust Secretary Benson enough to give him discretion to set price supports from 0 to 90 percent because they knew from past experience that when he has had discretion price supports have always declined. This was true even though he announced on December 6 that he would set price supports at $1.31 or 74 percent of parity as of October 15, 1956.

Farmers in other States, and particularly in my own State of Illinois, supported the base acreage program even though it gave Mr. Benson a certain discretion because they knew that the 37.3 million acreage allotment would not allow them to participate in the soil bank.

The result of the referendum was that only 61.5 percent of the corn farmers voted for the 51 million acre provision. Because two-thirds was needed this vote was inadequate. Furthermore, only a very small proportion of eligible voters even made an effort to vote. There were only 437,480 votes cast and it has been estimated by the Department of Agriculture that about 2.5 million were eligible. Therefore, only 17.5 percent of those eligible actually voted.

My view is that the Secretary of Agriculture should have been prepared with a new program to put forward immediately upon the defeat of the 51 million acre provision. It is not unfair to suggest that he knew it would be very difficult to get a two-thirds majority at the referendum. That would not have taken great foresight. However, he did not have a program ready, and although the referendum was held on December 11 and Congress convened on January 3, it was not until January 29 that the Secretary came forward with his proposals for this year. Then, like the Secretary of the Treasury in approving a budget but urging the Congress to cut it, he passed the buck to us and insisted that we have a bill approved and ready for Presidential signature by March 1.

Now, Mr. President, I urge the Congress, and particularly the Senate, to move heaven and earth to meet that March 1 date. However, I do not think the Secretary has been overly helpful in delaying 49 days following the referendum to make even the most meager proposals. I hope he does not fall back on the defense that the former Secretary of Health, Education, and Welfare used over the polio vaccine shortage, namely, that no one could have foreseen the demand.

I hope Mr. Benson will not blame the Congress and the Democratic majority if his March 1 date is not met. For the facts of life are that his proposal came very late and that the Republicans in Congress always insist on a fairly lengthy recess each February over Lincoln's birthday when very little legislative action can take place. He is an intelligent man, and he must have known this when he came here on January 29.

Further, although I am here to urge that we do our best to meet the March 1 date—which is vital if corn farmers are to make their 1957 plans—I am not here to urge complete acceptance of his new proposal.

His proposal—made 49 days after the referendum—is that we adopt a base acreage of 51 million acres for the commercial Corn Belt and require the farmers to place at least 15 percent, or about 7.5 million acres overall, in the soil bank in order to become eligible for price supports. So far so good. But at what price is corn to be supported? Apparently the proposed new legislation would place a floor of 70 percent of parity for price supports. However, is this minimum also to be the maximum? That would appear to be true from some of the press reports I have seen. This would mean an average price of about $1.25 a bushel. Mr. Benson is, in effect, proposing something which is even less than the farmers turned down.

While I believe that the 51 million acre provision is appropriate—for such an acreage will yield the approximate amount of corn which is actually used in the commercial Corn Belt—and that the 15-percent figure for soil-bank participation is adequate, for it will reduce productive acres by about 7.5 million and can, therefore, help to reduce the surpluses—a provision for 70 percent of parity would be too low, in my opinion, to induce corn farmers to comply with the program. We will have, once again, a situation in which it appears that the Secretary's proposals seem to be designed to do away with the corn program altogether.

Therefore, Mr. President, I should think that at least 75 percent of parity should be set as a minimum if farmers are to be induced to comply with the program. So I urge that the Committee on Agriculture and Forestry consider that figure, or a higher one, in its action on this measure. Although that is not 90 percent of parity, when one considers that a soil-bank payment would be made as well, it might give some rough equity to corn farmers.

Mr. President, I ask unanimous consent that a statement issued by the Department of Agriculture under date of January 18, 1957, be printed in the RECORD, at this point.

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

FINAL CORN REFERENDUM TALLY CONFIRMS FAILURE TO APPROVE BASE ACREAGES

Final returns from the growers' referendum held December 11 in the 894 commercial corn counties confirm the early returns, which indicated that farmers approved an acreage allotment program for 1957 and subsequent corn crops instead of the alternate base acreage program.

The final tabulation of referendum results shows that 61.5 percent of the 437,480 farmers voting approved the corn base acreage program. This differs only slightly from the preliminary results reported December 12, which showed approval of base acreages by 61.2 percent of the farmers voting.

Since less than the necessary two-thirds of the total votes approved the base acreage program, the allotment program will be in effect for the 1957 and subsequent corn crops. Growers in the commercial corn area will have available a total allotment of 37,288,889 acres for the 1957 corn crop, and price support at a national average of $1.36 per bushel will be available to producers who comply with their allotments. In noncommercial areas price support for corn will be available at 75 percent of the commercial rate.

Following is the final report on votes cast in the corn referendum, by States:

State	For corn base acreage program	For corn acreage allotment program	Total votes cast	Percent favoring base acreage program	Percent favoring acreage allotment program
Alabama	3,223	633	3,856	83.6	16.4
Arkansas	1,123	761	1,884	59.6	40.4
Delaware	336	44	380	88.4	11.6
Georgia	3,808	625	4,433	85.9	14.1
Illinois	58,592	13,949	72,541	80.8	19.2
Indiana	29,147	9,917	39,064	74.6	25.4
Iowa	51,724	35,177	86,901	59.5	40.5
Kansas	3,793	3,545	7,338	51.7	48.3
Kentucky	11,014	1,620	12,634	87.2	12.8
Maryland	817	399	1,216	67.2	32.8
Michigan	8,032	2,678	10,710	75.0	25.0
Minnesota	10,939	35,495	46,434	23.6	76.4
Missouri	10,987	12,488	23,475	47.8	53.2
Nebraska	16,656	16,655	33,311	50.0	50.0
New Jersey	364	87	451	80.7	19.3
North Carolina	16,042	4,317	20,359	78.8	21.2
North Dakota	235	591	826	28.5	71.5
Ohio	17,236	6,943	24,179	71.3	28.7
Pennsylvania	2,555	904	3,459	73.9	26.1
South Dakota	4,851	13,126	17,977	27.0	73.0
Tennessee	9,158	1,377	10,535	86.9	13.1
Virginia	1,009	972	1,981	50.9	49.1
West Virginia	229	13	242	94.6	5.4
Wisconsin	7,315	5,979	13,294	55.0	45.0
Total	269,185	168,295	437,480	61.5	38.5

C. WAYLAND BROOKS

Mr. BRIDGES. Mr. President, many of us in the Senate who had the privilege to know him and to work with him were saddened recently to learn of the sudden passing of a distinguished former colleague, the Honorable C. Wayland Brooks, of Illinois. He was affectionately known in the Senate and to many thousands of his friends in his home State and across the country as "Curly" Brooks.

I was especially privileged to have been considered a close friend, and Mrs. Bridges and I enjoyed every minute of

our association with Curly and his loving wife and helpmate, Mary. He was a trusted friend in every respect and a keen student of law and government.

Elected in 1940 for a short term and reelected in 1942 for a full term, Curly Brooks devoted himself without reservation to the welfare of this country and to the interests of his constituency. He gave the people of Illinois able representation in the United States Senate. His intelligence, his fairness to all his colleagues, and his friendliness made him a much sought individual. He rose rapidly in the Senate, and became chairman of the Committee on Rules and Administration. He became third ranking Republican on the Senate Committee on Appropriations, which is as important and powerful a committee as the Senate has. It was my good fortune to have had Curly Brooks as a member of the Appropriations Committee when I served as chairman during the 80th Congress. His cooperation was most valuable.

Curly's service to the American people began many years ago when he donned a Marine Corps uniform and waged a hero's fight during World War I. Wounded seven times in battle and invalided for a long time, he was decorated on several occasions by the American and the French Governments.

The American people have lost a distinguished leader and I have lost a friend. I want to take this opportunity to express my sincere sympathy to Mary Brooks, his devoted and gracious wife. My sympathy also goes to all members of his family.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks several newspaper articles and editorials regarding former Senator Brooks.

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

[From the Chicago Tribune of January 14, 1957]

EX-SENATOR BROOKS DIES—ILL 5 DAYS—TEAR IN ARTERY NEAR HEART

C. Wayland Brooks, 59, former United States Senator from Illinois and currently Republican national committeeman from the State, died at 12:40 a. m. today in Passavant Hospital.

Dr. Gerry Smyth said the former Senator's death came unexpectedly after he had spent an excellent day and apparently was progressing satisfactorily. However, when he awakened from a peaceful sleep, he complained of a pain in his chest. He died shortly afterward.

IN HOSPITAL 5 DAYS

The former Senator was removed to the hospital late Tuesday from his home at 3240 Lake Shore Drive. Thereafter, physicians reported he was suffering from a tear in the artery leading from the left ventricle of the heart, an ailment medically known as dissecting aneurysm.

Brooks' widow, the former Mary Thomas Peavy, was at his side. Later, Brooks' son, Russell A., a veterinary surgeon, of Meridian, Idaho, and Mrs. Peavey's son, John, Chicago, arrived.

LAWYER AND GOP LEADER

Charles Wayland Brooks was a lawyer and Republican leader who by his flaming oratory became a rallying point for Americans opposed to global meddling and socialism.

The offspring of three generations of preachers, he was born in a farming community in Bureau County, March 8, 1897. He was working his way through the University of Illinois in the spring of 1917 when this country entered World War I. He and his older brother, Russell, left school to enlist in the Marine Corps.

Young Brooks was decorated by General Pershing with the Distinguished Service Cross and commissioned a second lieutenant in the field for his bravery at Belleau Wood. Before that engagement ended he won the American Navy Medal, the Croix de Guerre, and had been promoted to first lieutenant.

WOUNDED NEAR SOISSONS

Near Soissons an explosive shell tore away part of his left foot and inflicted other injuries. He was returned to the United States for extensive surgery which restored use of his foot.

[From the Chicago Tribune of January 15, 1957]

C. WAYLAND BROOKS

C. Wayland Brooks—"Curly" to his countless friends—was a fighter of flaming courage who always managed to smile when the going was toughest.

In the last few years Wayland Brooks was slowed but never stopped by a failing heart. When death came to him yesterday he met it with the serene acknowledgment that he always reserved for opponents he respected but did not dread.

A poor boy in a Congregational minister's home, he worked his way through college and law school to win one of the highest honors this country bestows—a seat among the 96 in the United States Senate. He won that place originally against the tide of Franklin Roosevelt's third term vote, in a contest to fill a vacancy. Two years later he was elected to a full term of 6 years by the great margin of 203,000 votes.

Before he entered national politics, he made his name as a fiery and eloquent prosecutor in the State's attorney's office. He was assigned to many of the major criminal cases in the heyday of Chicago's organized crime in the thirties. His great abilities later insured success in private practice.

He was a clean fighter in politics and one of the most eloquent orators of the day. He always put his country first. When he was retired in the Democratic sweep of 1948, he continued to work toward the upbuilding of the Republican Party as national committeeman from Illinois. He contributed to its triumph in two presidential elections.

His patriotism came from the heart and the spirit. He left the University of Illinois to enlist as a private in the Marine Corps in World War I. He was among the great heroes in the annals of the corps, winning a battlefield promotion to first lieutenant at Belleau Wood, the Navy Cross, the Army's Distinguished Service Cross, and the French Croix de Guerre. He was wounded in action seven times.

The country owes him much. He was not only one of its greatest heroes in battle but in a day when dedication to political principle so frequently yields to crowd clamor or social pressure, Wayland Brooks was unswerving. His was one of the most eloquent voices in the Senate against the internationalist folly that entangled the Nation in World War II and led to the disastrous consequences with which we live. His contributions to debate in the early forties were phrased in prophecy.

Wayland Brooks will be greatly missed not only as a leading figure in public life but as our friend. He was unselfish and warm hearted in his associations, stimulating, and always kind. His thoughtfulness in doing for others will long be remembered. Our sympathy goes to his family, and especially to his devoted wife, Mary, herself a Senator's daughter, who shared his interests so closely and sustained him in his moments of greatest trial.

[From the Chicago Daily News of January 15, 1957]

C. WAYLAND BROOKS

In his many years of prominent public life, C. Wayland Brooks generated no neutralism concerning himself and his positions. Those of conservative views regarded him highly as a stalwart and effective champion; those of New Deal persuasion were bitter in their opposition.

Mr. Brooks' 8 years in the United States Senate, beginning in 1940, coincided with preparations for war, the long conflict, and the postwar rise of Soviet Russia as a threat to our national safety. Those who believe that our course in those years was right and inevitable will still hold that Senator Brooks' objections were mistaken, but even they would have to note the clarity of his foresight.

The essential nature of the man who generated so much emotionalism was probably unknown to most of the partisans. It was a pity. His personal scruples were unbending, his courtesy unfailing, his loyalty constant, and his high abilities applied with an unflagging humor that kept him secure against stuffiness.

As a war hero, lawyer, Senator, and civic servant, he was an illustrious citizen. His untimely death is saddening.

[From the Chicago Tribune of January 19, 1957]

POLITICAL LOOKOUT

(By George Tagge)

No one is now around who can fill the vacuum caused by the death of C. Wayland Brooks. It was not his title as Senator, nor his position as Republican national committeeman from Illinois, which made him invaluable.

Party spirit, persuasiveness, and patience were coupled with deep wisdom and his famous courage, when he rode into action on countless occasions to prevent head-on clashes in the GOP. Mostly he won for the GOP. Not always was there gratitude.

It was Curly Brooks who got the late Senator Taft to persuade top followers here to give a clear track in the 1950 primary to EVERETT MCKINLEY DIRKSEN. And it turned out that DIRKSEN was just the man to topple Scott W. Lucas, Senate Democratic majority leader.

And Curly had the boldness and perceptiveness to encourage the GOP slating of a prominent independent Democrat, Benjamin S. Adamowski, to end the 28 years of failure to elect a State's attorney.

In so doing, he helped mightily to forge the narrow reelection of Governor Stratton. For many years Curly was a fatherly adviser to Stratton, 17 years his junior.

But in 1944 Curly found a tartar in young Bill. After hours of importunities in Brooks' Palmer House suite, Stratton was still obdurate. He went ahead and ran for secretary of state nomination against Gov. Dwight H. Green's man, Arnold P. Benson, and lost. The costly primary had an almost inevitable sequel. Benson was routed in the election while other GOP State candidates won.

Stratton's was among the many grief stricken faces at the funeral. We have seldom seen so much evidence of sorrow at the final rites for a political leader. Bowed with sadness at the funeral was Charles L. Allison, administrative assistant when Brooks' was Senator. Allison, who became assistant to Lt. Gov. John William Chapman, died in his sleep hours after returning to Springfield.

[From the Chicago Tribune of January 19, 1957]

MEMORIAL CITING BROOKS' SERVICE VOTED BY COUNCIL

A resolution lauding the public service of former Senator C. Wayland Brooks, who died Monday, was passed yesterday by the city council. It was signed by all aldermen.

Alderman Bohling, who introduced the resolution, said a copy of the resolution on a scroll with printing that glows will be presented to Mr. Brooks' widow, Mary.

The resolution also offers the condolences of the city council to the family. At the time of his death, Mr. Brooks was Republican national committeeman for Illinois. Burial services were held Thursday in Kewanee, Henry County.

LET US BUILD SCHOOLS

Mr. MCNAMARA. Mr. President, so far in the 85th Congress there have been introduced in both Houses at least 24 bills to provide Federal aid for school construction.

I am proud that my school-construction bill was the first bill of any kind to be introduced in the Senate in the 85th Congress—although by some sleight-of-hand it is known as S. 197.

The point, however, is not one of authorship. The only issue involved is the adoption of an equitable program for building schools.

The speed with which the Senate acts on this matter is important. Waiting for someone else to do it first is to shirk our responsibilities.

The fact that at least 24 school-aid bills have been introduced in Congress is an encouraging one.

It shows that congressional interest in this matter is mounting steadily. The President also has put a priority tag on school-construction legislation.

Mr. President, I ask unanimous consent that an article entitled, "The School Crisis," written by Mr. Walter Lippmann, and published in the Washington Post and Times Herald on February 5, 1957, be printed in the RECORD at the conclusion of my remarks.

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

TODAY AND TOMORROW

(By Walter Lippmann)

THE SCHOOL CRISIS

In our home affairs the President has given top priority to the proposal that Congress grant Federal aid to States in order to build public schools. The case for this Federal aid rests on the hard fact that since the war the number of children ready for schools has grown much faster than has the construction of schoolrooms in which to teach them.

This year the enrollment in our schools exceeds their normal capacity by more than 2 million children. This means overcrowding in the classrooms to the point where great numbers of children are being denied a decent education.

This denial is in the true sense of the term an emergency. For when a child misses an education, the loss cannot be repaired easily later on. Children who do not receive a decent education when they are of school age are almost certain to go through life without having had a decent education.

The critical shortage in classrooms cannot fairly be attributed to a failure of the States and localities to meet their responsibilities. Here and there, no doubt, there are such failures. But the total effort made by the States and localities is impressive. During the past year they have built 63,000 new classrooms. This is a record, particularly when compared with 10 years ago when the rate of construction was 9,000 annually. Yet this large number will not be enough even to replace classrooms that have become obsolete and unusable and to provide for the new enrollments, which are increasing each year. Just to stand still where we are, there are needed all the new classrooms that have been built this year. In the meantime, against the total efforts of the local authorities, there is a backlog deficit of 150,000 classrooms.

In a recent publication of the Department of Commerce, it was estimated that for school construction $4 billion would be needed annually for the next 10 years. This would mean that the rate of expenditure would have to rise 60 percent over the current level, which is $2.6 billion. This increase would be a rise of $1.4 billion a year. The President is asking the Federal Government to contribute less than one quarter of this amount annually, hoping that by compelling the States to match the Federal grants, the whole need can be met. The administration offer to set up a fund of $750 million to purchase school bonds does not relieve the States and local communities from raising most of the money to pay for the new schools. It is only a loan designed to protect them against having to pay very high interest rates.

"The need," said the President in his message last week, "for Federal assistance in eliminating this shortage is not theory, but demonstrated fact. It cannot now be said—realistically—that the States and communities will meet the need. The classroom shortage has been apparent for a number of years, and the States and communities have notably increased their school building efforts. Each year, for several years, they have set a new record in school construction. And yet in the face of a vast expansion in enrollments each year, many areas are making inadequate progress in reducing the shortage."

Yet the President's proposals face formidable obstacles in Congress. There are those who on the principle of States rights object to any Federal action in relation to the public schools. There are Catholic taxpayers who feel that the parochial schools should not be excluded from Federal aid. There are the Negro politicians, led by Congressman POWELL, of New York, who wish to have Federal aid used as a means of coercing the Southern States to eliminate segregation. And last, but by no means least, there will be all those who, looking for ways to carry out Secretary Humphrey's injunction to cut expenditures, will be tempted to begin with Federal aid for the schools.

It is often asserted that all the subsidies and grants which appear in the Federal budget are there because of the special interests of pressure groups. There is, of course, some truth in this. But as a generalized rule it is untrue and grossly unfair. In the case of Federal aid for schools, it is truer and fairer to say that the opposition comes from pressure groups, whereas the support is truly national and public spirited. There is no special interest which is going to be favored specially by the adoption of these proposals. The demand for them comes from teachers and school superintendents, from parents and from civic leaders who are worrying about our failure to provide a large part of the coming generation with adequate schooling.

Indeed the support of education—by the localities, the States, and the Federal Government—is like the support of the national defense. It is a public and patriotic duty which this generation owes to the next. Can we afford to support American education? The answer is that we cannot afford not to support it. Do we have the money to support it? Well, in the past 25 years the national income has risen $300 billion while the amount we spend on education has increased by a little more than $7 billion or $8 billion.

The truth is that it is absurd to say that the richest country in the history of mankind cannot afford both to defend itself and to educate its children.

OUR FOREIGN POLICY PREDICAMENT

Mr. HUMPHREY. Mr. President, the distinguished columnist and international affairs analyst, Mr. Walter Lippmann, delivered the annual Gideon D. Seymour memorial lecture at the University of Minnesota on Sunday, January 27.

This is as comprehensive an analysis of our whole foreign policy predicament as any I have seen in recent months. In a sweeping review of the position of the United States in the Western World, and of the Western World in the total world order, Mr. Lippmann illuminates the historic changes which have occurred in our own generation—changes which have been climaxed by the dramatic events in Hungary and the Middle East in the past few months.

Mr. Lippmann's address speaks for itself, and I shall not presume to comment upon it except in one particular. Near the conclusion of his remarks Mr. Lippmann says:

The supreme question is whether we can, by a great effort of statesmanship, negotiate a settlement which averts these dangers. I am not saying that we can. But at least one can imagine such a settlement. It will have to be a settlement negotiated by the Western Powers with the Soviet Union and ratified by the two Germanies.

It will have to provide for the reunification of the two Germanies. It will have to provide for the gradual but nevertheless definite evacuation of the European Continent up to the Soviet frontier by the Red army in the east, and by the British and American Armies in the west. Only in this way can Poland, Hungary, and the other satellites be liberated.

But that will not be enough. The withdrawal of the armies, the unification of Germany, the liberation of the satellites will be possible, will be conceivable—only if we can construct by negotiation an all-European security system which is underwritten by the Soviet Union and the United States.

Mr. President, I should like to take this occasion to mention on the floor of the Senate that I have in recent months ventured suggestions similar to those which I have just quoted from Mr. Lippmann's address. No one doubts that this is a serious, complicated, and delicate matter. But it is clear to me that our policy in Europe is in danger of becoming rigid and inflexible.

Alternatives for our present policies must be considered and evaluated well in advance of their possible application.

It was with this in mind last December that the Senate Subcommittee on Disarmament released staff study No. 5 on Control and Reduction of Armaments—Disarmament and Security in Europe.

In my personal preface to that staff study I asked the question:

Can the reunification of Germany be brought to fruition and under what conditions? * * * New developments call for modified if not new approaches. * * * I am

not referring to total and comprehensive plans. I am thinking of specific proposals for Europe that could be a beginning in the endeavor to evolve a new European security system based on a limitation of armaments and armed forces in the area. Such a beginning could help to reduce tensions between the Western Nations and the Soviet bloc. It could help set patterns which might be applied on a wider scale.

One proposal which ought to be explored more fully in future negotiations is that of creating a geographical zone in which military equipment and manpower would be kept at a prescribed limit. Such a zone would act as a buffer between the Soviet Union and the Western Powers. An inspection system should be instituted to insure that armaments and armed forces permitted within the zone would not be exceeded. The United States, Great Britain, France, and the Federal Republic of Germany have each discussed the possibility of a demilitarized zone in Europe. The U. S. S. R. has also made general statements about such a geographical zone. The negotiations among the major powers on this point, however, have not reached the stage of implementing the proposal. More detailed discussions on the establishment of a demilitarized zone should be undertaken.

At the same time I issued a press release with an elaboration of my views on the advisability of exploring mutual troop withdrawals in Central Europe. I ask unanimous consent that the text of this press release be inserted at this point in my remarks.

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

"The United States and its allies in Western Europe should show more imagination and initiative in pressing for new ways and means of bringing about the reunification of Germany and the withdrawal of Soviet troops from Eastern Europe," Senator HUBERT H. HUMPHREY, Democrat, of Minnesota, chairman of the Special Subcommittee on Disarmament of the Senate Foreign Relations Committee, said today.

"So long as Germany remains divided, it is a potential battlefield for the beginning of world war III," he declared.

HUMPHREY made his statement releasing a subcommittee staff study entitled "Disarmament and Security in Europe." The study deals with the development of the North Atlantic Treaty Organization in Western Europe and of the Warsaw pact in Eastern Europe. It also considers the problems involved in the reduction of armed forces, the control of nuclear weapons, and the creation of neutral zones or demilitarized belts. Finally, it discusses the overriding question involved in the continued division of Germany.

"It is clear," HUMPHREY said, "that Germany is the key to the kind of European political settlement which might lead to real progress toward disarmament. A decade of fruitless negotiations with the Soviet Union has demonstrated, however, that our policy toward Germany has not attained one of its major objectives—the reunification of that country based on free, honest elections. The time has come, therefore, to consider other means which may be more effective in achieving this objective.

"If Germany poses the sort of political question whose settlement might result in real progress toward disarmament, then equally the settlement of the security problem in Europe, particularly as it comes to a focus in the central and eastern regions of that Continent, is a key to the German problem.

"Consequently, I suggest," the Senator went on, "that in future negotiations there ought to be fuller exploration of the proposal, referred to in this study, for creating a geographical zone in Europe in which military equipment and manpower would be kept at a prescribed limitation. Such a zone would act as a buffer between the Soviet Union and the Western Powers. However, the negotiations on the creation of such a zone that have already taken place between the Western Powers and the Soviet Union have not reached the stage of implementing the proposal with details.

"In further negotiations relating either to demilitarization or to troop withdrawals," the Senator said, "the United States would need to be alert to several factors: (1) Any redeployment of troops in the zone must not weaken the overall relative military strength of NATO powers in Europe, and in no case should American troops be withdrawn from the European area; (2) the security of all European states from armed aggression from any source must be assured; (3) the agreement on setting up the zone of limited armaments and forces must include provision for the reunification of Germany in freedom; and (4) a balance of armed forces and armaments between the sides within the zone must be maintained.

"It is always difficult to anticipate what the Soviet reaction to any proposal will be, but something along the lines I have suggested could provide the basis for negotiations," the Senator declared. "In any event, the fundamental changes which have obviously been taking place in Eastern Europe make the present a particularly good time to reassess our position in Europe and to seek new solutions. And I want to emphasize strongly that this process should take place in the closest consultation with the other members of NATO, and particularly with the German Federal Republic. This is no issue on which the United States can, or should, proceed unilaterally."

Mr. HUMPHREY. Mr. President, a week later, in a speech at the Overseas Press Club in New York, I expressed the same views.

Mr. President, I am delighted that so wise an astute and observer of the contemporary scene as Mr. Walter Lippmann seems to have reached generally the same conclusions that I have on the importance of exploring these new alternatives in Europe. His proposals in the context of his brilliant analysis of world affairs are particularly striking. I ask unanimous consent that the text of Mr. Lippmann's address at the University of Minnesota be printed at this point in the RECORD.

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

[From the Minneapolis Morning Tribune of January 28, 1957]

LIPPMANN SAYS UNITED STATES IS MAPPING NEW WORLD POLICY

We have met here today to do honor to the memory of Gideon D. Seymour, a newspaperman, who, until his untimely death in 1954, served with so much distinction as the executive editor of the Minneapolis Star and Tribune. Although I never worked with him personally, he was a close and beloved friend of many of my own close friends.

And I have always been aware of the high place he occupied in the newspaper world and in this community. Gideon Seymour was a great credit to the profession of journalism and his name is honored throughout the profession. I am proud to belong to the newspaper family to which he belonged and to be able to say that as a result I am, in a small way, at home among you here in Minnesota.

It is now some months since I first heard from my friend, John Cowles, that the university authorities were thinking of asking me to be the speaker on this occasion.

I have given much thought to the choice of a subject, and in the end, I concluded that as one newspaperman speaking in honor of another newspaperman, I should talk about current events. More exactly, I made up my mind to try to talk to you about the American position in the world as it is now.

I can tell you in a word where we are now. We are in the midst of making up our minds. We are in the midst of the business of finding out where we actually are, of trying to understand a world situation which is very new and is in large part hidden by censorship or obscured by propaganda.

No one, I think, not even at the top of affairs and therefore on the inside of all of the available information, can as yet see clearly, can as yet see as a whole, where we really are and where we ought to go.

I was speaking about this the other day to a friend of mine who works in the Government on the making of foreign policy. "We are rewriting the book," he said, "but we are still somewhere about chapter 3, and we don't know yet what is going to happen to the hero, to the girl, or to his rival. We know that he and the girl are going to have many ups and downs, and we have no guaranty that they will be married and live happily ever after."

WORLD CHANGED NOW

Everyone knows, of course, that we are in a time of rapid, radical and complicated change. Now, in itself, change is far from being a new experience for the generation to which I belong. We have lived amidst great events for which we were unprepared. We have become involved in wars which we expected to stay out of. We have hoped great things from victory and we have never seen a good peace. But now, if I may put it that way, the world is changed for Americans, not only in the degree of our involvement with the outer world, but in the very kind of our involvement with the rest of the world.

Throughout the 19th century, and during the two World Wars of this century, we have thought that we were living in one world. We have thought that this world had its political center in the Western society, the society which consists of Europe and the Americas, the society to which we belong.

Even the most anti-imperialistic among us has assumed this. We have supposed that all the nations—the old ones who were breaking with the past, the new ones who were emerging from colonial status—that all the nations would have the same fundamental political ideals which we have, not because they are our ideals but because these ideals are universal.

We have believed all mankind would move toward the same rules of law that we believe in, that they would arrive at essentially the same conception of the rights of man that we have, and that all the new nations would eventually develop the same democratic and parliamentary institutions as we have.

The greatest and most fundamental change of our time is that this picture of ourselves and of our place in the world and of our role in the history of mankind is no longer valid. The culture, the ideology, of the Western society is no longer recognized as universal. It is challenged, as it has not been challenged since Christendom was challenged by the expansion of Islam.

WEST ONLY PLANET

The one world which we always have taken for granted in our thinking has been succeeded by many worlds. We now live amidst these many worlds. They compete with one another, they coexist with one another. They trade with one another and, in varying degrees, they cooperate with one another.

This change from one world to several worlds is a deep change. It is a change not only in what we think about for foreign policy but in the very way that we have to think about it.

In our political thinking, that is to say in the thinking of the Western World, it is a change comparable with the change from the Ptolemaic to the Copernican astronomy, from the view that this earth is the center of the universe to the view that this earth is only a planet in its solar system. The Western society which was once the center of the political universe is now only a planet, a big planet no doubt, but still a planet in a much larger solar system.

It is this new situation which we are trying to understand. It is in this new situation that we are trying to get our bearings and to feel our way forward.

But in order to do this, we must first look back and see how United States foreign policy was, until very recently, controlled by the underlying conception of the 19th century—the conception of one world whose political center was in the North Atlantic region of the globe. This conception has underlain our thinking in foreign affairs not only throughout the 19th century but down through both of the World Wars of this century.

In the First World War we were drawn in when Britain and her ally, France, were threatened with defeat. We were no longer able to remain isolated from Europe and unentangled with the wars of Europe, as we had been during the 19th century. But how were we drawn in the First World War? We were drawn in to reinforce Great Britain. We were the auxiliaries and the reserves. We called ourselves an associated power, and our troops fought in Europe under a supreme commander who was a French general and our Navy was under the overall command of the British admiralty.

BRILLIANT ILLUSION

When the war ended in 1918, we hoped and believed that we had won a victory for the idea that the principles and ideals of the Western society are universal. Woodrow Wilson proclaimed a world order. But it was a world order based on our Western principles and ideals. Moreover, it was to be an order in which the nations of the North Atlantic region would continue to be the political leaders of mankind.

On the surface, there was in 1918 much to justify this optimistic view. The North Atlantic community had won a smashing military victory, and the United States had emerged as a new and powerful member of the Western society. Russia was still a primitive country in the throes of a deep social revolution. China was a feeble and backward country, divided up among foreign powers. India was still under British rule. North Africa, the Middle East, and Southeast Asia were under British or French imperial dominion. On the surface, in Woodrow Wilson's time it looked as if Britain and France, reinforced by the United States and Canada, could prolong indefinitely the world order that had existed in the 19th century.

We now know that this was a brilliant illusion. Both France and Britain were profoundly weakened by their fearful losses in the First World War. As representatives of the Western philosophy, they were challenged as imperialists over all Asia and Africa. We did not know this in 1918. We took it for granted that with American military and financial help the worldwide predominance of the Atlantic community would continue.

In the Second World War, the role played by the United States was no longer that of an associated power bringing up the reinforcements and the reserves. But before Pearl Harbor, and before we actually entered the Second World War, we still thought of ourselves in terms of World War I. We used to talk, you may remember, about aiding the Allies to defend America. In fact, however, it was soon plain that we must take up the whole burden of the war in the Pacific, including the defense of Australia and of New Zealand. In Europe, the French Army had been defeated and Great Britain was under violent assault and strained to the limit. We had not only to supply the weapons and other economic necessities, but that we had to raise a great army ourselves.

The difference between the two World Wars is marked by the fact that in the second, as distinguished from the first, the supreme commanders on sea and on land were Americans. Nevertheless, until World War II ended, we could still believe—perhaps I should say that we tried still to believe—that as when Britain and France and Western Europe recovered from the damages of the war, the North Atlantic community would still be the political center of the world.

I venture to believe that in the last analysis this was the underlying assumption in the minds of both Churchill and Roosevelt at the close of the war. They believed that with Britain and America acting as partners, they could handle Russia and have the deciding voice in the postwar settlement. They were mistaken.

The fact of the matter is that Churchill himself was so big that he made the British power look bigger than it was. It soon appeared that Britain, though it was a great power by the old standards, was not like the United States and the U. S. S. R., a superpower. It was soon evident that in the postwar world the Atlantic community, with the British-American partnership at its core, was no longer the paramount power in the world.

POWER CENTER SHIFTS

Since the war we have found ourselves in a position different from any in our whole political experience. We are no longer members of a world order which is accepted by mankind as universal. There are other world orders which challenge ours and compete with it.

What is more, throughout our history as a nation the center of world power has been in the North Atlantic region of the globe, and the fundamental decisions of our foreign policy have had to do with our relations in the North Atlantic, particularly our relations with Great Britain.

We achieved our independence amidst the rivalry of the North Atlantic powers. We developed this continent in security behind the supremacy of the British powers. We fought the First World War as the auxiliary of the Atlantic powers. We fought the Second World War as the leading power of the Atlantic community. Now this is fundamentally altered.

The greatest powers with which we have to concern ourselves are no longer in the North Atlantic region. They are in Eastern Europe and in Asia. While the welfare of the Atlantic community is a close and vital interest of the United States, the Atlantic community is no longer the political center of the world. We are living amidst the decline of Britain as one of the leading powers of the world, and we find ourselves without a powerful ally in face of the new powers of Eastern Europe and of Asia and of Africa.

To dramatize the rapid changes in the past 100 years, we might say that through most of the 19th century the world capital was London. After the First World War, the world capitals were London and Washington. After the Second World War, the world capitals were Washington, Moscow, and London. Now the world capitals are Washington, Moscow, London, Peiping, Delhi, and, who knows, perhaps eventually, also Cairo.

I said earlier, and I must say again, that we are in a wholly new situation. It is not a clearly visible situation with all its landmarks and features well defined. There are no reliable maps. This is, in part, because so much of the world is hidden by censorship and obscured by propaganda.

But another reason, and perhaps a more compelling reason, why there are no reliable maps is that so much of the world is in the midst of revolutionary changes of which we cannot foresee the outcome.

Nevertheless, we must try to find our bearings, to find out where we are and what is around us. And one way to do this is to look back and to remind ourselves where we came from and how we got where we are.

We must, I think, go back about 12 years to the winter of 1945 when Roosevelt and Churchill were on their way to Yalta in the Russian Crimea. The end of the world war was in sight. They were on their way to Yalta in order to negotiate with Stalin about the armistices which would end the fighting.

As we all know, they did not reach an agreement on what should be the terms of the peace treaties with the two powerful enemies they expected soon to defeat. But they did agree on the general terms of the armistices they expected to make with Germany and Japan.

WHAT STARTED BREAKUP?

I hope I can say what I have to say here about Yalta without entering into and stirring up again the furious controversy which has raged about it ever since. The point about which there cannot be serious dispute is that Yalta was followed in May by the German armistice and in August by the Japanese armistice.

Now an armistice is essentially an agreement, first to stop shooting, and then it is an agreement as to where the armed forces are to stand still. In substance, the armistices of 1945 reflected and registered the military situation as the Big Three at Yalta expected it would be when the fighting ended.

The lines of the armistices of the Second World War are what we have since come to know as the line of the Iron Curtain. The Iron Curtain is where the Red Army settled down when the fighting stopped. This line still divides Germany. It still divides Europe. And in Asia the lines which now divides the Communist from the non-Communist powers is essentially the line of the American occupation at the time of the ceasefire.

This, then, was the situation of the postwar world as it took shape from the armistice lines. Today we are living amidst the breakup and the disintegration of the postwar world.

The question I should now like to discuss is how this disintegration started, and what caused this breakup.

As a result of the Yalta conference the world was divided into two great spheres of influence. In the one sphere, where the Soviet Union was supreme, Stalin tried to create a new Russian Empire. This empire was founded primarily on the power of the Red army. In fact, the empire was the territory occupied by the Red army. Stalin's purposes was to make the people of Eastern Europe docile satellites or colonies of the new Russian Empire.

The other sphere comprised the rest of the world. It was an unorganized collection of old and new states. It consisted not only of Western Europe, Latin America, and the United States, but also of the old European empires, which then extended across north Africa, Egypt, and the Middle East through India and Southeast Asia to the Dutch Empire in Indonesia. In this sphere, the United States took the initiative in trying to make sure that the Soviet Union did not extend its empire.

As the principal military arm of the Communist sphere was the Red army, so the principal military aim of the non-Communist sphere was the United States Strategic Air Force equipped with atomic bombs.

This situation lasted until about 1950, as long as only the Soviets had an effective

army and only the United States had the atomic bomb. In this uneasy balance of power, the Red army was supreme on the ground in all of Europe and Asia; the United States Strategic Air Force was supreme in the air over Europe and Asia.

Each acted as a deterrent on the other. As against an invasion by the Red army, Western Europe was wholly defenseless. Yet the Red army did not and could not overrun Western Europe. It was contained because the Kremlin knew what the United States Air Force could do to the Russian cities.

POSTWAR STALEMATE

On the other hand, one might say vice versa, the United States was held in check by the Red army. Let me say a word about how we were held in check. The very highest American military authorities knew that if we struck at the Russian cities, the Red army, which was already in Eastern Europe, would overrun Western Europe.

It would occupy the countries of Western Europe against which we could not use the atomic bomb, countries such as Western Germany, the Netherlands, Belgium and France. When the Red army did that it would destroy the existing governments. It would liquidate the existing leaders in all classes and, before it could be forced to retire, it would probably destroy the big cities and the industrial plants of Western Europe.

This was the postwar stalemate, the Red army as against the atomic bomb.

The breakup of the postwar world was fairly foreseeable as soon as this original postwar stalemate was broken. In September 1949, the Soviet Union set off an atomic bomb of its own. This event announced to the world that the American monopoly was over and that a situation, which was radically different from that of the postwar years, would not develop.

The breaking of the American monopoly meant the beginning of a race in nuclear armaments. This was a terrifying prospect. It set in motion a strong tendency towards disintegration inside both the Stalinist empire and inside the Western coalition.

Once it was evident that there were going to be two rival superpowers, each armed with nuclear weapons, the nations which had no nuclear weapons began to feel desperately insecure. They were in danger of being destroyed in a war that would be fought with weapons they themselves did not possess.

They could not defend themselves against those weapons. They could not strike back. They were bound, therefore, to make it their central national purpose to stay out of a big war if, because of acts of criminal folly, a big war could not be prevented. It was under these conditions that what we call neutralism was born and soon began rapidly to spread.

If we say that at Yalta the postwar world was divided into two great spheres of influence, then I would say that when the race of nuclear armaments got under way—beginning in 1949 but rising to a climax with the hydrogen bomb—the two great spheres of influence began to disintegrate. No doubt there were other reasons. But the trigger which set the forces of disintegration in rapid motion in both spheres was the race of nuclear armaments.

On both sides of the Iron Curtain the pent-up forces of nationalism were released. On our side of the Iron Curtain these forces invoked the slogan of anticolonialism and anti-imperialism. On the other side of the Iron Curtain, they have been invoking the slogan of anti-Stalinism.

ALLIANCES CRUMBLE

These upheavals have, of course, a long history. The liquidation of the Western empires is one of the great historical phenomena of the 20th century, and the national opposition by Hungarians and Poles to Russian domination began long ago in the past. But when the atomic race began in 1949, nationalism and neutralism became urgent and passionate because they offered a means of staying out of war, a means of self-defense, and indeed a means of survival.

The terrifying destructiveness of the hydrogen bomb was demonstrated between November 1952, when we exploded ours, and August 1953, when the Soviets exploded theirs. Politically and psychologically, these gigantic explosions have jarred loose, they have dislocated and pulled apart, much of the political structure of the postwar world. The disintegration of the old European empires in Asia and Africa has been accelerated. The disintegration of the new Russian empire in Europe has been started. The structure of alliances on both sides of the Iron Curtain has begun to crumble.

It was when he realized this, that President Eisenhower made his historic declaration that there is now no alternative to peace. The Russians had also realized what the revolution in military weapons meant. This common realization in Moscow and Washington led to the famous meeting at the summit, which took place in Geneva a year and a half ago, in July of 1955.

At that meeting, Russia and the United States acknowledged publicly to each other and before the world that with the advent of the new weapons they could not, they would not, they dared not contemplate war.

At the time of the Geneva meeting, we were all aware that, beyond these mutual declarations against war, there were no serious agreements reached, or even brought any nearer, on any of the great practical issues of the time—on, for example, the reunification of the two Germanies, on the problem of the status of the satellites in Eastern Europe, on the future of the Middle East.

There is no way of telling whether or not the opportunity existed to go on from Geneva to settlements of some of these problems. If the opportunity existed, it was missed. On our side, the President fell ill and was unable for some time to take the initiative in foreign affairs.

On the other side, the Russians stood pat and were unyielding. We do not know what might have been. But what has actually happened, is that while we have come no nearer to settlements in Europe, in the Middle East and in the Far East, there has been a rapid disintegration of empires and of alliances.

We can see what has happened to the French in North Africa and to the British in the Middle East. We know from what has happened in Poland and in Hungary that the Soviet empire in eastern Europe is undermined, and that the Soviet military system, which is known as the Warsaw pact, is profoundly affected. We know that if NATO is going to survive, it is going to have a very different future from what we expected.

WHAT LIES AHEAD?

A few months ago, at the end of October, the course of events, which I have been describing, burst into violence. It is a remarkable fact, which historians will long be studying and trying to explain, that the explosion in Hungary and the explosion in Egypt took place at approximately the same time.

The fact that the two explosions came so very close together may not have been a mere accident. It may well be that the Israeli Government decided to strike when it saw that the Soviet Union was deeply entangled by the rebellion in Hungary. But the two explosions would not have happened if both in Eastern Europe and in the Middle East the situation had not become explosive.

These two explosions marked the disintegration of the postwar world.

You will want me to say before I conclude what I see emerging from all this. This is not so easy, and no doubt I am foolish to try. But here at least are some of the things I see coming out of it.

There will remain the fundamental stalemate between the Soviet Union and the United States, the stalemate which was recognized by the President and the Soviet leaders at Geneva in 1955.

In all probability, neither of the superpowers will decide deliberately to make war against the other. On the other hand, both in Europe and in the Middle East, there are very grave issues which, if they cannot be settled by negotiation, may burst into violence. They may become uncontrollable, and they could involve Russia and America in a war they are both trying to avoid.

In Europe the question is whether the Soviet empire can be liquidated in a peaceable and orderly way. If it is not, we must be prepared to see the kind of thing that has happened in Hungary spread to Eastern Germany. If there is armed rebellion in Eastern Germany and the Red army is used to suppress it, there is little likelihood that the West Germans will sit quietly on the sidelines.

They will almost certainly join in, perhaps not officially at first, but as volunteers, and this will put the American and the British Armies in Western Germany in a very dangerous predicament. For one could hardly expect the Russians to leave West Germany alone if it becomes the base of a rebellion in Eastern Germany. All of this could readily enough lead to a world war.

The supreme question is whether we can, by a great effort of statesmanship, negotiate a settlement which averts these dangers. I am not saying that we can. But at least one can imagine such a settlement. It will have to be a settlement negotiated by the Western Powers with the Soviet Union and ratified by the two Germanies.

It will have to provide for the reunification of the two Germanies. It will have to provide for the gradual but nevertheless definite evacuation of the European Continent up to the Soviet frontier by the Red army in the east, and by the British and American Armies in the west. Only in this way can Poland, Hungary, and the other satellites be liberated.

But that will not be enough. The withdrawal of the armies, the unification of Germany, the liberation of the satellites will be possible, will be conceivable—only if we can construct by negotiation an all-European security system which is underwritten by the Soviet Union and the United States.

It will have to be a system which guarantees the European nations among themselves, and particularly against a revived and reunited Germany. It will have to be a system which guarantees all of Europe against Russia, and it will have to be one which guarantees Russia against Europe. Within such a European system there ought to develop an all-European economy, and beyond that—on the far horizons of hope—the prospect of a European political confederation.

In my view the issue of war and peace will be decided primarily in Europe, and, so to speak, along the line of the Iron Curtain. The greatest question in the world is whether Europe can cease to be divided and can become united by negotiation and peaceable means.

I would go so far as to say that if we could engage the Russians in a serious negotiation which looked to a general European settlement, the problem of the Middle East would become—I won't say soluble—but manageable. I say this because Russia is not vitally interested in the Middle East.

She does not need the oil, and she cannot be invaded from the Middle East. Russia is, however, vitally interested in Europe, particularly in Germany and in Poland, and it is there in Europe that we must make a settlement or live in continual danger of a gigantic war.

TWO GREAT MISSIONS

When I look into the future I think of this country as having two great missions to perform. The one is to bring about the European settlement I have just been describing. On this, as I have just said, depends the issue of peace or war. From such a settlement would come a new Europe, a Europe which had lost its empires overseas but had found a new strength, security, and prosperity in its own unity.

Our other mission is, I firmly believe, to work out a new relationship between the Western nations and the newly emancipated peoples of Africa and Asia. The imperial and colonial age is over. The age which is to follow is only in its dim beginnings, and it is our mission to play a leading part in working out the terms on which the peoples of the East and the peoples of the West can live side by side in confidence, in security, and in mutual respect.

This is about as far as I can see into the future, and about all I can say is that in the years that lie ahead of us it will take good nerves to live and to find our way, and to act honorably and to preserve the peace. We have great problems at home, which arise from the enormous growth of our population and the deep changes caused by applied science. We shall be under severe pressure from abroad and we shall need constant vigilance and alertness and resourcefulness.

It will not be good enough to have good nerves though we shall need them. We shall have to have knowledge of what is going on around us. We shall have to understand what we know. For that we shall need more than we have ever needed them before, wise and devoted reporters and editors, like Gideon Seymour whom we salute today.

"There are other world orders which challange ours and compete with it."

"The greatest powers with which we have to concern ourselves are no longer in the North Atlantic region. They are in Eastern Europe and in Asia," Lippmann said.

And, with the decline of Britain, he pointed out, we find ourselves without a powerful ally.

Because no agreement was reached with Stalin on adjusting world problems at the end of the war, "the line we have since come to know as the Iron Curtain" crystallized where Communist armies settled down after the shooting stopped, Lippmann explained.

At first, the situation was stabilized by the stalemate between the American atom bomb, which could destroy Russian cities, and the Red army, which could overrun and destroy Western Europe, Lippmann declared.

This statement was replaced by another when Russia broke America's monopoly on nuclear weapons, he went on. Forces were set in motion that have eroded postwar empires and alliances.

Nationalism and neutralism grew in nations that lacked nuclear weapons and did not want to get involved in a war between the two superpowers, he declared.

Behind the Iron Curtain, Russia's satellite empire began to crumble. On this side, military alliances and old spheres of influence became badly disjointed.

Lippmann cited the recent explosions in Hungary and Egypt as the most dramatic and significant symptoms of the disintegration of the postwar world.

Admitting that it is possibly foolish to try to see what will emerge from this, Lippmann ventured these forecasts:

The stalemate will continue between Russia and the United States.

There will be no deliberately started war, but grave issues in Europe and the Middle East may burst into uncontainable violence unless settlements are negotiated.

We must expect satellite unrest to spread to East Germany unless the Soviet Empire can be liquidated in a peaceable and orderly way.

If the Red army intervenes in East Germany, West Germany surely will become involved and Americans and British forces there will be in a very dangerous predicament. This could readily enough lead to war.

"The supreme question is whether we can, by a great effort of statesmanship, negotiate a settlement which averts these dangers," Lippmann observed. "I am not saying we can. But, at least, one can imagine such a settlement."

It would have to be ratified by East and West Germany and reunify them. It must provide for the withdrawal of the Red army to the Soviet frontier and of American and British forces from the Continent.

This still will not be enough, he warned.

We will have to construct an all-European security system, underwritten by the Soviet Union and the United States. It will have to guarantee European nations against each other, against a rebuilt Germany and safeguard all of Europe from Russia and Russia from all of Europe.

Within such a system, there should develop an all-European economy and "on the far horizon of hope" prospects of a European political confederation.

The issue of war or peace can only be settled in central Europe, after which problems such as the Middle East will become manageable, Lippmann believes.

America has "two great missions to perform," he said. One is to bring about the above European settlement; the other to work out new relationships between Western nations and the newly emancipated peoples of Africa and Asia.

"The years ahead will take good nerves to live and to find our way and to act honorably and to preserve the peace," Lippmann warned.

"We shall have to have knowledge of what is going on around us. We shall have to understand what we know. For that we shall need, more than ever we have needed them before, wise and devoted reporters and editors like Gideon Seymour, whom we salute today."

THE EQUALITY OF OPPORTUNITY BILL—LETTER FROM NATIONAL CONGRESS OF PETROLEUM RETAILERS

Mr. HUMPHREY. Mr. President, under the date of January 25th I received a communication from the National Congress of Petroleum Retailers calling to my attention important legislation introduced in this Congress, H. R. 11 and S. 11, the equality of opportunity bill.

I am a cosponsor of S. 11, and intend to actively support its passage in this Congress. Because of the information that Mr. Cash B. Hawley, president of the National Congress of Petroleum Retailers, has presented in his letter of January 25th, I wish to bring it to the attention of the entire Senate. I encourage each Member of Congress to study it carefully. I ask unanimous consent that the letter be printed at this point in the RECORD.

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

NATIONAL CONGRESS OF PETROLEUM RETAILERS,
Detroit, Mich., January 25, 1957.

Hon. HUBERT H. HUMPHREY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR HUMPHREY: No practice has done so much to destroy free enterprise in the retail petroleum industry as price discrimination. Over the years it has put service-station operators at the economic mercy of their major oil-company suppliers who all too often have been able to crush independent brand competition, move surplus gasoline and reduce their own retailers' margins—by giving a discriminatory discount to one or a few dealers, and making others sell the product at a loss in order to compete.

As shown by the record, Congress intended to prevent such destructive price-discrimination practices when it adopted the Robinson-Patman Act—but the Supreme Court decision in the Standard Oil-Detroit case in 1951, which opened up the good-faith loophole, has destroyed the effectiveness of this protection by letting the good-faith defense prevail even where competition is substantially lessened and monopoly fostered by the discrimination involved. As a result, price-discrimination practices permitted by this decision are weakening and destroying small business across the country and fostering the growth of monopoly in industry after industry.

As the national trade association of service-station operators, we believe the injury to small business in general and to the Nation's service-station operators in particular caused by the Supreme Court decision in the Standard Oil-Detroit case will continue to deepen and worsen until Congress acts to remedy this situation.

We were deeply hopeful of congressional action to correct this problem in the last session when the Equality of Opportunity bill passed the House by vote of 393 to 3 and was unanimously approved by the Senate Judiciary Committee. While this bill failed of adoption at the last minute through lack of time, it has been reintroduced as H. R. 11 and S. 11, the Equality of Opportunity bill, and every single reason which supported its adoption in the last session applies with even greater force at the present time.

In behalf of the Nation's 200,000 service station operators, we earnestly request your help to secure the adoption of this desperately needed legislation as early as possible in the present session. The mounting rate of small business failures, the injury to consumers as (in industry after industry) they are forced to pay higher monopoly prices, the increasing injury to small business economic freedom and opportunity which we are witnessing—all cry out for congressional action against monopolistic price discrimination practices. Those who profit from these monopolistic practices have a right to be heard in their defense, but we ask you to weigh the interests of small business, consumers and the American system of opportunity against such promonopolistic interests—and to vigorously support our cause.

We also ask you to be alert to pro-monopoly propaganda in the guise of small business' communications. We are receiving reports that various major oil companies are propagandizing and pressuring their short-term lessee operators to wire Congress in opposition to this bill which is and has been strongly supported by service station operators through the years. Since these lessee retailers can be forced out of their stations on a few days notice, it is not surprising that some are yielding to company influence and pressure. This is occurring in spite of the fact that service station operators across the country are substantially unanimous in supporting the Equality of Opportunity bill and in spite of the fact that there are probably more complaints of price discrimination from service station operators than from any other business group in the country.

You have undoubtedly heard from members of one or more of our affiliated associations in 36 States in support of the Equality of Opportunity bill and asking your help in securing its adoption. In closing, we assure you of the united support of service station

operators across America for this legislation and of the desperate need for its adoption at the earliest date.

We will appreciate hearing from you as to the progress of this vitally important measure.

Sincerely yours,

CASH B. HAWLEY, *President.*

PRICE INCREASE BY UNION OIL & GAS COMPANY OF LOUISIANA

Mr. KEFAUVER. Mr. President, I was shocked by the recent action of the Federal Power Commission in permitting a 108 percent increase in the prices charged by the Union Oil & Gas Company of Louisiana without first investigating and scheduling a public hearing.

The Union company, which delivers natural gas to the Texas Gas Transmission Co., which in turn serves large portions of west Tennessee and other areas, filed its proposed increase with the Federal Power Commission on October 2 of last year. The date of the proposed increase was January 1. Under the National Gas Act, however, the Federal Power Commission has authority to suspend the effective date of any increase for a period of 5 months, during which time an investigation can be made and the affected areas can be heard from.

Therefore, the Federal Power Commission could have suspended the increase until May 1.

In this case, the Federal Power Commission, has now authorized the increase to become effective on February 15. No hearing has yet been scheduled. Eventually there will be a hearing, I am told, and the company will have to file assurances guaranteeing repayment if the increase is not sustained.

Nevertheless, I have never seen more highhanded action from a Federal bureau presumably constituted to protect the public interest.

Mr. O'MAHONEY. Mr. President, will the Senator from Tennessee yield?

Mr. KEFAUVER. I yield.

Mr. O'MAHONEY. It occurs to me to ask the Senator from Tennessee whether it is his belief that if the members of the Federal Power Commission pay attention to the statements made by President Eisenhower yesterday, at his press conference, about the importance of stopping inflation, they may hold the hearing before February 15 arrives.

Mr. KEFAUVER. I certainly thank the distinguished Senator from Wyoming for that contribution.

After the President in his state of the Union message and otherwise has asked that the line be held against inflation, it is strange to find that the Federal Power Commission, some members of which President Eisenhower has appointed—and it is an executive agency—is granting an increase of 108 percent, without holding a hearing. It seems that the members of the Commission do not pay any attention to the President's statements.

Mr. O'MAHONEY. Mr. President, will the Senator from Tennessee yield again to me?

Mr. KEFAUVER. I am happy to yield to the Senator from Wyoming.

Mr. O'MAHONEY. Is it not a fact that the Federal Power Commission has the authority to investigate this matter, and that through the Federal Power Commission the Government has the power to do so, and it is not necessary to wait upon voluntary compliance in response to exhortations from the White House, of industries which wish to raise prices?

Mr. KEFAUVER. The Senator from Wyoming is entirely correct. The purpose of the Federal Power Commission is to protect the interests of the users of products coming under its jurisdiction, so as to see that they are treated fairly. But in this case the Commission certainly is not doing so.

I think it is also interesting, in connection with the inquiry of the Senator from Wyoming, to note that in the case of the hearing over which he is presiding, whereas the President asked that the line against inflation be held, Mr. Wormser, the Assistant Secretary of the Interior, and other Government agents sitting on the Middle East Emergency Committee have not even raised their voices to ask the giant oil companies to stop gouging American consumers, growing out of a situation resulting from the blocking of the Suez Canal.

Mr. President, I cannot conceive of any set of circumstances which would cause any company to be justified in suddenly increasing its prices 108 percent. Surely any increase in costs justifying such an increase would have been building up over a long period of time. A 25-percent increase would be shocking to me. A 108-percent increase is absolutely overwhelming.

It is hard to see why President Eisenhower thinks the natural gas bill, relaxing Federal controls, is necessary, as he recommended in his state of the Union message.

It would seem that if this is an example of Federal Power Commission control, there are now no Federal regulations, for all practical purposes. If the natural gas producers can start charging 108 percent more, without even so much as giving the affected parties a right to be heard, then it is a farce to say that the Federal Power Commission is a regulatory body.

The Federal Power Commission is a quasi-judicial body and is a creature of Congress. It is high time that Congress began to exercise responsibility for the behavior of its creature. I am studying possible amendments to the statute, but I do not think that is the seat of the problem.

The problem, I believe, is not in the law, but is in the people who administer the law. Despite the fact that they are executive appointees, Congress has a responsibility to call the present action to the attention of the appropriate Congressional committees exercising jurisdiction over the Federal Power Commission. The President constantly pleads for holding the line against inflation. Yet this price increase is an inflationary move of the worst kind. Mr. President, it is high time that the Federal Power Commission and other regulatory agencies of the Federal Government start to follow the advice of the President.

Mr. President, the Railway and Public Service Commission of Tennessee has shown foresight and has acted properly in asking for a hearing on this order, which was issued before a hearing was allowed. My colleague, the junior Senator from Tennessee [Mr. GORE], and I and several members of the Tennessee delegation in the House of Representatives have joined in expressing the hope that the Federal Power Commission will reconsider this increase. Certainly the Commission should do so.

UNWISDOM OF BUDGET RECOMMENDATIONS FOR SMALLER APPROPRIATION FOR NATIONAL CANCER RESEARCH

Mr. NEUBERGER. Mr. President, I should like to indicate my disappointment over the fact that administration budget recommendations in the vital realm of cancer research call for less funds than were appropriated by Congress during the current fiscal year.

The proposal of the Eisenhower administration in this field is for the expenditure of $46,902,000. This is approximately a million and a half dollars less than the present allotment for the National Cancer Institute of $48,432,000.

Furthermore, the current cancer-research appropriation was achieved only after a valiant and prolonged effort by many of us in the Senate under the able leadership of the distinguished senior Senator from Alabama [Mr. HILL]. After all, the present sum of $48,432,000 virtually doubles the fiscal 1956 sum of $24,978,000—and it again represents a vast increase over earlier administration requests.

Mr. President, the head of the Eisenhower administration often tells the Nation that he is liberal in human matters but conservative in financial matters. If there is any one zone of Government where liberalism in human matters is vital to human beings of every age and stratum of life, it is in funds and support for the National Cancer Institute. What could be more crucial and important than constant and ever-expanding research into the causes and possible cure of the sinister disease which threatens all mankind from the cradle to the tomb? Yet it was only through the most persistent and tireless work that we were able to secure the $48 million investment for the onslaught against cancer—an investment 50 percent greater than that proposed by the administration for fiscal year 1957.

In my opinion, the present appropriation for Government support of cancer research, far from being reduced by 3 percent, should have been increased by at least 100 percent—perhaps even more. The administration recommendation represents a falling back in our progress along one of the most vital of all avenues in the domain of health. It is regrettable that a budget of $72 billion includes fewer funds for cancer research, instead of additional funds for an undertaking so important to every man, woman, and child on the face of the globe.

This one recommendation tends to refute much of the talk from the White House and from the administration's many fountainheads of propaganda about the burning concern of this regime for human matters and for human beings. Actions always speak louder than words.

Mr. President, the administration is still thinking in pygmy terms with respect to the war against disease. Unhesitatingly, billions are budgeted for tanks or battleships or bombing planes. By contrast we are stingy with mere millions when sickness is the enemy, rather than a foreign foe. We spend less attempting to solve the terrible riddle of cancer than we do, for example, on the fittings for one aircraft carrier of the *Forrestal* class.

The former head of our Public Service, Dr. Leonard Scheele, once informed me that the National Cancer Institute could ultimately utilize $500 million in a single year in an all-out crash program of medical research into the ominous roots of cancer. This sum sounds fantastic; yet Americans spend over $15 billion a year on liquor and tobacco, $280 million for chewing gum, and $116 million for shampoos. Why not twice as much for cancer research as for gum? Every dollar invested in cancer research can be amortized in longer, happier, and healthier lives. Victory on this crucial battlefield would not only reduce immeasurably the tragic toll of human suffering, but would bolster our manpower resources and increase our productive strength.

ADMINISTRATION OF THE DROUGHT PROGRAM

Mr. SYMINGTON. Mr. President, last week when I came before the Senate presenting some more of the record in regard to the administration of the drought program, and the failure of the Department of Agriculture to give the much-needed assistance to my State, I commented that this refusal had resulted in bankruptcy of many of our family sized farms.

Typical of many such letters I have received is one telling how a Missouri farmer in Caldwell County was forced to sell his farm because his pastures were dried up and he could not afford to buy feed for his dairy cows. To save unnecessary embarrassment, I have removed the sender's name, and ask unanimous consent to have the letter printed at this point in the RECORD.

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

I notice that my county of Caldwell is not included in the list of counties to receive relief and for your information there is a comparatively small area along the southern border of Caldwell County that has had three successive droughts. I know, for I am one of the victims. I was operating a grade "A" dairy, having accumulated one of the finest dairy herds in this area, but I was compelled, because of the severe drought during 1956, to disperse my fine dairy herd and quit. I was not able to grow enough hay and other feed to carry one cow through the winter and until spring; and I had a herd of 50 head. Because almost every one else was in the same shape as I, my large Holstein cows that cost me $300 per head went through the sale ring at from $140 to $200 per head causing me a loss of about $5,000. Two previous drought years had put me behind at my bank together with an accumulation of accounts for farm operation with the result that after applying all of the money received for my dairy cows; I still owe my bank about $7,000. I am compelled to hold a sale this spring and dispose of all of my machinery to pay my bank, leaving me with a $13,000 debt on my 340-acre farm which I am also having to sell in order to "clean up." This is typical of this immediate vicinity. I tried every known means in my attempt to get my whole situation refinanced in order that I might save my dairy herd, my machinery and my farm, but without avail. My situation and others like it around here are the ones who are badly in need of assistance but are not getting it; and certainly no one is more deserving. This for your information. Copy of this letter is being forwarded to Mr. Harry M. Thomas at the Department of Agriculture who is to be sent to Missouri to look the situation over.

MILITARY FUNERALS AT ARLINGTON NATIONAL CEMETERY

Mr. BEALL. Mr. President, last Saturday, after reading that there was no room in our $38 billion military budget for a continuation of certain time-honored customs connected with military funerals at Arlington National Cemetery, I wrote to the President, suggesting that perhaps we were becoming so budget-conscious that we were beginning to stifle all our emotions.

I referred specifically to recent reports that financial considerations have prompted the elimination of the horse-drawn caissons from the military funerals at Arlington National Cemetery.

As I noted then, there is obviously some point at which we must check our sentiments before they overrun our sense of financial responsibility. On the other hand, I sincerely feel that we must guard against the day when, to use an extreme example, we might be considering the advisability of maintaining the honor guard at the Tomb of the Unknown Soldier.

News accounts have said that the motorizing of military funerals will save about $77.90 a ceremony. I feel that such an amount can be more than justified when spent in honor of our warrior dead, but I realize that such sentiments cannot help balance a ledger.

Perhaps, then, we might consider the continuation of these expenditures as a practical investment in the traditions which have kept us strong, and without which we cannot survive.

Many persons have written to me expressing agreement with my ideas, and I should like to comment at this time that the letters were as sincere as any that have ever been brought to my attention.

As my record will show, I have always been interested in sincere efforts to achieve economies. I believe, however, that the efforts in this particular instance are somewhat out of place.

Therefore, I hope that those of my esteemed colleagues who share my sentiments will join with me in my personal request that action be taken within the Defense Department to preserve the traditional ceremonies connected with the burial of our warrior dead in Arlington National Cemetery.

NATIONAL FOOD ALLOTMENT PROGRAM

Mr. WATKINS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement, prepared by me, regarding Senate bill 43, which was introduced to establish a national food allotment program. I felt that I had some reservations with respect to this particular bill, and I have prepared the statement, which explains my point of view on the measure.

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

STATEMENT BY SENATOR WATKINS ON S. 43 TO ESTABLISH A NATIONAL FOOD-ALLOTMENT PROGRAM

On Monday, January 7, 1957, Senator AIKEN introduced S. 43 on behalf of himself and several others, including myself. This bill, if enacted, would establish a national food allotment program for the purpose among other things, of maintaining fair prices and incomes to farmers by providing adequate outlets for agricultural products.

In cosponsoring S. 43, I was motivated by the conviction I hold that we owe it to the American farmer to examine in detail every proposal which preliminary investigation indicates may significantly increase the demand for agricultural products. Closer examination may indicate that the disadvantages outweigh the seeming advantages at this point, but since it is evident that the kit of tools we are now relying upon to help farmers achieve parity is not capable of achieving that objective, it would seem desirable that the merits of the food stamp proposal ought to be thoroughly examined.

That farm prices have been as good as they have the past 5 or 6 years is a reflection of the general prosperity we have enjoyed. Why do I say this? Because the best guaranty of satisfactory farm prices is the maintenance of maximum employment, and a correspondingly high level of consumptive expenditures for food. During the past 6 years, total employment increased by 5 million persons. In only one of these years—1954, did unemployment represent as much as 5 percent of the total civilian labor force, so, relatively speaking, it can be said that conditions of full employment prevailed. Personal consumption expenditures for food increased by $19.5 billion, during the same period, with $3.5 billion of the increase coming between 1955 and 1956.

During these same years, 1951–56, the farm output index increased from 103 in 1951 to 114 in 1956, the base period being 1947–49. Noteworthy, in particular, were the increases in production of some of the perishable commodities during this period, which concern us here. Meat animals increased 22 percent over the base period; poultry and eggs 15 percent; and dairy products 11 percent. On the other hand, the parity ratio declined from 107 in 1951 to 83 in 1956, and net farm income (excluding inventory changes) declined from $14.8 billion in 1951 to $11.9 billion in 1956. The simple fact remains, therefore, that our present high levels of food consumption, the resultants of the highest levels of employment and personal disposable incomes in history, have not been sufficient to remove our agricultural production from the market at satisfactory prices to farmers. Especially

has this been true with respect to the perishable commodities, which concern us here—vegetables, meats, including poultry, eggs, and dairy products, and for which no effective means of price support has been available.

Although farmers can look forward to some increase in "hard dollar" agricultural exports, the facts seem to indicate that this consumptive channel also cannot be depended upon to bring supplies in line with demand. In a Foreign Agricultural Service publication entitled "Competitive Position of United States Farm Products Abroad in 1957," appears the statement:

"The expansion of agricultural production continues as a primary objective of many foreign countries. * * * Many governmental measures promote and foster this objective. The expansion is designed to (1) lessen the need for imports, or (2) to provide larger quantities for export.

"Whatever the purpose, all these measures tend to increase the competition which United States farm products face in foreign markets. They either lessen the need for United States products or make foreign markets less accessible even though an apparent need exists.

"Volumewise, the 1955–56 level of United States agricultural exports was the highest in 30 years. The prospects for 1956–57 are indicated to be 25 percent greater than last year. * * * But the short-run outlook, based on a number of circumstances now favoring this country, is no guaranty that present high levels will be maintained."

Especially would this latter statement appear true when it is realized that although United States farm exports increased during each of the fiscal years 1954 through 1956, the percentage of such exports which constituted sales for dollars through private commercial channels declined, and the percent exported under Government subsidy programs of various kinds increased. For the 1956 calendar year, foreign sales through private channels may well represent less than 60 percent of total sales.

Very clearly then, since much of the increase in foreign sales of agricultural products depends upon Government export subsidies, barter, or sales for local currencies, and because of increasing foreign production, the present high level of exports, not enough by itself to give farmers reasonable prices, cannot be expected to continue, let alone improve the demand for agricultural commodities so as to appreciably improve farm prices.

We have developed elaborate price-support programs for the so-called basic commodities, which are providing their producers better prices than those received by producers of nonbasic commodities, especially the perishables. As of December 15, 1956, cotton was bringing 87 percent of parity, wheat 84, rice 82, and peanuts 82. Several types of tobacco were bringing growers over 100 percent of parity. On the other hand, beef-cattle producers were getting 65 percent of parity, calves were bringing 64, eggs and lambs 72, potatoes 64, oranges 57, chickens 55, and grapefruit 62 percent of parity.

Of course, we cannot apply these programs to perishable commodities for several reasons. First, it is doubtful that marketing quotas could be applied to milk production, eggs, or other poultry products. Second, since they are not storable for any great length of time, the marketing period of most perishable commodities cannot be extended by means of commodity loans to give producers the advantage of probable price increases after seasonal marketing peaks have been reached.

By the same token, it is evident that the use of surplus disposal or direct purchase programs to remove market gluts, especially where purchases are made from processors, do not really afford producers of perishable commodities much market-price protection. For example, beginning last September and continuing until mid-November the USDA purchased 25.3 million pounds of turkey at a cost of $9.6 million. As of September 15, turkeys were bringing 74 percent of parity; as of mid-December the price received had advanced only 1 percent of parity to 75. From mid-September to late November, the USDA purchased 72 million pounds of hamburger at a cost of $24.5 million. As of mid-September, beef cattle were bringing 75 percent of parity; yet as of December 15, they were bringing only 65 percent. In mid-September, the USDA began buying eggs when prices received stood at 75 percent of parity. During the period ending December 6, 17.5 million dozen were purchased at a cost of $6.6 million, yet as of December 15, the market price had dropped to 72 percent of parity. Obviously, surplus disposal programs of this type are of little value in supporting prices of these commodities during their heavy marketing periods.

But the question remains, Have we exhausted the examination of other means which seem to offer some hope of reasonable assistance to producers of nonstorable and highly perishable agricultural products? What about food stamps or national food allotment programs such as provided in S. 43? Perhaps such programs as that provided for in S. 43 offer a real means of increasing the demand for those agricultural commodities most in need of price-support assistance. This might be accomplished by providing an indirect form of price support by use of Government transfer payments to low-income families. In other words, we could support increased food purchases on the consumer side of the market structure. The Congress thought so much of the idea that it incorporated a provision in the Agricultural Act of 1956, directing the USDA to submit to Congress within 90 days detailed programs with recommendations for any additional legislation needed to carry out such programs for a food-stamp plan or similar program for distribution of future surplus production to needy persons. (Sec. 201 (b).)

In August 1956, the USDA transmitted a report containing an analysis of food-stamp plans. While it seemingly was not as comprehensive as that asked for by the Congress, nevertheless, it contained much valuable information which led me to believe that such legislation should be introduced in the 85th Congress, in hopes that the Committee on Agriculture and Forestry would hold hearings upon the proposal. The first item of significance which caught my attention was the observation made on page 1, part B of the report to the effect that: "A review of the food-stamp plan, operated by the Department of Agriculture between 1939–43, indicates that it was effective in obtaining a net increase in food consumption levels among participating families."

But an increase in what kind of foods can be expected? Are they to be cereal crops made from wheat and rice, both of which are basic commodities for which elaborate price-support programs already have been developed? Or can increased consumption be expected primarily of perishables such as poultry, eggs, beef, vegetables, fruits, etc., commodities for which we do not have effective price-support programs? Answers to these questions were given as follows in the report.

"An analysis has been undertaken * * * to determine the probable impact of a stamp plan on the consumption pattern of participants. This has been done by estimating the probable consumption changes that would have occurred if families with annual incomes of less than $2,000 in 1948 had been consuming food at the rate of those families with annual incomes of between $2,000 and $3,000. (Such families represented 18 percent of all urban families of 2 or more persons in 1948.)

"Among the food groups where consumption would have increased, the estimated percentage increase ranged from 1 percent for bakery products, 14 percent for meats, to 27 percent for processed fruits and vegetables.

"The results of this preliminary analysis indicate that a stamp plan would be more effective in increasing the consumption of some foods than of others. The food group that might be expected to benefit most would be fruits and vegetables. * * * Livestock products would be in an intermediate position. Of the commodities now in Commodity Credit Corporation inventories, dairy products would be the major item to benefit."

In light of these findings, further detailed study may well indicate that a food-stamp plan such as that provided for in S. 43 may be the best means of extending price support to producers of beef cattle and calves, which provide United States farmers with 16.7 percent of their incomes; dairy products which provide 14.2 percent; poultry products which provide 11.6 percent; truck crops which provide 4.1 percent; and fruits and nuts which provide 4.3 percent.

Farmers and ranchers in such States as Utah, Nevada, Wyoming, Colorado, Montana, where beef cattle production predominates, for the first time might find expanding markets for their animals. Farmers in California, Florida, New Jersey, New York, Delaware, and Rhode Island where truck crops are important agriculturally, may find new consumptive outlets. The same results might be enjoyed by poultry producers in such States as Maryland, New Jersey, Alabama, Arkansas, Connecticut, Delaware, Georgia, Maine, Massachusetts, New Hampshire, Pennsylvania, Rhode Island, Utah, Virginia, and West Virginia, where a large proportion of farm income is derived from such products.

The economics behind the food-stamp plan, as a means of increasing the demand for farm products, is based upon the rather certain knowledge that although no two families spend their incomes in exactly the same way, there is a rather predictable regularity in the way people in various income groups allocate their expenditures for such items as food and clothing. Poorer families must necessarily spend most of their incomes on the necessities of life—food, clothing, and shelter. Economists have demonstrated that as incomes increase so do expenditures for food. Such families eat more and they eat better. Consumption shifts from cereals to the more expensive foods such as meat, milk, eggs, fruit, and vegetables. These, incidentally, are the perishables for which no effective price-support program has been developed.

Food stamp plans are not designed or intended, therefore, to be a means of eliminating the inventories of wheat, cotton, corn, and the other so-called basic commodities. They are proposed rather as a means of supporting the prices of perishable commodities by making possible increased consumption of such commodities by low-income families who would consume more of such food if they had the purchasing power.

Significantly, the food-stamp program may be a device whereby we can "kill two birds with one stone." At the same time, it operates to raise the prices of perishable farm commodities by increasing their consumption, it operates to raise the dietary standards of low income families. Oddly enough, this latter observation has additional significance for agriculture and the success of the rural-development program, which is especially designed to assist low-income farm families, since nearly one-half of those families with incomes below $2,000 are farm-operator families. Secretary Benson observed, in this respect, in his talk before the National Council of Farmer Cooperatives a year ago that:

"About 1.5 million farm families in this Nation have incomes of less than $1,000.

Think of what an income like this means to an individual family. How much food and clothing, medical care, recreation, and household equipment can a family buy in these days with such a small amount of money?"

Under Secretary Morse, head of the rural-development program, has stated on occasion that health and nutritional needs must be met more adequately, as a first step toward helping low-income farm families. Additional study may reveal that most of the owners and operators of two-thirds of our farms, which produce only 15 percent of our crop value, could benefit by enactment of S. 43.

I think it can go without saying that few families go hungry in this country today. Dietary standards also are much higher than they were before the war. However, based upon what is called the basic food allotment," a low-cost adequate-diet food plan developed by the USDA, the report which I have referred to conservatively estimates that 15 million urban persons, in addition, could be provided assistance as families for whom the cost of such a basic food allotment would represent 40 percent or more of their money income. This is the standard provided for in S. 43.

By making payments at the rate of 40 percent of its income, each participating family would receive sufficient coupons to cover the cost of this basic food allotment and other coupons as well which are good for perishable commodities in surplus. It is believed that such a program would afford producers of nonbasic commodities an increased demand for their products. Significantly, such an increased demand would largely be independent of fluctuations in nonagricultural employment and national income and would be in addition to high consumer expenditures during peak years of economic activity such as we are now experiencing.

It should be noted also, however, that the report calls attention to certain administrative problems which appear to be connected with such proposals as that embodied in S. 43. For example, it is important that substitution of supplemental food money for normal food expenditures be kept at a minimum. Certification of eligible participants also must be handled very carefully, with due precautions being taken to prevent abuse. Whether these and similar problems are so formidable as to preclude the effective use of a national food allotment plan as an indirect method of supporting prices of nonbasic commodities ought to be studied and examined very carefully.

In concluding my remarks on why I cosponsored S. 43 I merely want to state that any proposal which seems to have the merits that the national food allotment program proposed in this bill does ought to be given serious study and consideration by the Congress.

THE NATIONAL GUARD

Mr. NEUBERGER. Mr. President, we are proud of the valiant and loyal service of the Oregon National Guard during World War II. Oregon's 41st Infantry Division has an enviable history of combat; it was the first major Army unit to enter the South Pacific area after the attack on Pearl Harbor.

Members of the Oregon Guard are entirely volunteers, and more than 8,200 members voluntarily give their time to participate in our State and National defense in 25 active Air and Army units.

The Secretary of Defense has accused members of the National Guard of being draft dodgers during the Korean war. This statement is untrue, for it attacks the loyalty and patriotism of all guard members.

Mr. President, I ask unaimous consent to have printed in the RECORD, on behalf of the senior Senator from Oregon [Mr. MORSE] and myself, a petition signed by 36 members of the Oregon State Legislature, 34 Democrats and 2 Republicans, which expresses their vigorous protest of the remarks by the Secretary of Defense. This petition was sent to me by the State senator for Baker, Wallowa, and Union Counties, young and able Dwight H. Hopkins, of Imbler, Oreg.

Mr. President, I also seek unanimous consent to have printed in the RECORD an editorial from the Oregonian of January 27, 1957, which describes the National Guard as a Good Way To Serve.

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

WAYNE L. MORSE,
RICHARD L. NEUBERGER,
United States Senators for Oregon:

We, the undersigned members of the 49th Oregon State Senate and House of Representatives, express our shock at and sharp disagreement with the violent and slanderous attack made this week upon the National Guard units of the States by the Secretary of Defense, Charles E. Wilson.

This type of irresponsible utterance cannot be tolerated from the topmost official of the Defense Establishment. It undermines confidence in our Armed Forces, destroys morale among the men and women in the forces, gives aid and comfort to the enemies of the Nation, and is completely false upon the record of high valor and selfless accomplishment made by the National Guard units of Oregon and other States in every period of crisis and war.

Please transmit to the President and the appropriate committee of Congress our vigorous protest and contradiction of the charges of incompetence and draft dodging which were hurled this week, and do all in your power to offset the damage which has been done.

Dwight H. Hopkins, Monroe Sweetland, Dan A. Thiel, Alfred H. Corbett, Dan Dimick, Ben Musa, R. F. Chapman, Phil Brady, G. D. Gleason, Walter J. Pearson, Boyd R. Overhulse, Ward H. Cook, Jean R. Lewis, Jess W. Savage, Leon S. Davis, Roy Fitzwater, Clarence Barton, Carl Yancey, O. W. Grubb, Ray Dooley, Al Flegel, Robert Steward, Richard E. Groener, Ed Benedict, R. E. Goad, Don Willner, Harry L. Wells, Robert R. Klemson, Richard Eymann, Guy Jonas, Vernon Cook, R. E. Schedeen, Joe Rogers, Norman R. Howard, Verne N. Cady, Ben Evick.

[From the Sunday Oregonian of January 27, 1957]

GOOD WAY TO SERVE

Of the several ways a young American may fulfill his military obligation to his country, one of the most attractive programs is that offered by the National Guard.

Although for practical purposes in peacetime and fully in wartime a part of the United States Army's Reserve Establishment, the guard because of its origin as a State militia organization still retains considerable local identity and control. Local National Guard units are made up of officers and men who are friends and neighbors when in civilian clothing. They attend weekly drills in State-managed armories. They go to summer training camp as complete units, and if called for active duty either by the Governor or the President, they go as a unit, not simply as individual soldiers to be absorbed by other Army groups.

Best of all, the National Guard recruit, by enlisting before he is 18½ years of age to exempt himself from selective service, also escapes the 6 months' basic training which members of the organized Army Reserve must take. All that is required of him is attendance at weekly drills and the annual 2 weeks' summer encampment.

After April 1, however, by order of the Defense Department, National Guard recruits, too, will be required to take 6 months' training. This order has been protested, unsuccessfully so far, by National Guard leaders who see in it an effort to weaken State control of the guard, and put it more under the Army thumb. They say the 6 months' training requirement discourages guard recruitment because parents are unwilling to permit their sons' college training to be interrupted this long. They have urged the division of the training period into two 11-week halves, so it can be accomplished in successive summer vacations between classes.

Countering this, it is argued that a minimum of 6 months' training is needed to make any recruit a qualified member of any Army Reserve component, and that dividing the period in two halves would lessen its effectiveness.

Regardless of the outcome of this dispute, it would seem the National Guard still will retain features that should make service in it desirable for potential enlistees. Certainly every young man approaching the age of 18½, beyond which he cannot escape the draft by this route, should study thoroughly the guard program between now and April 1, when the new and more stringent regulations are to become effective.

EXPENDITURE OF COUNTERPART FUNDS BY CONGRESSIONAL COMMITTEES AND THEIR STAFFS

Mr. WILLIAMS. Mr. President, recently there appeared in the press rather severe criticism of the reckless manner in which two staff members of a senatorial committee were squandering counterpart funds on a European tour under the guise of an official inspection trip.

Counterpart funds are those funds generated in foreign countries as a result of nonmilitary dollar grant aid extended by the ICA and its predecessor agencies. These funds are deposited in a special account from which a percentage thereof up to 10 percent is transferred to the United States Treasury for ownership and use by the United States to cover expenditures made in the country involved.

The use of these counterpart funds by congressional committees and their staffs is legal and serves a constructive purpose when used in a constructive manner. The visiting of foreign countries by Members of Congress or committees directly dealing with appropriations in the areas being checked is valuable not only to the committees doing the work but also to the Congress when considering appropriations and future authorizations. However, instances such as recently described on the part of the two staff members, as well as incidents which have been reported at times in connection with the conduct of some of the Members of Congress, have not been of constructive benefit but only served to discredit our country.

I have checked with the Comptroller General as to the extent to which any

audit is made of funds expended by officials of Government agencies or by congressional committees and have been advised that the expenditures of officials of the agencies of the Government during their foreign travel are subject to the routine audit of the agency. However, the Comptroller General advises that under section 502 (b) of the Mutual Security Act of 1954 congressional committees are authorized to use these counterpart funds in the payment of the expenses incurred by Members of Congress or their authorized committees traveling abroad, and that his office is not authorized to make any audit of these expenditures but that they are merely reported back to the congressional committee involved.

I am not suggesting that these reports have not been made nor that they have not been properly examined by the appropriate committees, but it is a fact that no report on these expenditures is available to the public, and since these are public funds I feel that the congressional committees should amend their rules and release information outlining the extent of the expenditures and the manner and purpose for which they were used.

As Members of Congress we have on many occasions criticized the cloak of secrecy surrounding the activities of certain operations of the executive branch. I have joined in that criticism; however, I feel that we would be in a better position to demand full disclosure on the part of the executive branch of their activities by setting the example and disclosing information governing our own expenditures.

I have discussed this problem with many Members of Congress who have traveled abroad and used counterpart funds and who have said they would be glad to see the cloak of secrecy removed in order to prevent suspicion of those who have made these trips for constructive purposes and spent the money in a conscientious manner.

In commenting on this same subject recently at a press conference the President of the United States is quoted as saying:

> There is no expenditure of public money, except only involving that where public security itself is involved, that should not face the light of day any time any citizen inquires for it.

The fact that any expenditure, either by Congress or by the executive branch, is going to be subjected to public scrutiny will in itself be a deterrent to misuse. I urge that whatever steps are necessary to correct this situation be promptly taken.

In this connection I ask unanimous consent to have incorporated in the RECORD a letter dated December 5, 1956, signed by the Comptroller General discussing the legal aspects of these expenditures, followed by the insertion of two editorials, one appearing in the Washington Daily News under date of February 1, 1957, and the second appearing in the Albuquerque Journal of Albuquerque, N. Mex., under the same date.

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

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, December 5, 1956.

Hon. JOHN J. WILLIAMS,
United States Senate.

DEAR SENATOR WILLIAMS: This is in further response to your letter of November 14, 1956, requesting information relative to the audit of expenditures of counterpart funds accumulated in the various foreign countries.

Counterpart funds are generated in foreign countries as a result of nonmilitary dollar grant aid extended by the International Cooperation Administration (ICA) and its predecessor agencies. These funds are deposited in a special account from which a percentage thereof up to 10 percent as required by section 142 (b) of the Mutual Security Act of 1954, as amended (68 Stat. 840 and 69 Stat. 285) is transferred to the United States Treasury for ownership and use by the United States. The funds remaining in the special account belong to and are disbursed by the respective foreign countries for such purposes consistent with the objectives of the mutual security program as may be agreed upon between the foreign governments and ICA; the withdrawal of specific amounts for approved purposes is generally authorized by ICA.

Except in Spain, this Office does not audit the expenditure of the foreign country portions of counterpart funds; however, at such times as field audits are made at overseas missions of ICA, we review the procedures and controls of the missions relative to the deposit and withdrawal of these funds and their use for approved purposes. In Spain, 60 percent of the generated counterpart funds are earmarked for payment of local costs of construction of military bases. The expenditures of these funds are accounted for by Navy disbursing officers and are audited by personnel of the General Accounting Office stationed in Madrid.

The United States owned counterpart is held by the United States Treasury in accounts maintained in the respective countries and as provided in section 1415, Supplemental Appropriation Act, 1953 (66 Stat. 662) is available to Federal agencies in exchange for appropriated dollar funds. These counterpart funds are used principally to defray administrative costs of the mutual security program in the respective countries and in some cases for other purposes depending generally on the conditions for the use of counterpart funds contained in agreements between the United States and the individual countries. Expenditures by these agencies are recorded in their accounts in dollars by conversion at prevailing exchange rates and are accounted for by the disbursing officers in dollars and local currencies. The expenditures so reported and the related documentation are audited as expenditures of dollar appropriated funds since they are paid from allotments of dollar appropriations. Any expenditures deemed upon audit to be improper are the subject of exceptions against the certifying or disbursing officers; certificates of settlement are issued annually for each account for which certifying and disbursing officers are accountable, at which time any outstanding exceptions are charged against them and in due course demand is made upon them for payment. We generally do not issue formal reports on our continuing examinations of the accounts of accountable officers. We do, however, if our examination discloses conditions which we feel should be brought to the attention of the Congress or of top levels in the administrative agency.

Public officials other than those who may use local currencies pursuant to section 502 (b) of the Mutual Security Act of 1954, as amended (68 Stat. 850), may acquire United States owned counterpart by payment therefor with dollar funds, which presumably are paid by the agencies which they represent and accordingly are accounted for by these agencies as dollar expenditures. Such expenditures are audited in the same manner as other expenditures from appropriated funds.

Section 502 (b) referred to above provides that:

"Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, local currencies owned by the United States shall be made available to appropriate committees of the Congress engaged in carrying out their duties under section 136 of the Legislative Reorganization Act of 1946, as amended, for their local currency expenses: *Provided*, That any such committee of the Congress which uses local currency shall make a full report thereof to the Committee on House Administration of the House of Representatives (if the committee using such currency is a committee of the House of Representatives) or to the Committee on Rules and Administration of the Senate (if the committee using such currency is a committee of the Senate), showing the total amount of such currency so used in each country and the purposes for which it was expended."

We do not audit the use made of the local currencies by the recipients under section 502 (b). The full reports required to be submitted to the congressional committees are not subject to audit by this Office.

We are pleased to have received your request and trust that the above meets your requirements.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

[From the Washington Daily News of February 1, 1957]

FUNNY MONEY

Few subjects have caused more disgraceful controversies over the past 10 years than the use of counterpart funds abroad. They are foreign currencies which recipients of foreign aid make available to the United States Government. We give country "X" $1 million in aid and they credit us with the equivalent of $1 million in their currencies.

American foreign missions used to be allowed to spend this money without any accounting at home. The funds became known as "funny money." That has been stopped. But congressional committees on study trips or junkets still don't have to account publicly.

The latest incident involves not Senators or Congressmen—but two women staff members of the Senate Appropriations Committee. They, too, were furnished counterpart funds to use during a 'round-the-world junket and were not required to make any public accounting. The comment of one of these travelers is, as a minimum, condemnatory of a system which allows such practices.

"Members of Congress who go on trips," she said, "get plenty of counterpart funds. They buy what they want and get the embassies to ship the stuff home. I don't see why committee staffs shouldn't be allowed to do likewise when they are on official business."

Government officials have been passing the buck on this problem. Congress itself, which properly heckled executive departments for riding a foreign "gravy train," will stand guilty of hypocrisy so long as it allows its Members to do the same with impunity.

President Eisenhower has stated a principle which Congress would be wise to incorporate in its procedures if it is to remove itself from suspicion. He said:

"There is no expenditure of public money, except only involving that where public se-

curity itself is involved, that should not face the light of day any time any citizen inquires for it."

[From the Albuquerque Journal of February 1, 1957]

OPEN THE RECORDS

The subject of travel expenses came up again in President Eisenhower's press conference on Wednesday. Again the President expressed himself in favor of making all such expenses public.

This newspaper and others have made a campaign against the secrecy of such expenses, which under present practices cannot be disclosed except by the chairmen of the committees handling them. Thus far no complete accountings have been made public.

The President's comment on the subject was apt and sound. He said he believes any expenditures of public funds should be able to withstand the light of day anytime any citizen inquires about them.

Congress should meet the issue and adopt legislation requiring that all travel expenses of congressional committees be made public.

THE BUDGET

Mr. JOHNSTON of South Carolina. Mr. President, on Monday of this week I called attention to the President's tremendous budget, the largest in peacetime that has ever been submitted to the Congress. The obvious fact remains that if it is to be reduced the primary responsibility for a reduction belongs to the executive branch of the Government and to the President himself rather than the Congress.

Mr. Henry Hazlitt, in an article which appears in the February 11 issue of Newsweek, pinpoints this prime responsibility. His article relates this responsibility directly to the President. Under the law he is charged with the duty of preparing the budget estimates.

Mr. President, I have had some experience in the field of budgets. When I was the chief executive of the State of South Carolina and ascertained that we were going to have a surplus, I did not permit its expenditure at the last moment. I knew that the State had outstanding interest-bearing bonds. I knew that if the affairs of South Carolina were to be administered on an economically sound basis our State debt had to be retired. What surpluses were created we used to retire a part of our State debt.

I wish to call the attention of the Congress again to the fact that the budget-making processes of our National Government should be coordinated with legislative responsibilities for proper appropriations. The Bureau of the Budget should be an arm of our Government answerable directly to the Congress and not to the Executive. In this way those who must appropriate by law share the responsibility in making up the budget.

Under our system in South Carolina, so far as budget making is concerned, the responsibility is shared with the appropriate legislative committees and the Governor's office. Some such arrangement should be enacted into law for our National Government.

I ask unanimous consent that Mr. Hazlitt's article be printed in the RECORD as a part of my remarks.

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

[From Newsweek of February 11, 1957]

ECONOMIC DOUBLETHINK

(By Henry Hazlitt)

The late George Orwell coined the word "doublethink" to mean "the power of holding two contradictory beliefs in one's mind simultaneously and accepting both of them." Has this power been acquired by the Eisenhower administration? It might explain the budget, the Middle East policy, and the economic report.

Let's begin with the budget. We are told by administration officials that it is the tightest budget that could be presented to Congress, but that it should be cut. The President even told his press conference that "there are literally thousands and thousands" of individual items in the budget, and "anybody that is examining that seriously ought to find some place where they might save another dollar." It did not seem to occur to him that it was the prior and primary duty of himself, the Budget Bureau, and others who actually put those thousands of items together to search out the possible savings that anybody ought to find.

SPEND AND SPEND

When some Congressmen did suggest that it might be unnecessary just now to tie an authorization for a special discretionary foreign-aid fund of $200 million for the Middle East on to the proposal for unrestricted military authority, Mr. Eisenhower quickly intervened to say that separation or postponement of the foreign-aid authorization "would destroy what we are really trying to do." But when he was asked at a press conference how the proposed $200 million would be spent, he replied that he didn't know, "because the only way I can find out exactly how to spend the $200 million would be through the medium of the Richards mission * * * which cannot leave until the resolution has been passed." He insists on the $200 million, in short, before the need for it has even been determined.

His new philosophy of spending is also puzzling. Though he is presenting the largest peacetime budget on record, with unparalleled nondefense spending, Mr. Eisenhower is not troubled, because the country is enjoying the greatest prosperity on record, and a growing country can afford to and must spend more to meet its growing needs. But suppose the growth were suddenly to stop? Suppose signs of a depression set in? Then the Government must spend more. Asked about deficit spending as a cure for recession, the President replied: "You begin then to apply moderate means, and then more, and if it kept going, finally you would go into every single thing, and very quickly * * *. And there would be no limit, I think, to what should be attempted as long as it was constitutional." There is, alas, no constitutional limit on deficit spending.

THE ECONOMIC REPORT

The economic report is another example of doublethink. It repeatedly praises "our free economy"—and then goes on to advocate the extension of Government controls in a score of new directions. It insists on "strengthening competition"—and then proposes a score of measures to protect small business, labor, and agriculture against the effects of competition. It insists that Government "must exercise a strict discipline over its expenditures"—then advocates an expansion of most existing categories of spending, and adds entirely new ones for local school and highway building.

"As long as the American people demand and, in my opinion, deserve the kind of services that this budegt provides," the President declares, "we have got to spend this kind of money." This implies the existence of a sort of economic fourth dimension. Mr. Eisenhower forgets that the Government has nothing to give the American people that it does not take from the American people. It has nothing to give the States and cities that it does not take from the residents of the States and cities. It has nothing to give Paul that it does not take from Peter.

Five years ago—January 28, 1952—with Mr. Truman in office, I remarked here that the economic report was an unnecessary document, whose chief recommendations are or ought to be found in the state of the Union message or in the budget. "The rest consists mainly of giving scientific and economic reasons for what the President has done or wants to do for political reasons."

Has the situation changed?

STUDY OF MATTERS RELATING TO THE ELECTION, SUCCESSION, AND DUTIES OF THE PRESIDENT AND VICE PRESIDENT

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded; and the Chair lays before the Senate the unfinished business which will be stated.

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 2) to create a joint congressional committee to make a full and complete study and investigation of all matters connected with the election, succession, and duties of the President and Vice President.

REPORT BY SENATOR ELLENDER RESPECTING FOREIGN AID, EMBASSIES ABROAD, MUTUAL-SECURITY PROGRAM, ETC.

Mr. ELLENDER obtained the floor.

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

Mr. ELLENDER. I yield.

Mr. HOLLAND. I understand that our distinguished friend the senior Senator from Louisiana [Mr. ELLENDER] is about to make a report on his extensive investigation and inspection of our foreign facilities at our diplomatic bases in many countries throughout the world. I think it is important that every Senator have the opportunity to be present to hear his narrative, which I know, from some personal discussion with the Senator, is of interest and importance.

I therefore ask that I may suggest the absence of a quorum. I understand that the Senator from Louisiana is agreeable to my doing so.

Mr. ELLENDER. That is agreeable to me.

Mr. HOLLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HOLLAND. 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. ELLENDER. Mr. President, for the past 6 years I have made it my practice, as a Member of the Senate and of the Senate Committee on Appropriations, to make an annual inspection of United States operations abroad. In an effort to familiarize myself with the

grassroots operations of our various installations overseas, I initially limited my inspection to embassies and legations. Later I added the foreign-aid program; during the last 3 years I have also studied our country's information service, and, since 1955, the military-aid program.

Last year it was my privilege to make an inspection which was more thorough than any previously undertaken. I visited almost every country I had visited in 1955. Therefore, because of my background acquired in prior years, I was in a position to make quick progress in a comparatively short time. Last year I had the privilege of visiting 33 countries, and I am today reporting on 28 of those countries.

The work was very interesting and,, as many of my colleagues who have made similar trips abroad know, quite arduous. However, I wish to say that I enjoyed the work very much.

In 1955 I visited various parts of Russia. Last year I again visited Russia, and it is my purpose this afternoon to devote a good deal of my time discussing my findings and impressions resulting from that visit. I do so primarily because of the interest in that country evidenced by Senators and our people generally.

After each of my trips abroad I have reported my findings in detail to the department of Government affected, and, of course, to the Committee on Appropriations. I have not attempted to make headlines with respect to what I found in many of the countries abroad; I have tried to do an objective job in calling to the attention of the departments of Government involved certain things which I thought should be scrutinized, and other matters which, in my opinion, required corrective action.

I do not speak boastfully when I say that it has been my privilege to make five complete circuits of the world by air. I have visited every country in the world except two, Bulgaria and Albania. Because the United States has no representation in those countries I was unable to visit them.

My reports were made, as I indicated, to the various departments affected, particularly the State Department. I am glad to say that many of the suggestions I made were put into effect; many of the complaints I filed were acted upon; and the conditions complained of were corrected.

Mr. President, the amount of time I could spend on the floor in relating my experiences during the almost 3½ months I spent abroad could probably consume not only all of the afternoon and evening, but could even run into the wee hours of the morning. However, it is certainly not my purpose to do that. What I propose to do is to comment on the various countries I visited.

I shall cheerfully attempt to answer any questions presented by my colleagues as I proceed with my remarks.

Mr. President, I am not going to read all of my notes on all the countries I visited, but I ask unanimous consent that, as I proceed with my statement, my entire narrative report on the respective countries be printed in the RECORD in the order in which I address myself to those countries. In this connection, due to security regulations it has been necessary for me to delete certain information which the International Cooperation Administration, the United States Information Agency, the Department of State, and the Department of Defense felt should be kept confidential. Those deletions have been indicated in my report. In addition, because of security regulations, I am not able to include various exhibits to which I refer in the body of my report.

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

FINLAND

Mr. ELLENDER. Mr. President, the first country in which I inspected United States operations was Finland. We are not spending much money in Finland except that which has been generated by sales of surplus agricultural commodities to the Finns under Public Law 480. As I recall, the amount of the sales made to the Finns aggregated $30 million through 1956. The Finns are a good, sturdy people, and they are in need of such assistance. They do not ask for gifts. They are in need of credit. Because of the Battle Act, Finland is prohibited from borrowing money from the Export-Import Bank. It is my belief that we should reevaluate the Battle Act, with the idea in mind of making it possible for countries such as Finland to borrow much needed funds.

In Finland, as in some other countries, I found that programs started on a small scale have been expanded far above the level we originally anticipated.

It will be recalled that Finland—I believe I am correct in this—was the only country which owed us money as a result of World War I which consistently met its debt payments on time. The Finns made a noble effort in that direction and were able to make their yearly payments regularly.

Two or 3 years ago some Members of Congress felt that since the Finns were such good people, since they were willing to pay, and since they had made every effort to pay us, a law should be enacted, and it was enacted, providing that the money which the Finns paid to America each year would be used to educate Finns in America or in other areas. It strikes me that with such a law as that on the statute books, providing for the utilization in that manner of money which was actually due the United States Government, no further education programs financed in whole or in part by our Government should be necessary. The yearly payment made by the Finns to the United States aggregates over $325,000, including both principal and interest. That sum in itself should be sufficient to provide for a large enough exchange program.

But our world planners were not satisfied with that. They added to that program substantial sums under the so-called Fulbright and Smith-Mundt programs. So today, although every dollar which is paid to us each year by the Finns is used or can be used to educate Finns, funds have been added under the Smith-Mundt and the Fulbright programs. It seems to me that we are going very far afield when we spend so much money, and so much money unnecessarily, to finance an exchange program for the Finns. It would be much more beneficial for us to use every means at our command to make certain that the Finns get the finances they need, on a loan basis, in order to develop their own country.

The Finns are an enterprising people, and Finland has many natural resources.

I learned that the interest rate in Finland is about 8 percent. I asked some bankers why the rate of interest was so high, and was told that money was so scarce that the bankers could even get 10 percent, if they desired.

In order to aid the development of that great area, I recommend that the United States make reasonable amounts of development funds available on a loan basis. I am certain that such loans would be well secured and would be repaid.

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

Mr. ELLENDER. I yield.

Mr. HOLLAND. As I recall, Finland was one of the very few nations which made a special effort to aid the United States some time ago when there was a very great shortage of newsprint in this country, and supplied us with substantial quantities of newsprint. Did the Senator find that to be correct, and that the newsprint industry is a substantial industry in Finland?

Mr. ELLENDER. Yes. As a matter of fact, it is their bread and butter. Without their great forest industry, Finland could not make a go of it. It occurs to me that it would be advantageous to our country and its newspapers to encourage the production of more newsprint and other products made from the forests.

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

Mr. ELLENDER. I yield for a question.

Mr. POTTER. How much effect does the domination or influence of the Soviet Union in Finland have on the value of our aiding Finland as a nation?

Mr. ELLENDER. I am sorry to say that the Finns cannot show the affection they might have for the United States because of their physical proximity to Soviet Russia. But when one travels through Finland and talks to the people, one finds that their love for America is great; there can be no question about that. They realize that they must deal with Russia, because, as the Senator may remember, the Finns were more or less compelled to enter into trade agreements with the Russians, and those trade agreements are now in effect.

I would not say that the Finns like to trade with Russia, but I did find that they are fond of America and Americans.

I think every effort should be made to provide the Finns with an opportunity to develop their great resources. I am certain that from such an effort, we would benefit greatly.

Mr. POTTER. Is there any climate in Finland for American investments or capital to be used in the Finnish economy?

Mr. ELLENDER. Yes, I should say there is, without question; but the investors would like to know if they will be repaid. Furthermore, the proximity

of Finland to Russia, is, I believe, a deterrent to American private capital being invested heavily in that area.

I return to the proposition that the Export-Import Bank could be used as an instrumentality by which the United States could make loans to Finland, and thereby help Finland develop the great resources of which the world and the United States are in so much need at present, and about which my good friend from Michigan spoke so eloquently last week.

Mr. POTTER. I thank the distinguished Senator from Louisiana. If the Battle Act prohibits the Export-Import Bank from making such loans, I think certainly that is a situation which Congress should explore.

Mr. ELLENDER. I am advocating that Congress do so. I think we should take a new look, not only into that matter, but, as I shall demonstrate after a while, also into many other phases of our foreign policy.

The statement concerning Finland which was ordered to be printed in the RECORD is as follows:

FINLAND

We have no economic aid program in Finland. No grants have been made since World War II, with the exception that the Congress remitted a part of Finland's World War I debt. There have been no American loans since immediately after the war when credits were extended to Finland by the Export-Import Bank and also by our Government in connection with the sales of United States surplus properties to Finland. This latter transaction took place in 1946 and 1947.

In recent years, Finland has obtained loans from the International Bank for Reconstruction and Development and has been the beneficiary of certain credits extended by the Soviet Union.

While the bare statements I have outlined thus far would indicate that the Finns have not benefited from any of the American postwar assistance programs, it should be noted that from January 1954 through the end of 1956, a total of nearly $30 million in surplus agricultural commodities has been programed for Finland. More than one-half of this amount is represented by Public Law 480 sales for 1956 alone.

From 1954 to date the United States has received in Finnish currency the equivalent of about $15 million, with the remaining $15 million to be received during the latter part of 1956.

Of the $15 million received thus far, only $4 million has actually been spent but contracts are about to be entered into involving approximately $3 million more. The remainder of the proceeds of the $30 million worth of surplus agricultural commodities sold to Finland through 1956 has already been earmarked by our zealous planners for other purchases and projects. As outlined to me, the surplus agricultural commodity transactions with Finland may be broken down approximately as follows:

1. In January 1954 the Foreign Operations Administration arranged for the sale of approximately $3 million in surplus cotton and roughly $2.2 million in surplus tobacco with funds appropriated under section 550 of the Mutual Security Act of 1951. In other words, the Foreign Operations Administration used appropriated dollars—dollars appropriated under the foreign aid program—to purchase surplus commodities, which commodities were subsequently sold to Finland. The Finnish currency derived from these sales has been used according to my information, as follows: Roughly $2 million of equivalent Finnish currency was used to purchase for the Army prefabricated wooden buildings (warehouses and barracks) for shipment to Iran and Pakistan in connection with our military assistance program in those two countries. Another $1 million was spent by FOA in 1954 to buy building materials, such as doors and window frames for shipment to Greece as a part of the relief effort in that country immediately following the earthquake which struck the Ionian Islands. In addition, prefabricated houses in the value of $1.8 million are to be purchased for the refugee housing program in Berlin, but at the time of my visit to Helsinki, actual contracts for these prefabricated dwellings had not yet been placed.

2. In March of 1955 the Foreign Operations Administration authorized the sale of roughly $2 million worth of coal to Finland, again with payment by Finland in its local currency. It is interesting to note that this coal was purchased with dollars from a revolving fund, which the Foreign Operations Administration had set up as part of its "coal sales" program to various European countries. It is my understanding that the Finnish currency received for this coal has been used in such a way as to permit replacement in the revolving fund of the actual amount of dollars expended. In this connection, Finnish lumber products are currently being shipped to Greece under contracts totaling $680,000; the remainder (about $1.3 million in Finmarks) will soon be spent under contracts which are to be placed for the sale of lumber and woodpulp to Spain. It is my understanding that these various items, which we procured with the Finnish currency received for the coal, are being sold to the foreign aid administrators in the two countries concerned for dollars, with dollar vouchers being drawn against the appropriations for those two nations.

3. In early May of 1955 our Government entered into a basic agreement with Finland concerning the sale of surplus agricultural commodities under Public Law 480. This agreement provided for sales approximating $3 million worth of cotton and $2,250,000 worth of tobacco. According to my information these commodities have all been shipped and the local currency has been paid to the United States Government but as yet it has not been spent. However, it would be too much to expect of our anxious planners to expect that this little "kitty" has not already been programed. As a matter of fact it has, with some $250,000 in local currency equivalent to be used to help support the educational exchange program between Finland and the United States, and an additional $200,000 to be used to promote the development of markets for American agricultural commodities in Finland. The remainder (about $4.8 million) has been allocated to the Department of the Air Force, which intends to purchase prefabricated houses for use in military housing projects in the Mediterranean area.

4. During 1956 our basic Public Law 480 agreement with Finland (consummated on May 6, 1955) has been supplemented three times. At the time of my visit it provided for shipments of nearly $17 million worth of surplus agricultural commodities, including wheat, tobacco, cotton, corn, prunes and raisins, butter, and fresh fruits. With respect to the butter sales (totaling $550,000) this butter was specially requested by Finland in January 1956 when domestic supplies were very low. But, before this butter could be shipped, the supply position in Finland has improved so that Finland has actually been exporting butter this summer and our planners indicated to me that it may not be feasible for Finland to import the butter which was envisioned under Public Law 480 agreement.

Of the $17 million which this fourth transaction will provide our Government in Finnish currency equivalent, a total of about $2.2 million has been added to the $4.8 million already allocated to the Air Force for the prefabricated military housing projects in the Mediterranean area. Some $12 million additional has been allocated to six South Asian countries to purchase small coastal and fishing vessels in Finland. Under this scheme, which fortunately has not yet progressed beyond the planning stage, the countries purchasing these vessels would repay the United States in dollars, or perhaps in their own local currency, under a long-term loan agreement.

The remaining funds from the 1956 sales of agricultural commodities under Public Law 480 (approximately $2.7 million) may be used for the purchase of Finnish machinery for the paper industry, for delivery to Turkey as a part of the ICA aid program in that country.

Time did not permit me to delve into the detailed operations of the various programs. I most earnestly recommend, however, that the Senate Appropriations Committee staff endeavor to ascertain whether the amounts derived from our sales to Finland of surplus agricultural commodities and coal and which have been used by the Department of Defense and the Foreign Operations Administration (now ICA) have been in addition to the regularly appropriated amounts for these agencies, or whether proper reimbursement has been made to the Department of Agriculture, the Treasury, or other affected Federal agencies.

I feel relatively sure that reimbursement has taken place; however, I am particularly anxious to obtain details with respect to the loan program of Finnmark proceeds for the purchase of vessels in Finland by a number of South Asian nations. If these Finnmarks were purchased from the United States Treasury with dollars appropriated for use in these various South Asian countries, the entire transaction appears to be aboveboard. However, if these amounts are over and above the appropriated dollars for these areas, then the entire transaction should be brought to the attention of the committee for appropriate action in connection with the fiscal year 1958 Mutual Security appropriations bill.

Earlier in this report I refer to the fact that the United States maintains in Helsinki a rather sizable information program.

Exhibit A, attached hereto, indicates that during the 1956 fiscal year a total of $157,105 was spent by USIA/Helsinki for information activities. This amount will increase to $215,980 in the 1957 fiscal year, and according to information obtained by me in Helsinki, our ambitious USIA planners will probably request a further increase in 1958, with the aggregate total for that fiscal year approximating $222,310.

Needless to say it would appear that a large part of the USIA expenditures here are unnecessary. I visited the information offices, our library in Helsinki, and the USIA auditorium. The officer in charge there (Mr. Chapman) is a most sincere official and appeared to be most interested in his work. He was emphatic in his recommendation that a great deal of good can be accomplished if the information service is maintained in Finland at its present level. (See exhibit A for details of budgetary items.)

Be that as it may, there are a number of facets of the information program in Helsinki which certainly bear investigating. For example, I was informed that a 10-year contract has been consummated with a Finnish concern for space for the information service in a newly constructed office building. According to my information the yearly rental on this office space is in the neighborhood of $26,000, computed at the current rate of 325 Finmarks to the dollar. In it are located the library, the auditorium, and offices for the USIA staff. The entire facility

is very spacious, yet I saw only a few persons using it. I was told that in the summer the majority of the Finnish people go to the country and few use the library. Nevertheless, I was unable to obtain any information on the scene as to what authority in the information agency's enabling act or subsequent legislative enactments authorized our Government to contract for this space on a 10-year basis. At first blush, it would seem that at least some of our information officials are well on the way to making a permanent institution of this program—a program which Congress originated as a temporary stopgap.

Since the entire population of Finland numbers only some four million people I recommend that under no circumstances should the information program be further expanded, as is now contemplated for fiscal year 1958. I further recommend that the library be turned over to local authorities for operation. It was my information that many American books are handled by local libraries in other areas of Finland, and there is no reason why the same situation should not prevail in Helsinki. The people of Finland are most intelligent; they are well educated, and their literacy rate is extremely high. They are capable, and are overwhelmingly anti-Communist. They should be able to take over the operation of the library facility with no difficulty. It might be well for our planners to consider the establishment of a United States section in one of the main libraries in Helsinki proper, with the library itself providing the space and the maintenance, but with our Government contributing books and similar items.

With respect to the student exchange program, reference to exhibit A, attached hereto, discloses that only token amounts were earmarked under the country budget for this type of program. However, under Public Law 265, enacted August 24, 1949, an educational program is financed out of payments to the United States on Finland's debt.

Exhibit B, attached hereto, shows the amounts available for this purpose through 1984, the year Finland's indebtedness to our country will be retired.

In addition to these amounts, however, the United States is also making foreign currency funds available for the Fulbright and Smith-Mundt Act programs. In other words, the United States is operating a three-pronged exchange effort in Finland: first, under the debt retirement program referred to earlier; second, the Fulbright program and third, the Smith-Mundt program.

Using the 1956 fiscal year exchange expenditures, it becomes evident that the exchange effort with respect to Finland is excessive. The Fulbright program referred to earlier requires that the sum of $250,000 annually over a 5-year period be spent for exchange and related activities. (See exhibit C.)

Thus, with reference to 1956 fiscal year, here is the way the exchange program operated. Out of the Finnish World War I debt retirement fund a total of $275,958 (in local currency equivalent) was spent for the exchange program. This compares with a total of $398,454 available in both principal and interest payments from the Finnish debt retirement program. In addition to the $275,958 spent for exchange purposes from this source, the exchange program here also spent the requisite $250,000 under the Fulbright Act during the 1956 fiscal year. Thus, total expenditures for exchange activities in Finland aggregated $525,958 compared with $398,454 (in equivalent Finnish funds) available from the debt retirement payments. The net result was that our country spent $127,504 over and above the amount available from the Finnish debt payments.

I recommend most heartily that if the Fulbright, Smith-Mundt, and related exchange programs are to continue, they all be financed from payments available under Public Law 265 enacted in 1949, which authorizes the use of Finland's debt payments for such programs. Under no circumstances should we supplement these amounts for exchange of persons by further appropriations of dollars or allocations of local currency proceeds held by the United States Government.

It should be also noted that during fiscal year 1956 100 persons were involved in the exchange program utilizing debt payment funds. Over and above this number, 30 Americans were sent to Finland under the Fulbright Act with 82 Finns coming to the United States under related programs. It would seem most wasteful to provide appropriated dollars to send 212 exchangees back and forth between Finland and the United States, when at least the major part of the present effort could be maintained by using debt payments alone. I therefore recommend that the dollar expenditures and foreign currency funds made available to the Fulbright and Smith-Mundt programs, over and above the Finnish debt payments, be halted.

With respect to our operations in Finland as a whole, I would recommend a review of our present policy which precludes Finland's borrowing from the United States because of the Battle Act's provisions. Finland, which is rich in forest resources, is suffering from an acute shortage of capital. If the potentialities of this tiny nation are to be developed to the utmost, a reasonable and realistic program of loans to assist the Finns in rectifying their capital deficiencies would be most beneficial. Loans made on a fair and reasonable basis might so improve the economy of Finland that she would not need help of any kind.

Mr. ELLENDER. Mr. President, the next country I visited was Russia. I wish to say at the outset that during my visit to Russia I went where I wished to go. I did not ask to visit their atomic plants or large airbases or armament factories, but I was free to travel where I liked. I, myself, arranged my own itinerary.

When I was in Russia in 1955, I had occasion to talk to Mr. Mikoyan, who at that time was the third ranking member of the Politburo. Mr. Khrushchev and Mr. Bulganin were not then in the country. Although I was told that I would be able to speak with Mr. Mikoyan for only 15 minutes, I talked with him for an hour and 45 minutes. During the course of our conversation, Mr. Mikoyan asked me if I desired to visit other parts of Russia, other than Moscow, Kiev, and Odessa, which I had planned to visit at that time. I told him I could not do so because I had a fixed itinerary, which limited the time I could spend in Russia, and that I desired to follow it as closely as possible. I explained this was due to long-standing arrangements I had made to visit various other countries, and because I had a specified time in which to make the visits. But I told him I would take a raincheck on his offer and that I would try to visit Russia the next year.

In April 1956 I communicated with Mr. Mikoyan by letter and suggested to him that I felt I would be able to visit Russia in 1956. Within a few weeks after I wrote to Mr. Mikoyan, Mr. Zarubin, who is the Ambassador from Russia to the United States, called me and suggested that it would be all right for me to visit Russia, if I still desired to do so. He suggested that if I would call the offices of the Intourist Bureau, which is a Government-owned travel agency maintained by Soviet Russia in New York, I could plan a schedule to visit Russia. I told Mr. Zarubin that if I had to go to Russia as a tourist, he could forget about it. I told him that I realized that all such trips were planned, and would permit one to visit only certain places.

Two weeks after I told the Ambassador that I would not go to Russia unless I could visit the places I desired to visit, he called me again and stated that everything had been arranged, and that all I had to do was go to Moscow, and there I could arrange my own itinerary. Mr. President, I wish to say that is exactly what I did.

On the map which is displayed in the rear of the Chamber I shall point out the various places I had occasion to visit in Russia, and then I shall comment from my notes about my visit there.

In the previous year, I entered Russia through West Germany, and traveled to Moscow. While in Moscow I traveled in the vicinity of that city for a radius of probably 150 kilometers. I saw many farms and factories in that locality.

After leaving Moscow I went to the Ukraine, to Kiev, and then to Odessa, on the Black Sea. I visited all the area in the vicinity of Kiev. I traveled from Odessa to Romania, and then to Budapest, and Czechoslovakia, and then to Vienna.

In my trip last year, I entered from Helsinki; I crossed the Gulf of Finland to Leningrad. While in Leningrad I inspected a number of large factories in that area.

I wish to say that when I arrived there, I was met by a member of our embassy staff at Moscow. My baggage was not checked in any manner; but as soon as I arrived, I was taken to a hotel. After 2 days in Leningrad, I proceeded by air to Moscow. While in Moscow, I visited a few factories and quite a great deal of the area around Moscow.

By the way, Mr. President, I happened to be in Moscow when the contests took place for the selection of the Russian athletes to participate in the Olympic games in Australia. I visited their huge stadium in Moscow. After looking over their setup, I concluded that the Russians have more trainers or coaches than the United States has athletes. My on-the-ground notes show that I took a very dim view of the chance of the United States athletes to lead in the Olympic games. As a recall, I predicted that this time Russia would probably win more points than our athletes. Of course that actually occurred at Melbourne.

I spent several days in Moscow, arranging my itinerary. I had decided to travel as much as I could by automobile. Mr. President, it was my privilege to travel 2,500 miles by automobile in Russia. The places visited by me were as follows: We started from Moscow and traveled to Tula, to Orel, to Kursk, to Kharkov, to Zaporoshje, and then down to the Crimea, to Yalta. Of course, on the way we visited many places.

From Yalta I traveled to Rostov-on-the-Don, a distance of about 250 miles. In order to reach Rostov-on-the-Don, it was necessary—because of a lack of roads—to return to Kharkov. Thus, we

had to travel about three times the direct-line distance to Rostov.

The roads in Russia are only fairly good. There are only two main roads from north to south. One begins at Leningrad and passes through Minsk and Kiev; then there is one from Leningrad to Moscow and on down to Yalta, as I have just indicated. At each city visited I found quite a number of good roads on the outskirts, but they were just a few miles in length.

From Kharkov, I drove on by car to Rostov-on-the-Don; and from Rostov-on-the-Don I traveled by plane to Stalingrad, and from Stalingrad I flew to Moscow. Within a few hours after landing in Moscow I was in an airplane en route to Siberia. We landed at Kasan, which is on the western slope of the Ural Mountains. Then we flew over the Ural Mountains to Chelyabinsk, which, by the way, is the Pittsburgh of Russia. I was very much surprised at the large number of steel plants that I saw from the airplane while we were flying over the airfield there.

From Chelyabinsk, I visited various cities, many of them not shown on the map. One was Kuctanai, which happens to be in almost the center of the so-called new lands area. It will be recalled that in the last 3 years an effort has been made by the Russian leadership to develop that area; in the last 3 years in excess of 60 million acres of new lands have been put to the plow and have been planted almost exclusively in grain. In that area the climate is very dry. I was informed that a good crop can be expected there only once in every 5 years. The texture of the soil is such, however, that after that land has been in cultivation for as long as 5 years, it will hardly be possible to harvest a crop every 5 years in the future. I predict that this entire new land area in Siberia will soon become more drought-stricken than our own Dust Bowl in Colorado, Oklahoma, and other States. The black topsoil is very thin—only about 3 inches thick—and the land is held together or anchored by grasses which have been growing there from time immemorial. In that area the surface of the soil has now been broken. I saw with my own eyes much of the land which had been plowed so deep that already the sand and gravel, which lies beneath the thin topsoil, are showing. It is my judgment that in little or no time this section of Russia will become, as I have said, a dust bowl.

From Kuctanai we went to Atbasar, and then to Karaganda, and then to Alma-Ata, which is located at the base of the Caucasus Mountains and within 150 kilometers of China.

Mr. President, the entire area from Alma-Ata to Tashkent, along the mountain slopes, reminds me of California. The climate is very dry. Much of the land is desert, but from the streams which find their source in the melting snows in the mountains, the entire area, for a distance of probably 200 miles or so east of Alma-Ata and then west as far as the Oxus River, which separates Russia from Afghanistan, a distance of probably 850 miles, forms a very fertile place where much cotton is grown, and also much fruit—including watermelons and cantaloups—as well as vegetables of all kinds.

I was very much surprised to find these crops produced on a large scale in Russia, considering the fact that the southernmost part of Russia is on the same parallel as the southern part of Canada. It is much farther north than any part of our own country except, of course, Alaska.

Then, from Tashkent I proceeded to visit various farms there, and came to Tazeman, which is quite a large city, located near the Oxus River.

From Tazeman I flew over the Hindu Kush Mountains, shown on the map, to Kabul, in Afghanistan.

At this point, Mr. President, I should like to read, from my prepared statement, my impressions of what I saw in Russia.

Russia, in both people and resources, is a slumbering giant, now in the throes of complete awakening. I was astounded by both the progress this country is making, and its lack of progress in very basic areas.

For example, in agriculture, Russia has reached a point comparable to that attained by our country 20 or 30 years ago. Plagued by a shortage in the varieties of crops which she can produce, and hampered by adverse growing and harvesting conditions, Russian agriculture is making relatively slow progress. Furthermore, Russian agricultural methods, when compared to ours, are almost primitive; there is much waste, both of foodstuffs and manpower.

I may state at this point it is my considered judgment that today 1 American farmer produces more food than 5 Russian farmers.

Mr. POTTER. Mr. President, will the Senator yield at that point?

Mr. ELLENDER. I yield.

Mr. POTTER. Did the Senator receive the impression that the collective farming system has been a failure in the Soviet Union?

Mr. ELLENDER. As I point out in my prepared statement, in Russia it is everybody's business in general and nobody's business in particular; they all work for the state. In many areas, there seems to be no real leadership. As the Senator knows, the farmers are grouped into squads on the farm. There is a squad leader who, for instance, heads the melon pickers or the cotton pickers. A lot of their work is done on a task basis. It is entirely possible for a worker to complete as many as 3 tasks in 1 day in comparison with another worker completing only 1 task. That is their method of providing individual incentive, by the way.

The profits, if any, made on a farm are divided as follows: First, all of the expenses are deducted; that is, the unit has to pay to have the land plowed and the crops harvested. Whatever is left over is divided on the basis of the number of tasks all the workers on the farm perform. If a task is worth 4 or 5 or 10 rubles, and a farmer on a cooperative unit performs 1,000 tasks, he gets 1,000 times whatever the value of the particular task is. Another farmer may perform only 500 tasks. He gets 500 times the value of the task. That is their method of encouraging initiative and providing incentive among the workers.

I may say that there is a great difference in production among the various farms. For instance, in southern Russia, at the place I just mentioned, Alma-Ata, the farmers depend largely on irrigation. The water comes from the mountains, and there crops are produced every year. There is very seldom a crop failure. I saw some apple orchards almost as large as those operated by my friend the senior Senator from Virginia [Mr. BYRD].

Mr. POTTER. I would bet the apples were not so good, though.

Mr. ELLENDER. That is correct. There is also produced in that area quite a variety of melons and vegetables, but they cannot be shipped too far. They do not have the transportation with which to convey those products over the Urals into Moscow, the central point and the largest city in Russia. The markets for the products of that area are rather limited.

As I said, considerable cotton is grown there. Indeed, I was surprised to learn that from 7.5 to 8 million bales of cotton a year were produced there. The cotton is long-staple cotton, ranging from 1⅛ to 1⅜ inches, which is almost, but perhaps not quite, as long as cotton grown on the irrigated farms of California and other Western States.

Mr. POTTER. Did the Senator have an opportunity to discuss with individual farmers the question whether they were satisfied with collective farming as opposed to individual ownership of their land?

Mr. ELLENDER. Yes. Of course, I did not discuss individual ownership as such, because in Russia there is no such thing as individual ownership of anything, except perhaps an automobile, if a person can afford to buy one—which is very rarely the case. Everything is owned and operated by the Government. Even the barber shops, taxicabs, the stores—everything is operated by the Government. Russians work for the Government, buy from the Government, bank with the Government, and there is no individual or free enterprise.

While in Russia, I visited quite a number of the large farms. There are two classes of farms, those that are collective and those that are state owned. The state-owned farm is usually the larger. All the machinery used on that type of farm is owned by the Government, and operated by the Government. The people who work on that kind of farm are paid daily wages. In addition to their daily wages, they are given a home to live in, with a fair-sized garden around it, or at least enough land to make a garden.

The incentive varies. If the goal established for the various crops grown on such a farm are exceeded, then the workers get a certain percentage of whatever is over and above those goals.

Mr. POTTER. That means if they reach their quotas?

Mr. ELLENDER. Yes, and they receive their share over and above their daily or weekly wages.

The other kind of farm in Russia is the collective farm. The distinguishing feature of this type farm is that it is worked by the families themselves, under mutual consent working agreement, so to speak. For instance, I visited a collective farm around Tashkent, where a variety of crops was grown. They engaged in dairying and grew cotton and various kinds of farm products. There were 1,500 families on that 1 farm. It was quite well equipped, and the people seemed fairly prosperous and happy, primarily because they apparently had all they wanted to eat. This particular farm was quite productive. I asked one man how much they expected to be paid for each task in 1956. He said he did not know, but he gave me the results of the year before. As I recall, each task in 1955 was worth, in our money, about $3.75. In addition to that, they grew quite a number of products in small gardens which they worked and controlled themselves. From their small gardens they were permitted to retain all the fruits and vegetables, also the milk and meat produced on their home premises. In addition to the money stipend I have just stated they also received some of the produce raised on the farm. If they had more than they needed at home they sold the overage to anyone who chose to buy.

But I found the collective farm near Tashkent to be an exception. In the dry land area the situation is different. Apparently the only thing that can be produced well there is grain. Living is much more difficult than in the vicinity of Tashkent or Alma-Ata. The land is dry, the weather very hot during the summer and very cold during the winter. Because of the climate, it is not possible to raise many cows, pigs, chickens, and other animals. In many places in this dry land area goals are set for production of wheat, cattle, and so forth. I doubt if any of those goals will ever be reached, because the land is so dry, making farming a very hazardous occupation.

Coming back to the description of the farms to which I have just adverted, in the case of a collective farm, none of the farmers own the equipment with which the land is worked. That fact is the source of great dissatisfaction among the people who work these collective farms. For example, in an area of 10 square miles there may be as many as six collective farms. In the center of that area there is a machine-tool center.

Mr. POTTER. Is that owned by the state?

Mr. ELLENDER. It is owned by the state. Tractors, plows, cultivators, harvesters, and other machinery are kept there—in fact, all tools and implements necessary to operate a farm in that locality are maintained in the pool. Those tools are owned by the Government.

Before the cooperatives start their crop, they enter into a contract with the management of the implement pool, which is, of course, the Government. They pay, in kind, for plowing the land, for preparing it, for harvesting, and for transporting the product to centers where it is processed and either stored or shipped. Every form of implement, except, perhaps, small hand tools, is owned by the Government.

Between my 1955 and 1956 visits to Russia I found there had been so much pressure, brought about by the desire of the people to own their own tractors, that in many instances the Government now permits some of the cooperatives to own from 2 to as many as 4 tractors, so that the farmers can have such tools whenever they need them.

There is much dissatisfaction on the collective farms because some farmers would like to plow their land today, but some other collective wants the equipment too, and there is not enough to go around. That necessitates a great deal of waiting. In my judgment, that accounts for a great deal of the land being in poor shape.

For example, consider the Ukraine. As a boy, I remember being taught that the Ukraine was one of the most fertile spots in Russia. Today the land has been overworked. Only 20 percent of the land in the Ukraine is allowed to lie fallow. It is nothing unusual to ride along the road and see a large field of corn, sunflowers, wheat, or oats, with as many weeds as there are crops. I was very much surprised. If this land were worked in the same manner as we work our lands over here, in time half the land could produce more than is now being produced by the entire area.

Mr. POTTER. I thank the distinguished Senator for his comments. I look forward to hearing the remainder of his statement.

Mr. ELLENDER. During my visit, I was able to travel freely, to see the things I wished to see, and to have with me, in addition to a Russian interpreter, my own interpreter, a member of the United States Embassy staff in Moscow. As a matter of fact, I arranged my own itinerary after I reached Moscow, as I have stated. My only difficulty was in obtaining accommodations where I desired to visit. As a result of a lack of accommodations, I had to travel long hours.

I found that the people of Russia, particularly some of the leaders—I do not mean the heads of the Politburo, but the heads of various travel agencies—are very sensitive about the lack of accommodations in Russia. It is my belief that that is the reason why so few visitors are able to obtain permission to go wherever they desire in Russia.

For example, when I visited the Kuban area, out of Rostov-on-the-Don, I had to be in a car for almost 20 hours, due to the fact that I had to travel from Rostov to my destination, see what I desired to see, and travel back to Rostov, all in 1 day. I could not get overnight accommodations in the Kuban area. There were no hotels, and few places to eat.

On the day to which I refer, I was on the road for 20 hours. I remember that I had on a black suit, and when I came back, it was almost white from the dust. That is where I learned about the Russian roads. They have no road system such as we have. The two roads which I described, running north and south, are about the only good ones they have. With respect to side roads, there will be perhaps 2 or 3 kilometers that are paved; then there will be a few kilometers of cobblestones, a few kilometers of gravel, and the remainder dirt. Their dirt roads are even worse and more dusty than the roads we had in Louisiana 50 years ago.

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

Mr. ELLENDER. I yield for a question.

Mr. LONG. While I completely agree with respect to the conditions of the highways in the Soviet Union, I venture to say that the Senator did notice that the Soviets have a way of getting the job done with the limited facilities they have. My understanding is that their railroad mileage is about a third less than ours, yet they haul about twice as much freight as we haul on our railroads. In spite of the terrible condition of the roads and the fact that in many cases they are impassable in time of rain, nevertheless, they seem to get the job done. Perhaps they lose many of their crops by reason of poor transportation.

Mr. ELLENDER. That is why their railroads are doing such a big business. In most areas they offer practically the only method of transportation for a long haul. So far as hauling by truck is concerned, as we know the method, it is almost unknown, except between nearby cities.

In order to save time as well as expenses, we hired a Russian car and chauffeur. We traversed a wide area of Russian farmlands. In fact, we visited the heart of Russian agriculture. I motored over 2,500 miles and flew 5,000 miles over Russian territory, as I previously stated.

I saw much waste, particularly with respect to food grains. For example, huge piles of grain lay in the open, on the roadways and the farms, without covering of any kind. Russian workers turned this grain frequently by hand, in order to facilitate drying. Buckets, trowels, shovels, dishpans, in fact, all sorts of utensils were used in the operation. Because of the short growing season, and the lack of equipment, much grain must be cut before maturity. It is windrowed in the field when the kernels are milky and thereafter thrashed after the kernels harden. South of Moscow, one half of the hard-surfaced roadway we traveled over was covered with grain for a distance of about 500 kilometers to permit it to dry. It was raining and I know there was much loss sustained. Much human power was in use to save the grain.

Russia relies, to a large extent, upon mechanical devices to facilitate farming, but almost all the tractors, combines, harrows, and other equipment I saw appeared antiquated by our standards. I saw only a few more or less modern pieces of equipment at the fairground in Moscow. They were on exhibition. Where equipment was not available, manpower was used, with women performing what we in America would regard as the work of men.

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

Mr. ELLENDER. I yield.

Mr. LONG. I am sure the Senator visited at least one tractor plant, and perhaps more.

Mr. ELLENDER. I am coming to that.

Mr. LONG. I am curious to have the Senator's judgment and estimate of the quality of the Russian tractors.

Mr. ELLENDER. When I visited various factories, I noticed that there were not too many models of tractors. The Senator may have noticed that in Russia there are only five different models of automobiles. There is the Zis, which is all hand tooled and made for the members of the Politburo, or the people in the higher ranks of Government. Then there is the Zim, the kind I used, which is a sort of Buick super. Then there is one that looks like a Chevrolet, another one that looks like a Ford, and still another one, a very small car, which one can almost carry on his back.

The latter is the kind that some Russians are able to own.

With respect to tractors, there are only one or two models. They are all about the same, except as to size. I was informed that many of the tractors were poorly constructed, that the steel used, particularly for the engine, was of an inferior quality, and that there was much breakage, and a great deal of other trouble. As a matter of fact when I was in Afghanistan I learned that the Russians had contracted with Afghanistans to sell them some trucks. I was told that at the end of about 90 days those trucks were not usable. That caused quite a bit of dissatisfaction. The same thing is true with respect to various farm tools such as tractors, which the Senator has mentioned.

However, I understand that the Russians are improving their equipment, and they are learning fast.

Mr. LONG. The tractor which they were manufacturing last year appeared to be the kind that we had in America perhaps 8 or 9 years ago.

Mr. ELLENDER. Even more ancient than that. When I was a boy, working my way through college, in 1911 and 1912, I pitched wheat in Nebraska and Kansas—I see on the floor the Senator from Nebraska [Mr. CURTIS]—and some of the tractors I saw in Russia last year were of the kind in use in Nebraska and Kansas in 1911 and 1912. Once the Russians get a type or style, they seem to keep on manufacturing it. They may improve it a bit, of course, but usually there is very little change made from year to year.

Mr. LONG. With respect to automobiles, as I understand, the Zis was largely copied from the——

Mr. ELLENDER. The Cadillac.

Mr. LONG. It seems to me it was copied from the 1947 Packard.

Mr. ELLENDER. It looked to me more like a Cadillac.

Mr. LONG. There is one large car, which may be the Zim. As someone pointed out, Russia is the only country in the world in which a man can buy a brand new 1947 Packard.

Mr. ELLENDER. I thank the Senator for his observations.

Despite the recent boasts of Russian leaders, the Soviet Union is having extreme difficulty in producing sufficient foodstuffs to properly feed its people; Russian dietary standards are far below our own. The majority of Russian people with whom I spoke—and this includes Russian men on the street—were plump and heavy-set and apparently relied almost entirely upon starchy foods for nourishment. Grain, potatoes, root crops, such as turnips, beets and radishes, form the bulk of their diet. Fats and oils come principally from sunflower seed and cottonseed. Meat is scarce and very expensive.

For the past 2 or 3 years, Russian leadership has been engaged in opening new lands in the south central part of the U. S. S. R. to agriculture. Settlers are encouraged to go there and farm. The area is semiarid and the soil is held together by a layer of virgin grasses. About 60 million acres have been put to the plow and more is being plowed. One grain crop of consequence can be grown every 4 or 5 years. This year a banner crop was produced. I predict that after the land is plowed for 3 or 4 successive years, it will blow away and create a dust bowl that will make our own look insignificant.

There is quite a stretch of land at the base of the Caucasus Mountains that is irrigated by water that comes down mountain streams which are fed from melting snows. Cotton, fruit, some vegetables, watermelons, and cantaloups are grown in abundance. Between seven and eight million bales of cotton are produced annually.

The Kuban area—comparatively new lands, located between the Caspian and Black Seas—is very fertile. The rainfall is about 25 to 28 inches. One is reminded of Iowa, Illinois, and Indiana lands. It is my belief that much corn and livestock could be produced here under proper guidance. It could be made to rival some of our own areas.

These developments, coupled with a more efficient use of the manpower available to the Soviet Union, plus an increased availability of modern farming equipment, could result in vast increases in Russian agricultural production. The Soviet, however, will continue to be plagued by a relatively short growing season, and climatic conditions which preclude the large-scale production of what we have come to regard as basic agricultural staples. I was disappointed not to find a wider variety of crops grown in the Ukraine. That once-fertile area is deteriorating. Only one-fifth of the land lies fallow each year. I saw many fields with weeds as thick as the planted grain.

Russian agriculture suffers tremendously from the concentration of production in either collective or state farms. Many of the Russian farmers have no desire to increase production or become more efficient, since they have lost their identity as individual entrepreneurs. The old saying, "What's everybody's business is nobody's business" can be successfully applied to the collective farms.

As to Russian industry, I saw some modern processes, such as a most unique shoe production line, along with great evidence of expansion, but for the most part, Russian industry seems to be crude and backward when compared with our own. I saw only five different models of passenger cars, two models of passenger buses, one for short and the other long haul, two models of refrigerators, one standard model of trucks. I do not desire to leave the impression that this status may long remain, for great efforts are being made to modernize Russian industry, and to expand production, particularly in the area of heavy industry. Dams, both for navigation and power generation, are being constructed. More factories are rising. The industrial base is being widened, and within the next 5 to 10 years, Russia will undoubtedly become a mighty industrial power. That will come about by the increasing demand for more and more consumer goods.

I was much impressed with hydroelectric power development in Russia, particularly on the Volga River. At Stalingrad, 21 turbines will be constructed to produce 2,350,000 kilowatt-hours per hour. Eight power facilities will be built on that great river which will produce, I was told, 65 billion kilowatt-hours per year. Two rivers that now flow into the Arctic Ocean will be directed to the Volga so as to increase its capacity.

I visited a huge electrical manufacturing plant in Kharkov. I saw under construction a turbine that was larger in diameter than any I have ever seen in the United States. I doubt that we have sufficient water capacity to engage such a huge turbine economically.

I was not in Russia during the school months. However, I did have occasion to talk to Russians in almost all walks of life. The Soviets are placing great emphasis upon educational training. A modified form of merit system is in effect, with students selected for certain training on the basis of ability and aptitude; they attend college at Government expense; subsidies are paid to scholars, particularly in the technological fields and in both theoretical and applied sciences, I was informed.

Too, Russian children are being exposed to a universal educational system. In cities of 10,000 and more, from the 1st to the 10th grades is a must and in all other areas, from the 1st to the 7th is compulsory. While the Russian school curriculum is spiced heavily with Communist doctrine, the Soviet leadership has not yet found a way to communize such basic principles as the chemical composition of water or the Pythagorean theorum in geometery. I am firmly convinced that it is the Russian educational system that offers the greatest hope for ultimate Russian freedom. The people are beginning to think for themselves, and as time goes on, it will be more and more difficult for the leaders to keep them in line.

I found that, as a whole, the educated Russians I spoke with were extremely curious about our mode of life in the United States, and—even more important—demonstrated a desire if not a compelling urge to go behind catchy Red slogans, and to do their own thinking. I have no doubt that the Russians of today are better off than they have ever been. Most of them seem satisfied for

the reason that they know no better way of life than that which they are now enjoying.

Joseph Stalin grew to power in the midst of ignorance and poverty. I am convinced that because of the changed conditions in Russia the people will not permit another despot to assume such powers as those exercised by Stalin.

As more Russians become educated, they will become less and less prone to accept at face value the propaganda-loaded description of life in the United States which the Red propaganda system dins insistently into their ears. The Russian people are curious by nature; they are becoming increasingly more curious about Americans, about life in America, and about the freedoms we enjoy.

During my stay in Russia, I visited the Crimea, where former royal palaces have been turned into worker hotels and resorts. People gathered around me in the street, at the hotels, and on the boardwalks, eager to feel the quality of my clothing, to see the kind of leather from which my shoes were made, and to hear me speak—through our interpreter—of life in America. They were astounded to learn that American workers are not starving in the streets of New York, and that Negroes are not lynched by the hundreds in the deep South. A good many of the questions which were propounded to me were along the propaganda line and came from newspapers such as Izvestia and Pravda.

Mr. BLAKLEY. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. BLAKLEY. Was the Senator able to have those interviews with the common people in Russia?

Mr. ELLENDER. Oh, yes; indeed. When I visited the great palace in Yalta, which was built for the use of the czars and which is now a workers' hotel, I visited at least half a dozen of the large rooms. For instance, the room which formerly was the czar's bedroom was large enough to accommodate 40 beds. The workers who visited the palace came from all parts of Russia. They included doctors and lawyers; some were the heads of cooperatives; others were coal miners or factory workers. At each place I visited in the great palace, I spoke with the people through my own interpreter. They asked all kinds of questions about America.

Evidently it became known that I was in the palace, because when I went outside, more than 250 Russians were waiting at the entrance to talk with me. I spoke with them freely for more than an hour and a half through my own interpreter, answering the questions they asked me. I had never before seen such great interest.

I may say to the Senator that, in my humble judgment, the people of Russia are now beginning to think for themselves. They are becoming bolder. All of that is due, in my humble opinion, to the increased opportunities for education which are being offered in Russia. When Stalin came into power, the people of Russia were in poor circumstances. They had little or no clothing, and food was extremely scarce.

I learned of the living conditions which then prevailed in Russia by speaking with older people, ranging from 75 to 90 years of age. I asked about the living conditions in present-day Russia as compared with the living conditions under the czars. The people were almost unanimous in saying to me—and these statements were substantially the same at various places—that under the czars there was even less freedom than the Russian people now have; the people did not own much in the way of farms, or other property of that kind. They said they worked longer hours, harder, and for less pay for the nobility, that they were poorly clad and had very little food. They also said that under the present regime there was one outstanding difference: There is much more food and much more clothing, and in general they are receiving better medical attention, better educational opportunities—in general a better way of life—than was the case under the czars.

For example, in practically all of Russia, especially around some of the large manufacturing facilities, such as cotton mills and other large factories, hospitals and day nurseries for the care of the children of working mothers are provided.

The Russian people asked all kinds of questions of me and I asked questions of them. They freely answered my questions.

Mr. BLAKLEY. Mr. President, will the Senator further yield?

Mr. ELLENDER. I yield.

Mr. BLAKLEY. I wish to refer to the Senator's discussion awhile ago concerning farming. I wonder if the Senator would make some observation with respect to the amount of freedom the farmers have to use the products which they themselves produce.

Mr. ELLENDER. The collective farmer has no right, although he produces the goods, to take what he desires, except that which he produces in his own garden. Each collective-farming family is given a house in which to live, about a third of an acre of land for garden purposes, and another small parcel of land on which to keep a cow and a calf, perhaps 4 or 5 hogs, and all the chickens which are necessary for home consumption. All the produce grown in the garden, together with the cows, hogs, and chickens needed for food, belong to the collective family. They can sell these products on the so-called free market, which is in essence in competition with the state, because the state sells produce similar to that grown by the average collective-farm family. I found that although there is some competition, the food, because of its scarcity, is sold by the collective farmer on many occasions for a pretty fair price.

There is also this liberty afforded workers on the collective farms: If a collective farmer is allotted more wheat or corn than he and his family can consume, he can dispose of it in the markets which are usually operated by a group of collective farmers in competition with the Government. But aside from that, the collective farmers have no say, except in a collective way, as to what becomes of their produce.

Much of the crops are contracted for in advance. The Government takes out of the crop so much for plowing the land, so much for harvesting and handling the crop; not more than 25 percent of the crops can be taken for those purposes. The cooperatives are forced to sell, after these levies, to the State from 30 to as much as 50 percent of the crop at a price fixed by the Government. This price may be 10 times less than the collective farmer could get on the open market. These low prices are fixed to compensate the Government for the use of the land. In other words, this is done in lieu of collecting taxes.

Mr. BLAKLEY. Mr. President, if the Senator from Louisiana will permit me to do so, I should like to ask him to discuss further the matter of education, especially as it relates to his observations concerning the rural areas of Russia. The Senator made some observation with reference to how the schools were arranged and what courses of education were given.

Mr. ELLENDER. I had intended to speak about that later, but I will be happy to do so at this time.

There has been a steady evolution in the educational system in Russia during the past 30 years. Today education is a must for all city children between the ages of 6 and 18. They must attend preparatory schools, where grades from the 1st to the 10th are taught. In the country districts and in cities of less than 10,000 population, it is compulsory for children to attend school from the first to the seventh grade.

When a student graduates from one of these schools, he has a profession selected for him according to his aptitude. Engineering, medicine, chemistry, and similar professions are stressed.

Although on the surface it may appear that the Government forces students to study particular courses, nevertheless the Government makes it attractive for the students to do so. If a student desires to study engineering, the Government makes it more encouraging for him to follow that course by providing him with more financial assistance than would be the case if he studied languages, for example. Great emphasis is placed on preparation for the technical professions. Very little encouragement is given to the studying of elementary subjects or the study of the arts. Of course, students are able to take such courses, if they wish to, but they are not encouraged to pursue those courses. The real incentives are provided for the study of the scientific courses.

Mr. BLAKLEY. Would the Senator go a little further into the question of students being paid to go to school? Are the students paid an allowance?

Mr. ELLENDER. Oh, yes. They get cash and lodging.

For example, Moscow University boasts of having more dormitory space than any other university in the world. I visited the University of Moscow. It has 6,000 single rooms for students. Each student has his own room. Of course the room is more or less a cubbyhole; it is very small. But it is a private room. Anyone studying at the university is paid a cer-

tain amount per day to cover his board and lodging and also his clothing and other expenses while he is studying. Those who study must contract to work a certain number of years in the field of endeavor to which their studies relate. For instance, one who studies medicine must agree to work a certain number of years in hospitals. While he is working there he will receive only his board or perhaps a small stipend, until he becomes proficient. After this initial training such persons continue to work for the Government, but they are paid in proportion to their efficiency. At the medical schools, some study surgery; others study internal medicine; and so forth. In most cases I found that the students are prone to specialize. Of course the teachers select the branch of medicine which is to be studied by the individual students. Some leeway is allowed the students, but the teachers and professors encourage them to study what they feel the student can do best.

I also found that once a student completes his course and is given employment—whether in engineering or in other fields—he is unable to change his job at will. That is, of course, unlike the situation which prevails in the United States. Instead, the Russian student must give notice to his present employer—which is the Government—that he wishes to obtain a job somewhere else which is also controlled by the Government. It usually takes from 2 to 3 weeks for a determination to be made as to whether he should be permitted to change jobs. Often, the applicant is unable to make such a move, because of a lack of a place for him at the factory at which he has applied, or sometimes the factory at which he has been working takes steps to prevent his leaving. There is very little freedom of movement, as I gathered from talking to quite a number of the Russian people; there is very little freedom to change employment from one place to another.

Of course changes often occur within a given factory. I noticed one peculiarity in most of the plants in Russia. For instance, a huge dam is being built approximately 21 kilometers north of Stalingrad. At that site the Russians propose to construct a dam with 21 turbines, from which they hope to produce 2,350,000 kilowatts of electricity an hour. In connection with that project, the first thing done was to construct a large city. The city is 2 kilometers from the dam. It has broad avenues lined with trees, theaters, stores, and so forth, all owned and controlled by the Government. In addition, there are hospitals for the workers at the dam, and for their families; there are cultural centers where all who work at the dam can exhibit their skills or talents.

The Russians are very proud of the huge stadiums constructed near all these installations; they are the first things they show to visitors. At the stadiums the boys and girls, and men and women who work at the nearby facilities have access to soccer fields, football fields, tennis courts, swimming pools, tracks, and so forth. The athletes from each facility compete with those from other facilities. In that way they become very proficient in various sports.

When I visited other places, such as Tashkent, Alma-Ata, and Chelyabinsk, which is to Russia what Pittsburgh is to America, I noticed that the same practice prevailed, that is, around each large facility the Russians were constructing schools and hospitals similar to the ones I have just described.

Any factory built in Russia also has, in connection with it, a technical school, so that the children of the workers at the factory can become qualified to work in the factory if they so desire. The Russians make it very attractive to their young people, to learn various trades. As they become more and more proficient, they are allowed to advance somewhat in grade, or in the type of work they perform. Of course, the pay they receive is in proportion to their ability to produce.

I talked to many men and women who were engaged in work at the factories. Some of them earn as much as $500 a month in United States money. Of course, they are unable to buy with that amount of money as much as it is possible to buy in the United States. However, the men and women who are able to work well with their hands are paid a premium for doing so.

The Russian people to whom I talked thought it unbelievable that almost every American family has its own automobile, and that the people of the United States do not want war with the people of Russia.

They were extremely curious about the prices of food and goods in the United States. They displayed doubt when I told them my shoes cost $17.50, compared with a price of $65 or $75 in the Soviet Union. The cheapness in price and the abundant availability of goods in America created amazement and disbelief among these people, who are charged $220 for an 8-inch television set and $500 for a small electric refrigerator, and to whom owning an automobile is an almost unheard of luxury for the average worker.

This curiosity, it strikes me, offers the free world a fertile area in which can be planted the seeds of freedom for Russia. I therefore recommend that, subject to reasonable security regulations, we broaden our exchange of persons program with the Soviet Union, and that we bring more of the Russian people into the United States, to see at firsthand how our people live. I recommend, too, that our Information Service increase its efforts to reach behind the Iron Curtain with the message of freedom. In this connection, it is of vital importance that our magazines, broadcasts, and so forth, to the people of Russia contain no criticism of their way of life. Although we abhor communism, instead of disparaging it we must stress the positive aspects of our own system. We should say, in effect: "We give you credit for believing in communism as an economic system; that is your right. But here is what a free people, living under a democratic system of government, have—both in physical and spiritual things." A better plan would be to extol the virtues of democracy, and completely ignore their system.

I do not pretend to be a psychologist, but I do know that the surest way to shut the ears of the Russian people to the story of our way of life is to criticize their existing form of government. As the old saying goes, "You can catch more flies with honey than with vinegar."

I am sincere in my belief that by bringing more Russian farmers, more Russian industrial workers, doctors, teachers, more Russian housewives and children and others, to our country, and permitting them to see at firsthand how we live and the benefits available to us under a free system, we can demonstrate that communism cannot hold a candle to democracy in furthering the cause of individual freedom or bringing about a better way of life. This exchange of persons, coupled with objective reporting of our American way of life, will, I believe, create a mighty force for peace with its genesis among the Russian people—a force which the leaders of Russia could ignore only at their personal peril.

As a matter of fact, the Russian leadership has done much to make any effort on its part to generate a warlike spirit extremely difficult. Throughout the countryside were posters bearing the legend: "Peace." The Russian radio repeated the message that Russia desires only peace. The Russian people have been conditioned to expect peace, and I feel that it will be extremely difficult for Soviet leaders to plunge them into a major conflict without creating within the U. S. S. R. fearsome conditions which perhaps could result in a violent reaction among the Russian people.

The Russian people with whom I spoke believe that the United States fears Russia, and that present American policy is designed with one ultimate objective—the forcible destruction of the Soviet Union. Therefore, they fear us. The Russian people love their land, if not the present Government, and as patriots—the people of Russia would be willing to fight for their existence. Soviet leadership has capitalized upon the fear to which I have alluded; through this medium, they have been able to keep living standards low in order to forge a military machine. If it were possible to dispel this fear, as I think it is, to eliminate the distrust of American motives among the Russian people, then relations between our two countries would improve overnight. We must make every effort to convince them that our preparations are not for war or aggression, but for defense.

To illustrate what I am driving at, I may state that while visiting the great dam at Stalingrad, I asked the engineer in charge if it were not true that the dam was started in 1950 or 1951 and that suddenly orders came from Russian leaders to stop building the dam. I asked why that was done. He said because the money was needed for other purposes. And what were those purposes, I asked? He said it was political, and he did not care to answer. I chided him and said: "I suppose you spent the money to make weapons of war to fight us." He smiled, but insisted that the question was political and he would not discuss it further. I then asked: "When

did you resume work?" He said, "After the Geneva Conference, when your President indicated to the world that America wanted peace and not war."

As I said, the dam had been started in 1950, and the work continued into 1951. No work was done during 1952, 1953, and 1954; construction was again begun in 1955, after the Geneva Conference took place.

The older Russian citizens with whom I spoke, people who had lived under and could recall the rule of the Czars, were unanimous in their belief that "things are better now than then." They have more food, more clothing, and a greater sense of their individual worth, as I indicated earlier in my remarks. However, there is much discontent within Russia—discontent which, nourished by exposure to America and Americans, could blossom into such a powerful force that communism could receive a telling blow.

These factors—increased education, natural curiosity, and a desire for self-improvement—are available to the United States for intelligent use as the foundation for an ultimate rejection by the Russian people of communism as both a way of life and an economic system.

I therefore regard as most unwise our Government's recent shutdown of exchange of persons between Russia and the United States. I think it was stupid. The reaction of the Russian people, fostered by the Communist propaganda machine, will be: "America fears us—she fears that we will see her poverty and her ignorance—she does not want us to see how weak she is and how her people are oppressed." In addition, this action will lend credence to the oft-repeated pronouncements of Moscow propaganda mediums that the United States wants war, while Russia wants peace. This, of course, will create an atmosphere which could ignite like tinder should even a tiny spark fall.

Since my return to the United States I have been referred to by some mediums as having been brainwashed by Khrushchev. This I most vehemently deny. I believe I have noted basic factors which, if only capitalized upon by our country, can result in the destruction of dictatorial rule in Russia. The people of Russia bear within their great masses the seed of American victory in the cold war—a victory which can result not only in benefiting the free world but in rekindling the light of freedom behind the Iron Curtain. It is now time for us to begin nourishing this seed, to the end that fear will be replaced with trust, ignorance with knowledge, and, ultimately, cold war with warm friendship between the people of Russia and the people of the United States.

Mr. President, as I stated at the opening of my remarks, I could recite many more experiences I had in Russia. I was about to reach down to obtain two volumes of my diary. What I hold in my hand is the result of much work. My diary consists of 276 legal-size pages; and, as has been my custom, I will file it—along with my country reports, contained in 21 volumes—with the Committee on Appropriations. I invite each Senator to read both of these. I believe they will find both my diary and my report informing and interesting.

I shall also file these documents with the State Department, the International Cooperation Administration, the United States Information Agency, and the Department of Defense.

Mr. CURTIS. Mr. President, will the distinguished Senator from Louisiana yield?

Mr. ELLENDER. I yield for a question.

Mr. CURTIS. I am sure the entire Senate is appreciative of the work the Senator from Louisiana has done, and about which he is giving us the benefit of his observations and conclusions.

I should like to ask a question concerning some of the industrial developments in Russia. The Senator from Louisiana referred particularly to the lack of progress in the type of farm machinery used. Is that a correct picture all through Russia's industrial development, or is that an exception rather than the rule?

Mr. ELLENDER. Generally speaking, there is little progress in evidence in the field of tools, automobiles, farm machinery, and other mechanical equipment. The one exception that came to my attention was the up-to-date electrical equipment—dynamos, generators, turbines, and other types of electrical machinery. In this latter field, they have been most progressive. As for automobiles, farm machinery and the like, the Russians do not change models every year or so, as we do over here.

Mr. CURTIS. How about armaments?

Mr. ELLENDER. I did not see any armaments. I felt it would be futile to ask to see their airplane factories, for instance, or their atomic plants.

I wish to say that the industrial factories I visited wherein there was evidence of some progress, were those dealing with the electrical phases of Russia's industrial development. I saw steam turbines which are now being used and others which will be installed to generate electricity in the thickly populated sections throughout Russia, or, at least, so I was told. I was told that in some areas more than 65 percent of the farms are electrified.

Of course, there are not many such areas, but I predict that when all the dams which the Russians plan to build on the Dnieper and Volga Rivers are constructed, there will be much electricity available, sufficient to supply practically all the thickly populated farming sections of Russia.

Mr. CURTIS. I thank the Senator.

AFGHANISTAN

Mr. ELLENDER. Mr. President, when I left the USSR, I flew over the Hindu Kush Mountains to Kabul, Afghanistan. In Afghanistan we have undertaken quite a large air-transport program. We are building airports, equipping an Afghan airline with planes, training pilots, and installing navigation aids.

Yet, Afghanistan, like many other countries in Asia, does not have any trained technicians. As they so often do, our representatives in Afghanistan have gone overboard in their effort to provide facilities which the country has no technicians to operate; for instance, the airport at Kandahar, the airport at Kabul, and airports in other places, and of course the navigation aids. Afghanistan does not have technicians to operate such facilities. As a result, we are paying quite a large sum of money to Pan American for the purpose of sending instructors to that area to teach some of the local citizens how to operate those facilities.

We are in a bad way in Afghanistan, because of the building there of the Helmand Valley project. When I was there 3 years ago, I told the manager of Morrison-Knutson, the California firm, who has the construction contract, that the Helmand Valley project had not been thoroughly planned. This project was begun by the Afghans themselves. They employed engineers to draft plans without studying the flow of the river and without determining how much land would be covered by backwaters, and so forth. As I pointed out, the area covered by one of the lakes to be created will be almost as large as the land they expect to irrigate. This area to be irrigated is covered by thin soil. It will not produce nearly as much as the river bottoms, which are to be covered by water from the dam. I fear that this project will never meet the Afghan hopes. As a matter of fact many basic weaknesses are already showing up, and we are being blamed for that situation, although we had no more to do with it than any one of the pages sitting before me. The Afghans say, "Since an American engineer built it, and since you loaned us the money to complete the project after we exhausted our own funds, you should have known that the project was plausible, or else you should not have loaned us the money."

There may be something to that argument. However, as I have said, we had absolutely nothing to do with the construction of the dam, or with the plans. Yet, as I have said, we are being blamed for its possible failure.

While I was in Afghanistan, a large delegation from the United States, headed by the former Governor of Idaho, came there to study the project, in the hope that some way could be found to make it successful and thus satisfy the Afghans. But it is my judgment, from the two visits I made to the project that there is very little hope of making the project as profitable as was intended by the Afghans.

There is one other bad situation which faces us in connection with the project. The "farmers" who are to take over much of the land to be made available by the project are nomads, not dirt farmers. They are people who roam about, sleeping in tents, going from one place to another without having a permanent home. They do not know farming—they are shepherds and goatherders—yet our mission there has a program under way to try to teach those people how to farm.

It is my judgment that the money earmarked for this project is wasted. If the project turns out to be good, the

Afghans will get the credit because they started it. But if it is bad, we shall be blamed—heads we lose, tails we lose.

Before any money is made available by way of gifts, grants, or even loans, this project should be thoroughly studied, in the hope that there may be some way by which it can be made workable.

(The statement concerning Afghanistan, which was ordered to be printed in the RECORD, is as follows:)

AFGHANISTAN

There are three major programs either contemplated or underway in this isolated and undeveloped country. They are: (1) Development of air transportation; (2) technical and economic cooperation with the Helmand Valley Authority; (3) technical cooperation with the Afghan Bureau of Public Roads.

A number of other technical assistance projects are already in existence, which I shall hereafter discuss, but the three items I have referred to are receiving the greatest emphasis and deserve the most comprehensive scrutiny.

Development of air transportation is a joint United States-Afghan project under which the United States Government will assist the Afghanistan Government in developing a balanced, efficient, and financially stable air transport system.

Afghanistan is a land-locked country with an estimated area of 260,000 square miles. It is characterized by mountain and desert country interspersed with small valleys which are made to produce by irrigation from snow-fed mountain streams. It is the feeling of our planners in Afghanistan that due to this little nation's geographical position, which is astride trade and invasion routes leading from the Middle East into Central Asia and the Indian subcontinent, Afghanistan should be modernized, and to the maximum extent possible, made to feel that its most stable and realistic future lies in alinement with the West.

Consequently, our efforts in Afghanistan have been directed toward providing a foundation, both economic and political, upon which the Afghans can build a secure national existence.

Communication facilities in Afghanistan are particularly primitive. There is no railway in existence. The primary road system consists of a comparatively crude highway which connects the principal cities of the country; these roads are unpaved, with bridges frequently washed out. Many of the highways are little more than camel trails. One of the objectives of our ambitious planners in Afghanistan is to increase communication between the various areas of this backward land.

The air transportation development program will stress five major objectives. These are: first, the development of an international airport at Kandahar; second, the development of an Afghan national airline (Aryana Airlines Co., Ltd.); third, the development of small domestic airports; fourth, the development of an airway system in accord with international air-traffic requirements; and fifth, development of the organization and skills of what is now the Afghan Department of Civil Aviation.

The development of Kandahar International Airport will include the construction of runways, taxiways, aprons, hangars, control tower, high intensity lighting system, aviation fuel storage and fueling systems, water supply system and essential buildings and facilities for operational purposes. In connection with the development of the airlines company proper, it is proposed to extend technical and economic assistance to the end that this organization will be managed and operated in accordance with what our planners regard as sound commercial practices. It is proposed that the United States Government train pilots, mechanics, traffic control personnel, among others, and procure additional airplanes.

In developing smaller domestic airports and emergency landing strips, the proposed program will concentrate on three airports located at Herat, Baghlan, and Jalalabad, with emergency landing strips at other sites.

With respect to the development of an airway system, it is proposed that proper communications and navigational equipment be installed at all airports and other selected sites which our Government and the Government of Afghanistan may mutually agree upon. Of course, it will require technically trained personnel to operate this ambitious program, and we are presently undertaking to train Afghans for not only maintenance and communication chores but also in the regulation of civil aviation, that is, to equip the citizens of this extremely backward land with sufficient know-how to control the economic aspects of a commercial aviation program. It is my assumption that the end result of this latter phase will be the establishment of an Afghan equivalent of our Civil Aeronautics Board.

At the present time, a grand total of * * * in appropriated United States funds has been allocated to the aviation program. Of this amount, * * * is a loan; the remaining * * * is a grant. The loan funds will be used to provide aircraft for the airline company, for engineering and construction, and to import equipment, materials, supplies, etc., for the international airport at Kandahar.

Grant funds will be used in the following amounts for the following purposes:

Airline management and technical operations assistance and training, including training abroad, * * * communications-navigational aids, * * * with half of this amount to be used at Kandahar and the remaining one-half at Kabul, Herat, Baghlan, Jalalabad, and other sites agreed upon; engineering and construction services and imported commodities for the construction and operation of domestic airports, * * *

In addition to the $1,800,000 which we have loaned to the Government of Afghanistan to be used in connection with the air-transportation program for engineering and related services, * * * in grant funds will be made available for similar purposes, with an additional grant of * * * to be used for training equipment and facilities for technical schools. An additional * * * be used for the Department of Civil Aviation functional operating and training-assistance program.

While the United States proposes contributing * * * at this time for the air transportation development program, approximately 100 million afghanis (local currency of Afghanistan) will be contributed by the Government of Afghanistan. It is to be noted, however, that the great bulk of this amount is in the form of professional, skilled, and unskilled labor.

I recommend that an earnest effort be made to ascertain whether or not this program is too ambitious and not in keeping with the financial capabilities of the Government of Afghanistan. As I indicated earlier in this report, this is an extremely underdeveloped land. I fear that once these amounts are expended in order to provide a foundation for a commercial aircraft and transportation system in Afghanistan, a continued effort will be required by our Government to see that the installations constructed, the aircraft provided, the navigational aids installed, and so forth, are properly serviced and maintained. In addition, the Government of Afghanistan may feel that the United States is at least morally bound to continue a pilot-training program, and to exercise general supervisory functions over the entire program. If this is true, then I fear that our initial effort in this tiny land will lead to a long-continued program, which, under the circumstances, could lead to an increased feeling among the Afghan people themselves that their country is falling under the political domination of the United States.

As a matter of fact, there were indications that this feeling is growing at this time, stimulated no doubt by the intensive propaganda efforts of the Russians. To counter this program, we have had to undertake a rather comprehensive information effort here. Thus, we enter the vicious circle. Our aid, which contemplates projects beyond the inherent capabilities of the people, creates ill will amongst the people. This necessitates greater expenditures for the information program. The more spent for information results in the need for more aid. Thus, around and around we go and where we will stop nobody knows.

Perhaps an even better illustration of my remarks can be found with respect to the Helmand Valley program.

According to information provided me while in Afghanistan, the purpose of our cooperation with the Afghan Helmand Valley Authority is to provide basic assistance essential for the ultimate success of this ambitious program.

The Helmand Valley program goes back to 1946, when the royal government of Afghanistan entered into a contract with the International Engineering Company and Morrison-Knudsen Afghanistan, Inc., a construction company, for building this combination reclamation, power development, and navigation project. No studies were made of the projects, except that plans for two dams were perfected at the request of the Afghan Government. The Government had on hand a little over $23 million and expected to complete the projects with that sum. The dams were started and well advanced when the Afghan Government ran out of funds. Applications for loans were made with the Export-Import Bank in 1950 and in 1954, and after only cursory engineering studies the bank loaned $21 million and $18,500,000, respectively, to the Government of Afghanistan to continue and complete the dams, canals, irrigation, and other works. This total of nearly $40 million made available by the United States Export-Import Bank had its implications. In making the loan we were supposed to know that the project was feasible; in fact, the prestige of the United States was at stake in the success or failure of this project. In fact, since American engineers were employed, the project was destined to be a great success, according to its promoters.

We find ourselves, according to our planners, in the unhappy position of being blamed if the ill-planned project is not successfully completed, and actually receiving but scant credit should it be a success, since a successful effort will result in the government of Afghanistan (which conceived the scheme in the first place) receiving the credit.

Because of this "heads you win, tails we lose" position of the United States, high priority has been given to the Helmand Valley Project in our assistance effort. Prior to fiscal year 1956, we extended technical assistance to Afghanistan and the Helmand Valley Authority on a more or less piecemeal basis. As the committee will recall, I pointed out in my report last year that the project appeared to be ill-planned and in many respects ill-conceived. Unfortunately, as I indicated before, this project was started on engineering studies which were essentially incomplete and which had not been thoroughly worked out. From the information I was able to obtain concerning our earlier efforts, it would seem that it would be correct to state that prior to fiscal year 1956 our money invested in this project was essentially wasted.

Prior to the 1956 fiscal year, our funds were used primarily to keep canals and minor irrigation facilities in operating condition,

to accumulate hydrological data essential to the management of the flow of water from the reservoirs (which certainly should have been done prior to the undertaking of the project), to formulate and implement an agricultural program for the entire valley, to establish agricultural research, forestry, and horticultural nurseries, to undertake rural development including environmental sanitation, health and educational programs, and to establish a sound administrative program for the Helmand Valley Authority.

In other words, prior to the 1956 fiscal year, technical assistance rendered to the Government of Afghanistan in connection with this project amounted to performing functions which certainly should have been completed in advance of undertaking the project and, certainly, in advance of the granting of loans in 1950 and 1954 by the Export-Import Bank.

Since 1956, spurred by what our planners describe as "unexpected problems which have been encountered in the land-reclamation phase of the Helmand Valley development," the entire project has been resurveyed at the request of the royal Government of Afghanistan. While there I met members of the commission making the study.

At the time of my visit, I was informed that the Helmand Valley fiscal year 1957 works are being formulated only tentatively and will later be modified to conform with the recommendations of this survey mission. So far I have not been informed of its findings.

* * * * *

Just a brief rundown of the various subprojects involved in the overall valley program will indicate the present scope and the projected scope of what could become a monumental American effort here. As stated earlier, prior to fiscal 1957, ICA provided only technical assistance for the implementation of the Helmand Valley project. In June of 1956, $500,000 in economic assistance, to be spent over a 3-year period, was allotted for the proposed works. Up to the present time the Helmand Valley development program has been basically an operation designed to make increased water resources available for established agricultural areas and to reclaim additional agricultural lands. Two dams for water storage have been completed as well as approximately 200 miles of main canals and necessary laterals and drainage works. An additional 100 miles of main canals together with the necessary laterals and drainage works are under construction. When completed, it is proposed that the irrigation system will supply water for approximately 750,000 acres of land already under cultivation and for approximately 200,000 acres of reclaimed lands. The maintenance of this phase of the authority requires considerable know-how, and, unfortunately, the local personnel experienced in this work is extremely limited. Therefore, the primary purpose of our effort with respect to the canal operation and maintenance work has been to provide assistance in the nature of technical personnel to operate and maintain the canal system and to train local personnel for the efficient discharge of their responsibilities.

The second phase of the authority program is a surface-water investigation project, the primary purpose of which is to accumulate hydrological data essential to the management of the flow of water from the two reservoirs already constructed. To further this work, we have established, operated, and maintained stream-flow stations on rivers and canals and compiled records for present and future use. We have also established and presently operate a network of weather stations to study and analyze stream-flow records and to prepare rainfall-runoff computations and runoff forecasts. We have also begun ground-water investigations which appeared essential to the solution of rather serious drainage problems. Three technicians are presently engaged in this work.

The third subproject in this authority program is a community-development program which has stressed assistance to settlers in the reclaimed lands and the training of village workers and extension specialists in agriculture, health and sanitation, and social education. In other words, now that additional land has been made available, we are embarking upon a program to teach the settlers in these areas how best to use this land.

The fourth phase of the authority involves technical assistance and training in introducing and establishing principles and techniques of general administration, organization, and management in order to provide the local administrators of the authority with sufficient training to properly administer its various phases. (During fiscal year 1957, funds to undertake this work on a 2-year basis under contract with an American Administrative Services Organization are proposed to be allocated.)

The fifth and final phase of the authority program involves a public health and sanitation effort in the Helmand Valley. It will be tied in with the village-development project, which I referred to earlier, and will stress assistance in sanitation, including the construction of latrines, compound planning, sewage-disposal and similar programs. This will involve three technicians during the 1957 fiscal year.

While in Afghanistan I visited a considerable portion of the Helmand Valley project, and I quote now from my on-the-spot notes:

"The Helmand Valley project was not properly planned in the first place, as I first noted 2 years ago. The firm hired to construct the two existing dams by the Afghans several years ago and which firm was partly paid out of funds advanced by the Export-Import Bank, evidently failed to live up to the original expectations of the Afghan Government. Consequently the Afghans have spent not only the bulk of the money they had planned to make available themselves for this work but the amounts loaned by the Export-Import Bank as well. Since the project has still not met local government expectations, the United States is being blamed by virtue of the fact that it was our Export-Import Bank that made the original loans in the first place."

I visited both of the existing dams in the Helmand Valley area. The first (Arghandab) has formed a lake 2½ miles wide and about 24 miles long. The second (Kajakai) has formed a lake of similar size. Both of these structures are quite impressive and both have been built so that generating equipment can be installed if and when money is made available.

I consulted with the local representative of the Morrison-Knudsen Co., and he admitted to me that he was hired to build dams, but that he was not fully acquainted with the project or how it would operate. It was his view that his company had been employed before the Afghanistan Government had fully completed the necessary preconstruction planning.

A ride through the country with the technical advisor to the Helmand Valley Authority resulted in my being able to inspect canal and lateral works. We also visited the first major reclamation and resettlement area undertaken under the valley authority. This particular section consisted of 21,000 acres; the soil appeared to be extremely shallow. By visiting subsequent areas I learned that there are now approximately 385,000 acres of land under development. However, I would recommend that before any further money is spent the survey mission should be permitted to conduct extensive soil surveys since it appeared to me that the soil, once the rich river bottoms proper are left, is extremely thin. I noticed stones and rocks scattered over most of the acres and the land is as hard as cement. It appears to me that much will have to be done at considerable expense to develop this area and condition the land for cultivation.

According to my information, the primary purpose behind the program is to settle the many nomads which roam Afghanistan. These tribes own thousands of sheep, goats, and camels and, basically, they are not farmers. Nevertheless our technicians are hard at work trying to make dirt farmers out of people who have wandered throughout this ancient land almost since time immemorial. Since the older folks are extremely set in their ways and actually have no interest in agriculture, our technicians have concentrated their efforts on young and inexperienced boys. Frankly, I fear that even should the proposed and expected areas be reclaimed, it will not be possible to convince a sufficient number of these nomadic tribal members to farm these areas efficiently. After revisiting this project, I have found that not only was the entire scheme ill planned and insufficiently developed before vast sums of money were poured into it, but also that even with comprehensive and extensive planning, it will not meet the expectations of the Afghan Government. If more money be spent I sincerely hope that it will not come from the United States Treasury. Our experts in Afghanistan are advocating the expenditure of substantial amounts of money in order to make the project a success. They fear that unless we do so, we shall incur the displeasure of the Afghanistan people and that they will turn to Russia for aid. As a matter of fact, a considerable amount of Russian money has already been spent in this country. (See classified attachment with respect to use of Soviet loans thus far.) The general nature of work undertaken with Russian aid has involved paving streets in Kabul, building a grain silo, bakery, and oil storage tanks, and performing highway rehabilitation.

Not to be outdone, the United States is also proposing a highway construction program. According to my data, we are presently extending technical assistance to the Ministry of Public Works of Afghanistan, with primary efforts directed at planning a national road network. As noted by our mission here, the improvement of roads in Afghanistan necessarily has a high priority because it is basic to the nation's general economic development. They add: "The present high per-ton-mile cost of transport constitutes an obstacle to internal and external trade and consequently is a brake on agricultural, industrial, and mineral development. The (road) project will contribute to the success of ministry efforts to improve Afghanistan's roads and to the establishment of an effective maintenance organization."

* * * * *

Besides these three programs which I have discussed in detail, reference to exhibit A will indicate the following additional projects.

A national agricultural development project (technical cooperation with the Ministry of Agriculture) to modernize the production of livestock and crops, which presently involve century-old practices. Ultimately, our technical cooperation is designed to—

(1) Strengthen the organization and functioning of the technical and administrative departments of the Ministry;

(2) Establish a central research and experiment station in Kabul and substations in the provincial areas;

(3) Develop a national forestry policy and program;

(4) Develop a program for controlling locusts and other destructive insects;

(5) Introduce improved varieties of crops and breeds of livestock;

(6) Improve agricultural techniques and practices throughout the country; and

(7) Provide in-service training and training abroad for Ministry of Agricultural personnel.

We are also involved in a program of technical cooperation with the Ministry of Mines and Industry which involves a mineral resources and coal production project. We have given assistance to the Ministry of Mines and Industry concerning coal production since 1952. The best that can be said as a result of this aid is that production at these mines has been maintained, with a planned increase and output at one of them to materialize with the installation of an electric power plant in 1957. The assistance planned through fiscal year 1957 will emphasize the development of additional coal deposits in Afghanistan. Our planners feel that this is necessary since they foresee an increase in Afghan industrial activity with a consequent increase in fuel and power requirements.

We are also extending technical assistance to the Ministry of Education to get more students to go to school. At the present time only about 5 percent of the young men of this country and only a fraction of 1 percent of the girls of school age attend school. Thus, we have established an institute of education, under contract with Columbia University—the Afghan Institute of Technology—a technical high school to supply trained workers for projects and industries of Afghanistan; a vocational agricultural educational project, under contract with the University of Wyoming, to bring up to date the agricultural training program of the Afghan people; to train agricultural and engineering technicians, to provide administrative training and techniques to the University of Kabul, and to generally modernize the entire educational program of Afghanistan—a program which, for all practical purposes, had never before been in existence.

We are also dabbling in Afghanistan's finances in that we have established a technical assistance project to provide consultative and technical aid to the Ministry of Finance of the Royal Government of Afghanistan in developing a more realistic organization of the Ministry, to set up budgetary preparation techniques, to organize a banking system, to teach administration with respect to fiscal matters to those underdeveloped people, and to generally educate the Afghans in what we consider to be the proper use of public funds and budgetary processes.

Perhaps it would be more appropriate for us to improve our own budgetary processes and obtain a truly balanced budget before we attempt to teach our techniques to any so-called backward country. If they followed our practices of budgeting they would bankrupt themselves.

We are also undertaking a national rural development project, which involves assistance to the Afghan Rural Development Commission in inaugurating and carrying on a community development type project in 75 villages of the valley areas of Afghanistan.

In general, it is my fear that we are so closely involved with the most intimate functions of the Afghanistan Government, its programs and its governmental processes, that we are laying ourselves open to not only severe criticism, but dire injury to our prestige and objectives in this area should our efforts fail. Thus, it would appear that we must make these programs work or find ourselves rejected as friends of the Afghans. By all means, our planners should be instructed that no projects be undertaken unless surveys have been made and projects found feasible. Furthermore, we should be satisfied that the Government of Afghanistan can and will be able to maintain and carry on without further assistance from us. The technical assistance we are rendering to Afghanistan is in many areas badly needed. However, I fear that our technicians are forcing the Afghanistan Government to seek development of projects which it cannot possibly finance. I fear we will soon embark on a vast, long-range, high cost economic aid program here.

It is my hope that the survey mission will indicate who is to blame for the apparent failure of the Helmand projects. We came into the picture long after the project was conceived and started. The mere fact that American engineers built the dams and that the Export-Import Bank furnished some of the money to continue the work, does not brand the project as one undertaken by our Government.

INDIA

Mr. ELLENDER. From Afghanistan I went to India. I flew through the Khyber Pass, to Amritsar, which is in the extreme northern part of India. From there I proceeded south to Delhi.

I have visited India 10 times.

India is such a large country, and there are so many people there that whatever we do is so little in proportion to the size of the country and the population, the effect of our work—if any—is not discernible. Yet we have appropriated quite a good deal of money—in the neighborhood of from $350 million to $360 million—for aid to India. Much of this, incidentally, remains unspent.

It is my hope that we can continue to aid India in a small way. It strikes me that what we ought to do, because of the low educational level of most of the people of that area, is to start at the bottom rung of the ladder and teach them things in keeping with their ability to learn and to carry on for themselves. Further, it should be aid that will truly stimulate the economy of the country.

I found that at Bhopal we have supplied a school; we spent $100,000 to supply farm machinery for the students. We have there large tractors, and large plows, which farmers in that area can never hope to use. They cannot even use the tractors we have there now; and yet $100,000 has been spent in order to buy heavy machinery, including huge plows, to train about 120 students a year.

If we are to help the people of India, teaching ought to be limited to the things which the generally illiterate masses can use. We are now doing things almost solely for the benefit of the owners of large holdings, who, in the case of the tractors, would be the only farmers able to use them. We should show the masses how to better use the tools they have.

Mr. President, I ask unanimous consent that the remainder of my report on India be printed in the RECORD at this point in my remarks.

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

INDIA

This is a vast country and thickly populated. It is extremely backward when measured by our standards, and the aid program undertaken here may result in some good over a period of many, many years but the process is bound to be slow. It is my frank judgment that with so many people in this ancient land, the vast majority of whom are illiterate, any effort to modernize India overnight is doomed to failure. The farms are small, the people are poor, and labor is cheap. There is little industry and industrial expansion is still very slow. Because of the magnitude of the effort required I fear that much of the money we have spent has been in vain and that it will require generations of steady work to bring the Indian industrial and agricultural economies into any semblance of modern order.

Since 1952, the United States has been committed to a variety of projects in India aggregating in cost approximately $334,430,154, with $81,062,592 of this total committed during the fiscal year 1956. The subtotals by function are: agriculture and natural resources, $81,427,404 since 1952 with $6,986,917 committed in the 1956 fiscal year; industry and mining, cumulative total $62,675,383 with $3,051,800 committed during fiscal 1956; transportation, $40,959,200 cumulative with a 1956 commitment of $941,700; labor, cumulative, $1,010,590 with $260,590 committed during the 1956 fiscal year; health and sanitation, cumulative $23,062,344, with $2,418,847 committed during fiscal year 1956; education, cumulative $4,131,700, with a fiscal year 1956 commitment of $1,863,700; community development, cumulative, $13,233,240, with $182,380 of this amount committed in fiscal 1956.

In addition to these programs, we have committed $16,430 for public administration, all of which was allocated during the fiscal year 1956. Total project assistance to India, cumulative, amounts to $243,233,619 with $18,746,919 committed in fiscal year 1956.

In addition to these amounts for project assistance, we have expended a total of $85,672,940 since 1952 in development assistance; $61,427,000 of this amount was committed during fiscal year 1956.

Through fiscal year 1956 total expenditures in India of United States funds (none of which generated counterpart) totaled $167,526,992. As of June 30, 1956, balances were as follows: unobligated, $1,017,227; unexpended, $134,534,522. Of the $134.5 million in unexpended balances, the funds will be used as follows:

O. A. No.	Project	Unexpended balance
		Million
6	Ground-water irrigation	$2.3
8	Community development	5.2
12	Ground-water exploration	2.0
17	Railway rehabilitation	[1] 11.0
18	Industrial steel	[2] 13.2
20	Rihand Valley development	4.1
24	Expansion, aviation ground facilities	2.4
25	National water supply	4.2
26	Industrial research	2.2
27	Educational institutions	2.0
28	Agricultural education and research	[3] 5.0
31	Modern storage of food grains	[4] 4.4
	Subtotal	58.0
	Other (balances less than $2,000,000)	20.1
	Technicians, Trng. Prog. Dir. Tech. Sup. and other projects	3.3
	Total (TCM/I allotment)	81.4
	Run 13 (Washington allotments):	
	Bread grains (ISM)	[5] 13.8
	Fertilizer (GSA)	[6] 3.6
	Steel (ISM)	[7] 34.3
	DDT (GSA)	[8] 1.4
	Total (Washington allotment)	53.1
	Grand total	134.5

[1] 10 percent, or 3.9 million, withheld for 18 months guaranty period. Deliveries up to December 1956.
[2] Delivery period, December 1956.
[3] Current university contract.
[4] Delivery period, December 1956.
[5] Contracting July 1956.
[6] Contracting October 1956.
[7] Contracting December 1956.
[8] Delivery August 1956.

For the fiscal year 1957, a program level of * * * is expected, but at the time of my visit the precise amount was still doubtful. With reference to a letter to me dated September 28, 1956, from New Delhi and attachments thereto, which material is included as exhibit A of this report, it is amply

demonstrated that even as of that date, appropriations made by the Congress during the latter part of July had still not been allocated to India as of the first of October. Note 3 to attachment No. 1 of exhibit A indicates that the * * * amount for fiscal year 1957 includes a maximum development assistance level of * * * million, plus a tentative program of * * * for technical cooperation. The * * * in development assistance is the maximum permitted under the fiscal year 1957 Mutual Security Appropriation Act. The important words to be noted are: "Actual level not yet determined," which indicates that some 8 weeks after the Congress passed the fiscal year 1957 Mutual Security Appropriation Act, the final allocation to India had still not been made. Certainly an effort should be made to reduce this time lag, for it is doubtless a large contributing factor to the haphazard planning and large accumulation of unexpended and unobligated balances which have characterized many of our assistance programs.

Exhibit B attached hereto, defines the scope and volume of our assistance effort to India during the fiscal years 1952 through 1956.

It should be emphasized that the unexpended and unobligated balances presently in the hands of the Indian-USOM aggregate * * * (See attachment No. 1, exhibit A.) This amount compares with a total expenditure over the past three fiscal year (that is, fiscal year 1954, fiscal year 1955, and fiscal year 1956) of $167,526,992. In other words, the combined unobligated and unexpended balances which were in USOM/India coffers as of the beginning of the 1957 fiscal year would provide sufficient funds to carry the Indian program for over 3½ years based on expenditures during the prior 3 fiscal years.

Recently, the American people and the Congress have heard much about the prospect of a "long range" foreign aid program. However, despite the discussion in the Nation's press and evidently among the executive departments charged with administering this program all authority for the aid program has been confined to a 1-year basis. It is apparent though, that the accumulations of large unexpended and unobligated balances, such as those presently found in India, make possible what is in effect a long range foreign aid program. For example, reference to attached exhibit "C," dealing with the 1956 fiscal year India program, discloses that our program of assistance to the extension training program for secondary school leaders in India will cover a 4-year period, that is, fiscal years 1956 through fiscal year 1959. The rural electrification program, toward which the United States is to contribute some $3 million will not be completed until 1957 at the earliest. Since this program was begun in fiscal year 1956, it demonstrates that we are, indeed, engaged in a long range foreign aid program. Other examples along this line include: Tubewell casing, estimated completion date 1961; educational administration program, estimated completion date 1958; construction of a steel casting foundry, estimated completion date 1959.

Other programs which will not be completed until fiscal year 1959 include small industry development, assistance to the Indian Statistical Institute, development of Indian telecommunications, technical assistance for the Indian Civil Air Transportation network, foundry training, a program for moving 40,000 cattle from Calcutta to Haringhata, the construction of a milk pasteurizing and processing plant at Calcutta and emphasizing the value of milk in the Indian diet. Thus, it appears, that despite the assurances of our administrators, the backlog of appropriated funds combined with what is obviously an intent to commit the United States in this area to a 3 to 5 year effort (at least in some fields) adequately indicate that our country is, indeed, involved in a long range foreign aid effort.

It should be noted that at the present time India has embarked upon a comprehensive economic development program, designated as "the great 5-year plan." It requires no stretch of the imagination to arrive at the conclusion that our Government is certainly involved in the success of this effort, and that funds already appropriated and new money which will doubtless be requested to be appropriated in future years, will require us to carry a large portion of the burden that should more properly be assumed by India if the plan is to meet with success.

During the short period of time I was in India, it was obviously impossible for me to visit each and every project to which we have contributed. However I was able to inspect some of the so-called grassroots operations and the information I gathered bears out my previous comments.

The first of these installations which I visited was at Budni, some 65 miles from Bhopal in south central India. This agricultural center is located in an old army camp. We have set up a tractor and machinery school. The United States provided $100,000 for the purchase of tractors, bulldozers, plows, and similar farm equipment to be used in demonstration seminars for the youth of this area. I was impressed with the objective of the program here, and particularly with the desire among the students to learn. They study 2 hours per day and do practical work on a nearby farm for 6 hours per day. They are clearing land and it is planned to ultimately operate a farm in conjunction with the agricultural center, thus giving students opportunities to put into practice the principles they are taught.

Each student is paid 30 rupees (about $7 in American currency) for his board per month. The barracks are neatly kept, and there is apparently a great eagerness among the students to learn new ways.

It seems to me that $100,000 was quite a large sum to spend for demonstration machinery. I would suggest that less emphasis be placed upon the purchase of heavy, highly technical equipment, and that small tractors, simple plows, and similar agricultural devices be emphasized—that is, we should provide the kind of equipment which is best suited to existing Indian agrculture, and which the farmers of India can put to best use. Few Indian farmers are able to purchase the type of equipment we have furnished for demonstration purposes.

I also visited several areas in the vicinity of Madras. Several community projects are now in progress in this area, at least two of which are maintained on a contract basis with the Universities of Tennessee and Wisconsin. I noted that emphasis was placed upon demonstration work. But our only direct contact with those programs is in guidance and demonstration with contract payments comprising the bulk of our expenditures. I discussed the progress of these programs with one engineer present, a technician whose work it was to teach better methods of packing and manufacturing goods. He pointed out that large savings had been realized by Indian distributors and manufacturers as a result of the technical know-how made available under this program. I inquired if these savings were passed on to the consumers and the engineer with whom I spoke answered in the negative. He said that as a rule, supply is short, and the manufacturers and distributors feel that there is no point in cutting prices.

It strikes me that this situation certainly should be corrected, for if our program here is to result in benefits to the few with no relief for the masses, our money is certainly being spent for naught. Unfortunately, this seems to be the case as I pointed out in reference to our agricultural demonstration program for the use of tractors and farm machinery.

In discussing the overall community projects with the representatives of the college groups present here, I inquired whether or not they believed their effort were bearing fruit. The reply was unanimously negative with the reason cited that the programs were only about 1 year old and that much time would be required for them to take hold. Be that as it may, I believe that generally speaking these programs are extremely worth while and that the work should be followed through in order to achieve the utmost success.

My primary fear in this connection is that only a few of the people are being reached. I indeed hope that it will be possible for the Indians to soon carry the load; that is, the persons we train should subsequently train others and thus make the benefits of progress available to the great masses of India.

Also, in the Madras area, I inspected the extension work we are doing in cooperation with the Government of India. Our only expense is the salaries of technicians.

Unlike the project in Bhopal, we are not providing machinery and tractors, but it is felt that some demonstration material will be necessary. I expressed the hope then, and I express the hope now, that extreme care be taken not to follow the example at Bhopal where $100,000 was used to purchase tractors and complicated machinery in an effort to impose American farming methods on the people of India. It is my judgment that such a program, utilizing such complicated pieces of equipment, is not in keeping with existing conditions here. Our program should emphasize assistance for the small farmers, such as better yielding seeds, increased use of fertilizers, and modern basic devices, such as more efficient plows, hoes, etc. Under no circumstances should we engage in a program of training in order to provide skilled workers for the benefit of large landowners.

Following my inspection of these projects, I chatted with the former Governor General of India, Sir C. Rajagopalachari (Rajaji). He is a most intelligent gentleman, and he expressed views which I believe to be essentially sound. For example, he emphasized that he believed our program of foreign assistance should not be thrust on people. Even as to loans, he recommended that they be carefully regulated and not permitted to overload the budget of a country. Perhaps, we here should take cognizance of this wise man's advice and not overload our own budget.

During my visit in Delhi, I had occasion to discuss in some detail our information program in India with director of the USIA program. He indicated to me that there is a strong undercurrent of anti-American feeling in India founded principally on three issues. First, their misunderstanding of our racial relationships here in the United States; second, anger at our support of Portugal and its claim to Goa; and third, our attitude toward the arming of Pakistan and its membership in the Baghdad Pact. We are also criticized for not giving Prime Minister Nehru sufficient credit for attempting to make peace between the United States and Russia.

Last year—that is—during fiscal year 1956, the USIA country budget here totaled $1,200,000. This year—that is—fiscal year 1957, it was increased to $1,738,000 with an increase in American employees from 57 to 68 persons. The bulk of the extra appropriation available for fiscal year 1957 will be used to expand existing programs and to further the circulation of American Reporter, a bimonthly newspaper. The circulation of this publication is now 185,000 and it is proposed to increase this to 210,000.

The primary objectives of our information effort here in India are to convince the people of India that the United States champions peace and progress through peaceful means; to publicize the United States technical- and economic-aid program to India and the results thereof; to counter Commu-

nist propaganda and distorted information about the United States; and to promote a better understanding of the American way of life such as our historical background, our culture, our democratic processes, and our free-enterprise system, among other things. Achievement of these objectives is presently being sought through magazines, Voice of America broadcasts, and translation and publication of books from the United States into the various languages and dialects of India. Our administrators here also feel that exhibits, such as that of the Family of Man, play an important part in the program.

There are many obstacles in the path of our information program. For example, India is extremely sensitive to anything she may regard as an infringement of her sovereignty, although the attitude seems to be that India needs assistance from the United States and other areas. * * *

In this connection, I have received a letter from the acting director of the information program in Washington dated August 9, 1956, which letter contains comments on the country report I submitted to the Information Agency last year.

I have attached this letter to this report, but I feel it pertinent that I include in the body of this report the following extracts:

"It must be remembered, however, that the kind of program we are able to put on in a particular country depends to a large degree upon the attitude of the government. For example, in India the motion picture program has not been expanded to the proportions we would desire, in large measure because of procedural redtape of the Indian Government which has the effect of restricting the film program.

"The Indian Government censorship program normally requires from 3 to 4 weeks for approval of a film. Films with an anti-Communist theme are generally not approved. Other films with a decided message may take up to 9 months for approval, by which time the film is out of date.

"In addition to censorship by the Indian Government, film showings are licensed by the local governments. In the Bombay area all mobile unit showings are prohibited. In other areas licensing requirements are such that showings by mobile units are not practicable. Finally, mobile units are now permitted to operate only out of four major posts, making it impossible to cover the more remote areas. * * *

"There are roughly 80 million literates in India. Seven and a half million read English. These 80 million persons control most of the opinion-molding and policy-deciding positions in the country. The Communists are very aware of this fact and Communist publications are to be found in most bookstores. A November 1955 advertisement in the magazine New Age listed 90 different Soviet publications, ranging from illustrated children's books to works by Marx and Engel. Vigorous sales campaigns are undertaken including door-to-door solicitations and the setting up of stalls by the local chapters of the Communist Party. * * *"

The information service maintains posts in India at New Delhi, Lucknow, Bombay, Hyderabad, Calcutta, Madras, Bangalore, and Trivandrum. A total of 69 Americans were on duty at these posts during the 1956 fiscal year with an additional 494 locals employed there.

We maintain information centers at these cities with reading rooms also at Guntur and Patna.

I wish to reemphasize my prior year recommendations that a greater effort be made to reach the masses of the Indian people. The magazines we publish, the books we print and, to a very large extent, the library and related facilities we maintain, are used almost exclusively by the literate of India, which constitute only a relatively small percentage of the Indian population. As noted in the letter cited above, only approximately 80 million of some 384 million Indian citizens are able to read and write. In the past, our information program has been directed almost exclusively at this literate element since it was felt that they are the opinion-molding and policy-deciding positions in the country. Unless we are able to reach the masses of the people, unless we are able to convince them of our peaceful intentions and our good offices inherent in the assistance we are rendering them, we shall never achieve any success in India. I also recommend that in bringing our information program to the grassroots of India that we be strictly objective. We should eliminate all criticism in any of the publications, pamphlets, movies, etc., prepared by us on India, and in fact as to any nation. We should extol the virtues of our own way of life and not criticize others.

In addition I recommend that this country use its good offices with Portugal to the end that the Portuguese cede Goa to India and that Portugal and other nations claiming or holding areas in India relinquish these to the Indian Government. By so doing, they would lose at best only small parcels of land and the West would gain much in stature in the eyes of the people of India. I can well understand that perhaps in former days it might have been necessary for the Portuguese and other maritime nations to control small parcels of land here and there in order to provide bases for their commerce. However, the time for such things as this is past, and each day the Portuguese retain their claim to Goa, they do themselves and the cause of freedom irreparable harm.

Mr. ELLENDER. My next stop was Ceylon, which is quite a fine little island, located at the southern tip of India. We have just started a program there. It will be recalled that some time ago efforts were made to extend aid to Ceylon, but because the then existing government was not willing, the proposal went unaccepted. This was the case until recently, when former Prime Minister Kotelawala was defeated at the polls. He was succeeded by the present Prime Minister.

Although the projects outlined to be done in Ceylon had been in the talking stage for almost 6 months, it was not until 48 hours before the end of the 1956 fiscal year that $5 million was obligated. This is a grade A example of the reason why there are so many unexpended funds on hand in many countries. In this case, $5 million was set aside 2 days before the end of the fiscal year. If that money had not been allocated to Ceylon, it might have come back to the Treasury. I am not permitted to say how much will be available for expenditure in Ceylon from the 1957 budget, because that amount is still secret, up to this time, but there will be available what was allocated in the closing hours of the 1956 fiscal year, and what will be allocated from the fiscal 1957 budget.

When a program starts with so much money, it starts in a big way, and is likely to grow bigger and bigger—and contain much waste.

I believe that Congress should deny new funds, under such circumstances as these, where a country has enough on hand to carry on. Providing new funds while unexpended balances are so large accounts for the huge surpluses of unspent funds which remain available at the end of each fiscal year.

Things are very promising in Ceylon, and I really believe that this money can be well spent and great progress made. But care must be taken to see that these funds are spent for the benefit of the mass of the people, rather than the few large landowners.

That seems to be one of the troubles in Ceylon. Nearly all the fertile land is owned by large families. Of course the Government is attempting to acquire and distribute some of that land. I am not advocating confiscation; on the contrary, my belief is that when land is taken by the Government the owners should be properly compensated for it. However, in providing irrigation projects, it strikes me that care should be exercised to see that funds will be used to irrigate the lands of the many small landowners rather than the large landowners.

I ask unanimous consent that the remainder of my report on Ceylon be printed in the RECORD at this point.

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

CEYLON

Ceylon is a small island located near the southern tip of India. It has a total land area of 25,332 square miles, which is roughly equal to that of the State of West Virginia. The last census, taken in 1955, shows a population of 8,700,000—with the highest concentration of inhabitants located in the southwestern quarter of the island where agricultural conditions are exceptionally favorable.

There is much poverty on Ceylon. It is plagued by a shortage of good cultivatable land, and a burgeoning population which is estimated to double itself every 25 years.

Much of the good arable land is presently owned by well-to-do Ceylonese, who—until recently—have maintained the workers in the status of medieval serfs. However, the Government of Ceylon is doing a great deal to bring new land into cultivation, and there is increasing pressure being applied against the large landowners to have them sell some of their holdings or liberalize their rentals and thereby give the small farmers a break. A great deal of the state-owned land located in the northern part of the island, where the rainfall is scant and where irrigation is practiced, will be distributed among the Ceylonese farmers. It is expected that such a land redistribution program may discourage continued large holdings among the wealthy landlords. It is to be hoped that this can be done in an orderly way with just compensation to the landlords.

Our assistance effort in Ceylon consists primarily of technical and development assistance. The aid effort was initiated in fiscal 1956, with an agreement signed with Ceylon on April 28, 1956. However, on June 29, 2 days before the close of the 1956 fiscal year, ICA allotted $5 million for fiscal 1956, for economic and technical assistance funds to Ceylon. The money was tentatively earmarked for improvement of railroads, development of power and irrigation projects, the expansion of the University of Ceylon, and agricultural extension services. No plans had been previously made for any of these projects.

This $5 million was drawn from the President's fund for Asian development, and it is interesting to note that while the allocation actually took place in fiscal year 1956 it occurred only 48 hours before the close of that fiscal year with no hope of spending, nor even contracting for it, during fiscal

1956. Only token amounts have been firmly obligated. * * *

The circumstances surrounding the last-minute allocation of funds to Ceylon out of fiscal 1956 appropriations is compelling evidence tending to prove that the present system of presentation, review, and appropriation by the Congress of mutual-security funds requires extensive revision. It appears absolutely senseless for some $5 million in tax money to be allocated during the closing hours of a fiscal year, and then for our ambitious planners to insist upon, and by the way, actually receive an additional * * * for the succeeding fiscal year. Certainly this opens the way to waste and inefficiency.

During my visit to Ceylon, it was my judgment that since the Government of Ceylon has fixed 1962 as its target date for a number of economic reforms, our planners doubtlessly have in mind building up a large "kitty" for Ceylon in order to assure that nation of continued assistance even if the Congress should reduce aid here in some future year.

Of the $5 million allotted to Ceylon during the last 48 hours of the 1956 fiscal year, project assistance will be distributed as follows:

Some $1,875,000 to purchase 15 diesel locomotives as part of a program to modernize Ceylon's railway services.

Roughly $1,824,000 to purchase construction equipment supplies and technical assistance for the construction of irrigation projects and related maintenance facilities.

Over $581,000 to expand the University of Ceylon.

Roughly $75,000 to be used for supplies and equipment for government agricultural research and extension centers.

Exhibit A attached hereto indicates the scope of the program we have undertaken in this area.

Exhibit B, proposed fiscal year 1957 Ceylon American development assistance and technical cooperation program as of August 27, 1957, is a tentative outline of what can be expected in the way of further aid to this country should ICA, Washington, allocate * * * in development-assistance funds, plus * * * in technical-assistance funds, during the 1957 fiscal year.

It is interesting to note that this exhibit indicates that instead of USOM-Ceylon formulating a program of technical assistance consistent with local requirements, ICA allocated the * * * in technical-assistance funds to the Ceylon Mission and directed USOM-Ceylon to find ways and means of spending it.

(See also exhibit C.)

In this connection, it should also be noted that during the 1957 fiscal year, USOM-Ceylon will have available for expenditure not the * * * in technical assistance which ICA witnesses went to such pains to justify as absolutely necessary, but, actually, nearly * * * in technical-assistance funds, since to the * * * 1957 fiscal year allocation must be added the $975,000 allocation which took place during fiscal year 1956, and which was not obligated, and, of course, not spent during that fiscal year.

Since present circumstances have made possible the accumulation of roughly * * * in development assistance funds plus some * * * in technical-assistance funds for use in Ceylon, I recommend that the committee should not appropriate additional funds for this country in fiscal 1958. The addition of more money to the huge unobligated amount presently on hand would constitute an engraved invitation by the Congress for the continuation of wasteful practices. On the other hand, if all the money available is spent and/or obligated it might be used in the future as a gage to determine the size of the yearly program for the future.

I also direct the committee's attention to the fact that some $491,000 in development assistance funds allocated to the Government of Ceylon out of 1956 fiscal-year appropriations was used to defray the ocean freight costs of transporting powdered milk to Ceylon for distribution by CARE. Since funds for ocean freight for relief shipments have been appropriated under separate authority in the mutual-security bill, I find it most strange that our foreign-aid planners have gone out of their way to use development assistance funds—money for which they pleaded and which they emphasized as necessary down to the last penny if our aid program was to succeed—to pay ocean freight. I question the authority of ICA to use development assistance funds to pay freight on commodities for relief. Those responsible should be questioned and dealt with properly. I recommend that appropriate language be incorporated in the fiscal year 1958 bill, precluding further diversion of such funds for purposes other than appropriated, should there be a loophole in the present law to permit such a diversion of funds. In this connection, the committee will recall that when the subject of a Presidential fund for Asia was first broached to the Congress last year the overriding necessity for a separate appropriation for this purpose was justified on the basis that the money would be used for regional projects.

During hearings before the House Committee on Appropriations on the fiscal year 1957 appropriations bill, Mr. John B. Hollister, Administrator of the International Cooperation Administration, again testified that the purpose of the President's fund for Asian economic development was to further the establishment of a number of regional projects, but he added: "While under the statute preference is to be given to projects of a regional character, the possibility of a need to use this fund for assistance to individual countries was also foreseen. We have kept such situations to an absolute minimum but have found it necessary to fund a modest development program for Indonesia and a small part of one for Ceylon from the Asian fund. These activities, which account for less than 5 percent of the outstanding appropriation, were deemed to be of major importance to the accomplishment of our foreign policy objectives in Asia, at a time when there was no other readily available source of funds with which to carry them out." (P. 62, hearings, mutual security appropriations for 1957, House Committee on Appropriations.)

While it is perhaps understandable that some individual country projects should be financed from money appropriated for primarily regional development, it is particularly difficult for me to understand in the case of Ceylon just why it was of such major importance that $5 million of these regional funds should be withdrawn from their primary purpose and allocated to Ceylon when, by waiting only 48 hours, fiscal year 1957 funds, request for which was then pending before the Congress, could have been used. Activities such as this on the part of our foreign aid administrators are responsible in no small measure for an increasing lack of confidence in and appreciation of our foreign assistance efforts among both rank and file American citizens and of course Members of the Congress. At the time of my visit to Ceylon, which was more than 60 days since the allocation of fiscal 1956 funds, no actual work had yet been undertaken.

It is my considered judgment that a reasonable and realistic program of assistance to Ceylon could achieve much good. However, extreme care will have to be used in both the manner and method by which the funds are applied.

Reference to the attached exhibits will demonstrate that it is proposed to spend some * * * during the next fiscal year on irrigation and land reclamation in Ceylon. By all means, programs upon which these funds are to be applied should be carefully scrutinized, and every effort should be made to see that the money we spend for this development will not inure to the benefit of the large landowners. The overriding purpose of our expenditures should be to better the way of life of the masses of the people. I would also recommend that consideration be given to suggesting that an increased tax rate be made applicable to the large landowners by the Government of Ceylon, on the theory that those who have created the conditions of unrest with reference to land shortages, should assist in defraying the cost of rectifying their errors. If a tax is not feasible, some other method should be studied and applied.

* * * * *

It is my impression that the changed government owes its existence primarily to the activities of religious leaders of the Buddhist faith. The Buddhist priests were very active in the election. It was their position that the former premier was too favorably inclined toward Christianity and that his reelection would injure the Buddhist cause. Apparently such was not the case. The people have learned better since the election and there is a growing dissatisfaction in Ceylon with the ruling regime, I was informed by people I talked to in various parts of the island.

It was my privilege while in Ceylon to confer with Sir Oliver Goonetilleke, Governor General of Ceylon, who has held his post since July 17, 1954. He is the first Ceylonese to ever hold this position in the local government. Before his appointment he served as Minister of Finance in the government formerly headed by Sir John Kotelawala.

During our discussions, Sir Oliver emphasized the need for assistance to Ceylon, and was most interested in conditions in the United States. I stressed to him our present economic position, with particular reference to our large debt and the fact that we are bogged down in deficit financing; I hope that my remarks had some effect. It has been my impression that too many foreign leaders feel that the United States has an inexhaustible source of funds—an impression which, unfortunately, is fostered by some of our representatives abroad. All of the budgets for foreign aid are made up and suggested by our own representatives and they seem unwilling to consider the impact that such spending will have on our own economy. A large bureaucracy has been established on both the Washington and the foreign level that has become most powerful. It dictates the amounts to be spent and the terms and conditions under which the spending is to be made.

It is my hope that the program in Ceylon will be administered in keeping with this small country's financial ability to carry on after we leave. We should start at the bottom rung of the ladder and go up progressively as the people show a tendency to help themselves.

INDONESIA

Mr. ELLENDER. Mr. President, the next country I visited was Indonesia. We have spent a great deal of money in that country for technical assistance. We have loaned Indonesia some money with which to build cement plants, and we are now in the process of lending money to Indonesia for the erection of additional cement plants and also for the erection of fertilizer plants. We plan to use some of the money we are making available to Indonesia for technical assistance to educate technicians, so that they will be able to operate those plants after they are erected.

One of the great difficulties in Indonesia is that it has a population of al-

most 90 million, of which two-thirds live on Java.

Other islands are the Celebes and Sumatra and Bali, for example. The other islands are very thinly populated.

It strikes me that a program to be of most benefit to those people should be started at the bottom rung of the ladder. We should educate the people there in keeping with their ability to carry on.

Moreover, as I stated before, no projects should be promoted in that area of the world unless the host country—in this case Indonesia—is in a position to carry them financially. Unless that course is followed we will be trying to educate men and women to operate many of the projects to which I have referred for a long time. Unless the host government itself has the money to keep the operation under way, the United States will have to carry the burden for a long time, for if we failed to do so, we would probably end up making more enemies than friends.

Mr. President, I ask unanimous consent that the remainder of my report on Indonesia be printed in the RECORD at this point.

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

INDONESIA

Indonesia is essentially an island republic, with a population of some 80 million. The land area of the country, which is about twice the size of Texas, consists of over 2,500 islands stretching from the equator in a southeasterly direction for a distance of some 3,000 miles. Included are the islands of Sumatra, Java, Celebes, the Moluccas and Borneo. Java, incidentally, is the most densely populated area in the world. Living within its confines, an area approximately the size of New York State, are 50 million people.

Prior to the establishment of an independent government in Indonesia, the area was under Dutch influence. Known as the Dutch East Indies, the islands were developed into one of the world's richest colonial possessions. It is an unfortunate fact that the Dutch made no concerted effort to improve the living conditions of the people who inhabit what is now the Republic of Indonesia. On the contrary, the Dutch exploited the Indies—draining them of their rich tin and rubber resources, leaching their soils with the concentrated production of sugarcane and other crops, and gave little or no thought to bettering the welfare of the people.

The net result at this time is a tremendous distrust of white men, particularly those who inhabit the nations allied with the West.

It is against this background that present events in Indonesia must be studied. In extending assistance to the Republic of Indonesia, the United States is treading on extremely dangerous grounds, for while the island republic is rich in natural resources and ripe for development, there is an outward hesitancy to accept aid from the United States lest the impression be left that the country is falling under the domination of another Western power. Thus, at least outwardly, Indonesia must maintain a position of being unwilling to accept American aid even while its present circumstances cry out for development.

American assistance to Indonesia began in 1950, although approximately $60 million in American assistance was extended to Indonesia in 1945 to 1948 through the Netherlands. In 1948, our aid program was suspended, but in 1949, when sovereignty was transferred from the Netherlands to the government of the new republic, an additional $40 million of assistance—largely in food and consumer goods—was authorized by the United States in order to help the new nation through its difficult infancy.

In 1950, our Government signed an agreement for economic and technical cooperation with the Government of Indonesia. Aid rendered since that time has been primarily technical assistance, with some economic aid.

In addition to American assistance, the United Nations technical assistance program has also been operating in Indonesia. As a matter of fact, as of July 1956, the following U. N. agencies were active in this area:

1. United Nations Technical Assistance Administration.
2. International Labor Organization.
3. Food and Agriculture Organization of the United Nations.
4. United Nations Educational, Scientific, and Cultural Organization (UNESCO).
5. International Civil Aviation Organization.
6. World Health Organization.

During 1957, the United Nations will spend a total of $13.3 million in technical assistance in Indonesia for projects of a varied nature.

Attached to this report is a 21-page summary of proposed programs for the United Nations fiscal year 1957.

I was not able to obtain the total of expenditures by the United States since its program of assistance to Indonesia began. However, since the 1951 fiscal year through fiscal year 1956, United States dollar contributions to Indonesia have totaled $41.7 million. This amount comprises 41.73 percent of a total program cost of $99 million. The remaining 58.27 percent is made up of $38.5 million from the Indonesia country budget plus $19.6 million in counterpart funds.

Total of actual expenditures in Indonesia by the United States during the 1956 fiscal year aggregated $6.3 million, including $2 million generating counterpart funds, and $4.3 million which generate no counterpart. In this connection, unexpended balances in United States funds as of June 30, 1956, totaled $17.2 million, with an additional $847,624 unobligated.

Unexpended counterpart funds (in equivalent United States dollars) aggregated $41.4 million as of June 30, 1956, with $38.2 million in counterpart equivalent unobligated.

To these amounts must be added the * * * appropriation voted by Congress in the fiscal year 1957 mutual security appropriation bill, thus raising the total of unexpended funds to * * * million with some * * * million of this amount unobligated. In addition, however, $47.3 million in counterpart funds (in equivalent United States dollars) will also be available for expenditure, with $44.2 million of this amount unobligated.

Over and above this amount, we presently have programed for Indonesia under Public Law 480 (title 1) $96.7 million worth of agricultural commodities. Of this sum, $77.4 million of the total currency proceeds are to be loaned back to the Government of Indonesia for economic development. (See p. 24, H. Doc. 447, 84th Cong., 2d sess., fourth semiannual report on activities under Public Law 480, 83d Cong., as amended, dated June 30, 1956.)

Thus there is available for expenditure in Indonesia during the 1957 fiscal year a total of * * * million composed of * * * million in unexpended dollar funds under the Mutual Security Act, $47.3 million in counterpart funds, and $77.4 million in local currency loan funds under title I of Public Law 480.

In this connection, it is interesting to note that there is an apparent discrepancy between the figures I obtained in Indonesia and those cited to the House Appropriations Committee's Subcommittee on Mutual Security Appropriations during hearings on the fiscal year 1957 appropriations bill.

At that time (June 14, 1956) Dr. R. T. Moyer, director, Office of Far Eastern Operations, International Cooperation Administration, testified that ICA expected to terminate the fiscal year 1956 with only some $10.4 million in unexpended funds in the Indonesian account. J. E. Murphy, Controller, International Cooperation Administration, testified on that same date that the unexpended balance for both technical and development assistance in Indonesia was expected to aggregate $10.4 million, based on an expectancy of spending $7.9 million during the 1956 fiscal year.

According to my figures, actual expenditures in dollars during the 1956 fiscal year totaled $6.3 million, with an unexpended balance as of June 30, 1956, of $17.2 million. In other words, taken together, testimony before the House Appropriations Committee subcommittee and information given me during my visit to Indonesia are irreconcilable. According to the latter, the Indonesian account contains approximately $6.8 million more than either Mr. Murphy or Mr. Moyer expected, despite the fact that expenditures totaled $1.6 million less than expected. I have not been able to determine precisely what happened to the difference—approximately $5.2 million. Nevertheless, this point should be cleared up by ICA, for it is strong evidence of an almost total lack of accounting procedures and/or sloppy management in the aid program here.

Of the * * * tentatively earmarked for the fiscal 1957 program, approximately * * * will be spent for agriculture and natural resources, * * * for industry and mining, * * * for transportation, * * * for labor, * * * for health and sanitation, * * * for education, * * * for public administration, * * * for community development, social welfare, and housing, and * * * for general and miscellaneous purposes such as radio, film, and general audio visual advisory services, etc. This last item would be more properly chargeable against information program activities, but since it represents visual aids and similar items for the furtherance of the technical and development assistance program here, it is charged as an expense against the ICA program.

During my stay in Indonesia, I had an opportunity to visit several of the aid projects. My first visit was to the office of the Medical Control Center, part of a project involving the modernization of medical services in this republic. The offices I visited are quite modern.

The proposed medical program is a 5-year effort. It involves assisting the medical faculty of the University of Indonesia in strengthening its teaching facilities to a point where some 300 physicians, as opposed to 30, at present, can be graduated annually. This goal is supposed to be reached by 1965.

Under a contract with the University of California Medical School consummated in July 1954, an affiliation has been established between that institution and the medical faculty of the University of Indonesia. The University of California is providing 10 to 12 man-years of teaching services to the medical faculty annually. California personnel are in practical charge of operations of the various departments of the Indonesia Medical School. Graduates of the local facility are sent to the United States for specialized training, and upon their return may join the Indonesian faculty as members thereof. By the time the contract activities are concluded, which is presently proposed as 1960, it is hoped that sufficient new personnel will have been trained not only to replace the contract personnel but also to expand the teaching capacity of the medical faculty in order to provide the requisite graduates per year by 1965.

I was informed that the malaria health program, which actually began in 1951 was

undertaken on such a small basis that over $2.5 million was spent with little or no results. The local authorities evidently tried to cover too much ground with the small amount of money they had available. Under present plans, equipment and services which are acquired will be provided over a 5-year period with the total United States contribution required fixed at about $10 million. An equivalent amount will be contributed by the local government in labor, fuel, and administration. This would appear to be just one more example of a long-term obligation, moral if not precisely legal, entered into by our planners without adequate congressional authority. Nevertheless, a glance at the total unexpended balances available for expenditure in this area indicate that while congressional authority for this long-term obligation is not available per se, the accumulation of funds presently in ICA-Indonesia coffers will permit the program to be carried to completion. If this were the only long-range program I discovered on my journey, I would not feel that there is presently a deliberate and apparently successful effort being made to circumvent if not negate the intent of Congress in not authorizing mutual-aid programs on a long-term basis. However, in Indonesia alone, a number of projects have been undertaken which will not be completed for a number of years. These include:

1. Agriculture and extension and the creation of an agricultural experiment station. Reference to the attached data will show that "It is expected that United States assistance will be withdrawn from this project by the end of calendar year 1961 and that, by that time, Indonesia will be able to carry on the necessary activities in this field with only a minimum of consultation with ICA headquarters personnel."

2. Land development and conservation. This is described as "A companion project to the agriculture extension and agricultural experiment station * * *." It would appear that this program will continue for the same length of time as its conjunctive effort.

3. Expansion and modernization of marine and inland fisheries. This project is tailored to increase the use of fish as a source of animal protein which is essential for an adequate diet, by providing demonstrations of the possibilities inherent in production methods of fishing, of handling, and of processing, assisting in providing sources of fish flour, canned fish and quality dried fish and shrimp to establish and stimulate their acceptance in domestic trade channels, provide training for the development of skills necessary in expanding operations throughout Indonesia, fostering improved culture techniques in existing inland ponds, stimulating stocking of rice paddies for inland fish varieties, and assisting to halt production declines by preventing the silting of brackish water feeder canals. According to attached data, "It is planned to withdraw ICA assistance to this project by the end of 1961, by which time Indonesian personnel should be in a position to effectively carry on the activities of the project to its natural conclusion."

4. Consumer industry development techniques, which involves providing American technicians to help plan increased manufacturing of consumer items from raw materials which are indigenous to Indonesia. According to the data supplied to me, "United States withdrawal for the entire project is tentatively scheduled for early 1958."

5. Cement plant training. This project provides 22 training grants in cement plant management and operation for the technical and managerial staff of the government-owned cement plant here. A contract for the operation of this plant is presently in effect with the Morrison-Knudsen Co., and this contract will expire in 1959. In the attached information ICA indicates: "It is not expected that ICA assistance will continue past the termination of that contract which is planned for late 1959."

I visited the cement plant referred to, which is state-owned and which was financed by an Import-Export Bank loan of approximately $14 million. Capacity of the plant is approximately 275,000 tons per year, compared with present production of some 15,000 tons per year now resulting from the old plant on Sumatra. It was indicated that Indonesia's present cement requirements aggregate some 500,000 tons annually, and this will probably increase in the near future to some 900,000 tons annually. According to my notes, we have entered into a contract that will cost the United States some $600,000 to operate the cement plant for 18 months to 2 years (this is the Morrison-Knudsen contract) and in addition we are sending 22 Indonesians at a cost of $7,000 each to the United States for on-the-job training.

6. Vocational education teacher training. This project was originally scheduled for completion in late 1957 but the Indonesian Government has requested that the Tuskegee University contract be extended until the end of 1958. It is my understanding that this contract has been so extended.

7. Police administration. This involves assistance in improving the operations of the Indonesian police force, including the provision of small weapons, laboratory equipment, and similar items along with technical training. ICA indicates: "It is believed that by the end of fiscal year 1961, the time at which withdrawal of ICA assistance is planned, the State police will have been strengthened and improved to the point that the department will be able to carry out the proper functions of a modern police organization without any difficulty whatsoever.

All of these projects point to a plan by our local administrators—coupled with at least a moral obligation—to maintain an aid program in Indonesia for a period ranging from three to five years from the present date.

In addition to my visit to the cement plant, I also proceeded to other projects in Indonesia. I visited an agricultural station. This center trains tractor operators and repairmen for the various tractors located throughout Indonesia. Groups of 16 to 20 students spend approximately six months in this type of training and then return to their respective areas as tractor operators or repairmen. We provided six or eight tractors and repair parts as well as machine tools for training. This work is carried on at the expense of the local government except for our contribution of technical help, tractors, etc. for demonstration.

I also visited the demonstration farm of 27 acres, designed to demonstrate the value of soil conservation. Some 10 acres have been restored to fertility. The land was nicely worked and legumes were planted. There is not much erosion in some parts of Indonesia, but it is my understanding that in West Java much land has been worn out. It is hoped that more demonstration farms will be undertaken, and I agree that they would serve a useful purpose. However, we should confine our assistance to providing technicians and perhaps a little fertilizer for demonstration purposes.

I was informed that it is proposed to construct a fertilizer plant in Indonesia, to cost approximately $20 million. Public Law 480 proceeds will be used to some extent to pay for labor and local materials, but the United States, I understand, is to contribute some $12 million for machinery and contract services by an American firm. I have requested details on this and other proposed projects, for I fear that coupled with the examples I have cited above, they indicate a continuing obligation being forced upon our country by our field administrators to continue the aid program for many, many years to come.

I visited one of the public technical schools in Djakarta to see some of the work being done by Tuskegee University under its contract with ICA. It was my impression that our effort will meet rough going. The country is almost completely devoid of trained workers, because of the failure on the part of the Dutch to properly teach the Indonesian people various trades. I was informed that students are apt and willing to learn. All of them that I saw appeared very young and not too strong. The blacksmith shop and carpenter shop were well attended, and the equipment was being put to good use. In the school grounds I saw a few heavy pieces of steel being buried to get them out of the way so as to have more space. It impressed me that it is extremely wasteful for the Indonesians, aided and abetted by our administrators, to bury such valuable material. It was claimed that there were no large torches available to cut up the material and no foundry of sufficient size available to melt the iron. I feel that there is no excuse for such waste.

I also visited the diesel engine and auto mechanic school, the electricity school, and the woodworking shop. We have furnished quite a number of lathes, anvils, and other equipment such as engines, and parts of all kinds, for those engines. Each student is given a tool kit, and at the end of his term he is responsible for its return. Progress in such work as this is very slow. It will require many years to recruit a sufficient force.

In addition to the American operations, I have already referred to the fact that the United Nations carries on a rather large program also. It is my considered judgment that despite assurances given me by the local program administrators, there is a considerable amount of duplication between United Nation and United States technical aid. Perhaps a primary example of this is the malaria control program.

During fiscal 1957, the United Nations has programed a total of some $52,600 for malaria demonstration and training and for assistance to the malaria section. In addition to this amount, the United States has programed some * * * for malaria control technical services and * * * for equipment for malaria control. This equipment consists primarily of chemicals for spraying purposes and equipment to conduct the spraying operations. It strikes me that this work should be left to the United Nations. As it is now operated, the United States contributes 100 percent of its own program work for malaria control, plus a considerable portion of the United Nations effort. While there is no doubt that it would be beneficial to rid the island of malaria as quickly as possible, it would seem that the local government, operating with the United Nations, could assume some of the burden without the United States having to undertake additional expenditures.

Reference to the attached summary of United States technical assistance through 1956 fiscal year and the proposed fiscal 1957 program, along with the United Nations proposed program for fiscal 1957 will demonstrate that in almost every field, the United Nations and the United States are attacking the same problems. This is bound to result in duplication. As a matter of fact, before leaving Djkarta, I discussed the possibility of duplication with the chief of the UN mission in Indonesia, Mr. J. B. Rose. He admitted that at one time there was considerable duplication of effort between the United States and United Nations, but he insisted that the situation had been corrected to a large extent. I told him of my criticism with respect to duplication 2 years ago and he said that I was absolutely right. I am convinced that at least some duplica-

tion has been removed, but it is my fervent belief that a considerable amount still exists. It is my suggestion as it was several years ago that before any program is undertaken or pursued further by either the United Nations or the United States, consultation should take place and all possibility of duplication eliminated.

The information program here has an authorized contingent of 23 Americans and 126 locals. At the time of my visit only 18 were actually employed and 126 locals were on the job. For fiscal year 1957, the number authorized will be raised to 24, but it is expected that only 19 will be actually at work. As I just indicated, during fiscal 1956, 126 locals were employed, with 136 to be employed during fiscal 1957.

The USIA budget here shows a tremendous increase from 1956 to fiscal 1957. In the former year, the budget was $345,900; for fiscal 1957 this amount will be raised to $655,400.

I refer the committee to USIS/Indonesia material attached hereto, a portion of which is classified. This exhibit outlines in detail the activities carried on and the scope thereof.

It seems to me that the huge increase in funds approved for this post for fiscal 1957 is unnecessary. Surely, the needed work could be done here without the expenditure of nearly $700,000 per year.

It was my privilege while in Djkarta to confer with the Indonesian Minister for State Planning, and his assistant. He requested more aid from the United States and pointed out that Indonesia was in need of it. I suggested to him that increased economic assistance was really not necessary. I emphasized that if his government created a better economic climate in order to attract private investment, it could certainly earn for itself the dollar exchange necessary to further Indonesian development. I told him of how our country was developed but I could not convince him that it would be more beneficial to Indonesia if the United States did not step in.

Frankly, I do not feel that the United States should become too deeply involved here. A number of years will be required to educate a sufficient number of the Indonesian people in the technical complexities which they seem to want to acquire almost overnight. Progress is very slow, and we are in the unhappy position of having to attempt to force progress beyond its normal bounds in order to satisfy the claims of our planners and to beat down attacks on the aid program from pro-Communist elements in Indonesia, particularly those found in labor unions.

It should be noted that Indonesia is extremely rich in natural resources, particularly oil, tin, and rubber. If the people of Indonesia and their leadership would only create the proper climate for private capital to assist them in their development, I feel sure that an abundance of progress could be made without the United States spending one thin dime. This course is partly blocked by what is perhaps a not unreasonable fear that, based on the experience of Indonesia under the Dutch, foreign investment is synonymous with exploitation. As a matter of fact, it is this same fear that has made Indonesia reluctant to accept United States assistance. At this point, it would appear that unless the attitude of the Government of Indonesia changes, the present leadership may decide that, in order to satisfy public clamor, asking increased grant assistance from the United States would be a better way to achieve economic development than permitting private enterprise to assist the Government of Indonesia obtain that objective.

If such a request is made, I most heartily recommend that it be denied, that the Government of Indonesia be advised to seek to establish cooperative arrangements with private firms, using private capital, for development purposes. Certainly, the example of some Latin American nations, which have required as a condition precedent that foreign firms operating there plow a specified portion of profit from their operations back into the local economy, should be cited as a laudable course which Indonesia could well afford to follow. Our Government and our people cannot afford to spend huge sums to develop Indonesia merely because the Indonesian people and the Indonesian leadership do not desire to do it in the same manner our own people did a century ago.

If private capital cannot be encouraged to develop the country, then a loan program should be proposed, rather than outright grants.

AUSTRALIA

Mr. ELLENDER. Mr. President, from Indonesia I went to Australia. I had the good fortune to visit every State capital in Australia except one, Adelaide. In Australia, of all places, I again found that we have an Information Service. When I was there 3 years ago, the then Ambassador, Mr. Peasley, was new to the country. He was succeeded by Mr. Moffatt, who has since died.

I do not know of any people in the world who are more pro-American than the Australians. Yet, it is evidently felt that because we have an information program in other places where perhaps we should have one, such as in countries on the perimeter of Russia, we should also have one in Australia.

I have been trying to find out for the past 3 years what authority the State Department had to erect an office building there, or to contribute to its erection, and then turn it over to the information agency. What happened was this: An American insurance company decided to build an office building in Sidney, Australia. The understanding was that the United States would rent two floors of the building, and move our consulate from a bank building, in which it was then established, to the new office building. But, what happened? We paid 2 years rent in advance, in order to help the insurance company erect the office building. Then we did not move the consulate into that office building at all; instead, the Information Service—and I point all this out in my report—spent several thousand dollars in putting partitions in the new building to suit its purposes, and moved in. The Information Service is now paying a rent, and we are stuck, with a 10-year lease, obligating us to pay rent for that building.

This may have been a good idea as first conceived, but where is the authority for the State Department to enter into that kind of long-term agreement? That is not peculiar to Australia, Mr. President, for, as I point out in my report, similar situations have occurred in other places. With respect to many of the new buildings we are constructing abroad, to house our workers, there seems to be an effort made to provide permanent quarters for the information program. In other words, for the past 4 or 5 years it has been my observation that the Information Service has left nothing undone in that direction, in the hope, apparently, that it can make itself into a permanent organization.

So far as I am concerned, I am against it. I really believe that a system by which someone in the Ambassador's office or in the consul's office could disseminate information about our country would be a much better way of handling the matter than creating a permanent, global network of high-powered, high-cost press agents. We could let the great press services of the world, United Press, Associated Press, and International News Service, for example, perform the job of feeding world news to the newspapers in those areas, instead of our having to maintain a separate federally financed agency to give information to the local newspapers.

Mr. President, I ask unanimous consent that the remainder of my report on Australia be printed in the RECORD at this point.

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

AUSTRALIA

Australia is a thriving, growing country, almost entirely free of Communist influence. Some of the labor unions are still infested with a few Communists, however. Its people appear to be pro-American to the bone, and the memory of the Australian-American alliance in their battle against the Japanese in World War II is still vivid in their minds. I visited two great monuments, one at Brisbane and the other at Canberra, erected by the Australian people honoring Americans for their valiant fight against the Japanese. Communist influence is almost nonexistent here.

Organized labor and the Labor Party still exert considerable influence in this country. Unions control at least 90 percent of the labor force and it is my impression that they are most independent and effective. As a matter of fact, productivity per laborer in Australia is almost entirely controlled by union leadership. There has been some improvement in this situation recently, for a worker is today allowed a little more leeway in increasing his individual productivity in many trades than was the case during my visit in 1953. At that time, union members who exceeded a daily work average were punished.

I was told that no one ever works here more than 40 hours per week except in cases of extreme emergency. In addition, because of union influence in the Australian Parliament, immigration policies have been tailored so as to keep the labor force free from foreign influx. The immigration laws are flexible and the number of immigrants per year may be raised or lowered, depending on the labor supply situation. Unions have much influence in the determination of the number of immigrants to be permitted each year.

While Australia is growing—growing much as the American frontier grew in the earlier part of this century—it is in need of capital for investment. It has borrowed quite a sum of money from the World Bank and some effort is being made to borrow more to improve rail transportation. The primary roadblock in the way of this objective is that each Australian State has its own rail system; each State frequently has a different gage, with the result that goods must be transferred from one train to another at the State border. It is the desire of business leaders to rebuild and reorganize the railway system. Because of long distances with sparsely inhabited country, the cost will be high and in many cases, uneconomical.

My first stop was at Perth, where I was met by Stephen Winship, our consul here. He said there are 700 Americans residing in the State of western Australia, and the chief export is wool, with wheat a close second. He is the only American officer here and is assisted by three Australian girls. The office

takes in $5,000 per year, principally from visas.

My next stop in Australia was Sydney, where I conferred with the executive officer, Mr. Orray Taft, in the absence of Mr. Donald D. Kennedy, consul general, and the head of the information service, Mr. Robert J. Boylan, who came in from Canberra to meet me.

The total cost of maintaining our State Department missions here alone aggregated $469,562 in 1953, the time of my last visit to Australia, compared with $489,389, which is the estimated expenditure for fiscal year 1957. It should be noted that although the total cost of operating the State Department missions here has increased during the current period, there has been a substantial reduction in the amount of money required to pay United States employees. This was accomplished despite the fact that wages for American employees have increased considerably since 1953. It appears that my recommendations, submitted at the termination of my 1953 inspection, to the effect that more local employees could be hired at a smaller cost to our Government thus reducing the number of American employees, has been followed, and followed profitably.

With respect to the other operating costs of our State Department missions here, they appear to be normal, except that much savings could be effected if certain consolidations which I shall propose subsequently are carried out. Exhibit A attached hereto indicates the various purposes for which the total $489,389, fiscal year 1957 budget, will be used.

As the committee will recall, during my last visit to Australia, I commented on the contract which our State Department had entered into for the construction of an office building in Sydney. Under this contract, the building was constructed and the United States Government had obligated itself to pay a stipulated rent over a period of 10 years, some of which was paid in advance.

At that time, the objective was to move the consulate from the quarters it then occupied to the new building. I discovered upon my arrival in Australia that such did not occur. Instead, the Information Service has occupied the entire space contracted for our consulate, and is paying rent. As I visited the USIS offices here I discovered that many alterations were necessary in order to accommodate the structure to Information Service use. The Information Service paid for all alterations. USIS occupies the second and third floors, while the owner of the structure, the Hartford Insurance Company of America, occupies the first floor.

USIS is obligated to pay $9,200 per year rental for its space. The second floor, containing a library and film section, is most spacious. The third floor is occupied by offices and the press service.

Following my visit to Sydney, I inspected our activities in Melbourne. The staff here consists of 4 foreign-service officers and 1 clerk, all Americans, and 12 locals.

In addition to the consulate, we also have here the beginning of a new branch of the Information Service, which is presently staffed by 1 officer and 1 local clerk. Rental is $720 a year for office space for these two persons. I was informed that it was an absolute necessity that an office for the Information Service be established here in order to properly cover the Olympic games, which are scheduled for late 1956. I frankly saw no necessity for moving in a new staff in order to cover the Olympic games, when personnel assigned to either Sydney or Canberra could be temporarily assigned to Melbourne for that purpose. Further, I feel sure that an effort will be made to continue the office in Melbourne even after the Olympic games have ended. I most emphatically recommend that any such request be denied.

From Melbourne I proceeded to Canberra, where I was met by the United States Charge D'Affairs, Avery F. Peterson. The operation at Canberra seems to be progressing very well, in spite of the death of former Ambassador Moffat. I have no specific recommendations to make in regard to our operations there, except in respect to a consolidation of facilities which I will discuss later in this report.

After inspecting the State Department program in Canberra, I proceeded to Brisbane, where the high point of my visit was a conference with the lord mayor of that city, and Governor of Queensland, Sir John Laverick.

I believe Brisbane deserves and needs some form of consular service. I recommend that personnel now stationed at Canberra, Sydney, or Melbourne be assigned to this area; if that should not prove feasible, I would recommend that some American citizen presently residing in Brisbane be permitted to perform consular duties on an as-needed basis, with remuneration based on actual working time.

It is apparent that there is considerable duplication of effort involved in our State Department activities in Australia. Although Canberra is the capital, we maintain a full-fledged staff in Sydney, that handles practically all the business of the embassy. By all means, the Department of State should consolidate and concentrate its activities in Canberra, where we have built a fine home for the Ambassador, a spacious chancery, and where the Australian seat of government is located. There is no reason nor a good excuse for having all the administrative work for the embassy performed in Sydney. It should be transferred to Canberra. The same goes for all political and economic reporting. Consulates only should be maintained at Melbourne and Sydney, and a consular office in Brisbane. At the time of my visit it was my understanding that it is proposed to raise Melbourne to the status of a consulate general, so as to place it on a par with Sydney. These two cities vie with each other to the point where we must treat them similarly in all respects, no matter the cost. Whereas this increasing status will require no additional appropriation, my recommendation would be quite the converse—that both Melbourne and Sydney be reduced to consular posts, and the administrative, political, and economic staffs be assigned to our Embassy at Canberra. A considerable reduction of the force should be possible by the consolidation. We are spending entirely too much money in Australia when we consider its population.

As to the Information Service, the entire program in Australia should be dispensed with.

Exhibit B attached hereto indicates the scope of the information program in Australia; a total of $137,900 in tax funds is required for its maintenance. The justification urged by our representatives for maintaining such a large operation here is an almost stereotyped one, similar to the justification which one would hear in Vietnam or Korea. I emphasize once again that Australia is pro-American to the bone, and our Information Service should be withdrawn from this area at once. The books presently in the USIS libraries should be turned over to local Australian libraries, on condition perhaps that they be placed together in an American section.

An example of some of the unnecessary expenditures which are presently taking place under the information effort in Australia is the exchange program. In Australia we have a fund of some $5 million which is used to finance exchanges on a revolving basis. Persons selected to travel to the United States are selected by a local board. At the time of my visit, our planners urged that this program be accelerated rather than reduced.

In addition to this exchange program, we are also spending a considerable amount of money on the Smith-Mundt exchange program. Exhibit C attached hereto indicates that 113 persons are scheduled to be exchanged under Public Law 534, with an additional 29 persons receiving dollar grants on a joint basis, and 5 additional persons receiving full dollar grants. These exchanges, including journalists, lawyers, recreation experts, labor experts, etc., will require the expenditure of $51,465 during fiscal year 1957 in addition to exchanges financed out of the revolving fund referred to previously.

It is obvious with respect to Australia that our so-called information experts are determined to maintain a staff in each and every country where the American flag flies, whether it is needed or not. It is true that the sum involved here is comparatively small, but when measured against the need, which is practically nonexistent, it is obvious that information expenditures can and should be reduced considerably, and even eliminated entirely as I have recommended.

During my conversation with Sir Dallas Brooks, the Governor General of the State of Victoria, he remarked that the United States has spent considerable amounts of money all over the world, and that many of these expenditures were made possible by our own advisers. He commented that many of our representatives at home and abroad have the attitude that the United States' financial resources are inexhaustible, and that our eager-beaver emissaries do their utmost to convey this same impression to foreign officials and to the foreign man in the street. He noted that except for American encouragement—that is, encouragement and help from Americans on the scene—many countries would not have received as much financial assistance as they actually obtained. He agreed with me that the destiny of the free world depends upon the United States remaining financially strong, and that should America fall economically, the light of freedom will soon be extinguished throughout the world.

I repeat, we should do away with our Information Service here and consolidate all of our activities at Canberra, with the exception of maintaining consulates at Sydney, Melbourne, Perth and Brisbane. Much business is handled at Perth, one of the large cities of this country, and yet the business there is handled by 1 American officer and 3 locals. It is my sincere belief that expenditures could be cut here by one-third and still a good job could be done.

THE PHILIPPINES

Mr. ELLENDER. Mr. President, from Australia I went to the Philippine Islands and spent several days traveling around that country. I should like to reiterate what I stated after my 1955 visit, namely, that I do not know of a program being carried on in any part of the world, which is more in keeping with what Congress intended than the program underway in the Philippine Islands. It is heart warming to visit the various small villages and see people engaged with their own hands trying to carry on various programs for their own benefit. They build wells and otherwise improve their living conditions. All of it is under our direction, of course.

My hope is that the work can continue; but I also think it should be curtailed to some extent; that is, that we should not try to do too much too fast. I noticed that in the Philippines, as in many other countries, we have some long-term programs underway. If we continue along that way, it will invite

other countries to demand more, and those programs will be carried on more or less indefinitely.

Mr. President, I ask unanimous consent that the remainder of my report on the Philippines be printed in the RECORD at this point.

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

PHILIPPINES

This new nation, which received its independence from the United States on July 4, 1946, has shown a continued development since my first visit there 10 years ago.

After the Japanese occupation, it was quite a task to repair the tremendous damage necessarily sustained in the allied effort to liberate this archipelago.

Most of our aid in the last few years has been designed to support President Magsaysay's economic development program. The Philippine government has budgeted $79.5 million for the 1956 fiscal year for this program, which is designed to improve government services, expand transportation and communications, and, first and foremost, to improve the living conditions and earning capacity of the rural population, who make up 70 percent of the Philippines' total population of 22 million.

Our aid program began here on an organized basis in July of 1950. Through fiscal year 1956 a total of $137.1 million has been obligate or programed. In addition, the Philippine contribution, expressed in dollar equivalent, has aggregated $217.5 million.

During fiscal 1957 a budget request of * * * was submitted by the local mission. This amount compared with $19.7 million actually spent during fiscal 1956.

At the time of my visit no firm allocation for the 1957 fiscal year had yet been made, although almost 3 months in the 1957 fiscal year had passed. Should the entire * * * requested by the mission be allocated, there would be available for expenditure in fiscal 1957 a total of some * * *. This total is composed of the * * * requested by the mission for fiscal 1957 and $30.9 million in unexpended funds from appropriations allocated during prior fiscal years. Incidentally, this latter figure ($30.9 million) includes $19.2 million of unobligated funds, an amount approximately equal to the amount of money spent by the United States during fiscal 1956, exclusive of dollars which generated no counterpart funds.

Reference to the documents which I have attached to this report, and in particular to exhibit "A" of the booklet entitled "The ICA Program in the Philippines," will show that during fiscal 1956 from $2 million to $5 million have been requested for a regional training program plus $20 million to $30 million for Asian nuclear training. These amounts are to be funded from the President's Asian economic development fund. In this connection, I note that the $2 million to $5 million proposed for regional training under the requested withdrawals from the Asian economic development fund will be converted to pesos through the import and sale of United States agricultural commodities. Although I was not able to delve into this proposal in great detail, I would recommend that, instead of utilizing appropriated dollars for subsequent conversion to local currencies, consideration be given to using local currency funds which have accrued to the credit of our Government. These funds might be drawn from Public Law 480 proceeds, or from the reserved counterpart amounts generated under assistance programs here or in other areas.

There is indicated in section 1 of the attached exhibit A the types of programs we are operating in the Philippine Islands. For the most part, these programs consist of technical assistance, and are worthwhile. However, I wish to call to the attention of the committee the fact that a number of these programs have completion dates ranging from 1957 to 1960, and into the indefinite future. I fear that unless we make it clear to the Government of the Philippines that our mutual security program is not a long-range effort, we may find ourselves placed in the position of being compelled to maintain the program in order to fulfill at least moral commitments made by our officials in the field.

Also, I wish to warn the committee that it is my judgment that present negotiations concerning title to United States military installations in the Philippines may lead to our exchanging a promise of expanded assistance to the local government in exchange for the relinquishment of certain claims by the Government of the Philippines. Detailed information as to this controversy is, by its very nature confidential, and I suggest that all possible ramifications be developed in connection with the committee's hearings on the 1958 mutual security appropriations bill, and also, before the Committee on Foreign relations in connection with authorizing legislation. I was very much disappointed at the attitude of the press, generally, about the United States. They are advocating Philippine sovereignty over all bases with our putting up all funds necessary to erect all installations and the maintenance by us of all facilities at our expense. When I suggest that these bases were for our mutual protection and that those who advocated sovereignty should also be willing for the local government to share in construction and maintenance costs; I was castigated, called ignorant and brash. I was accorded most unfavorable publicity, to say the least, when I gave my views.

With reference to our effort to increase agricultural production and the status of small landowners in the Philippines, I visited a number of the projects where grassroots technical assistance is being extended. Again this year, I was impressed by the willingness of the local population to help themselves. In one village I inspected, I saw residents building roads while the United States was supplying the technicians and a truck. I saw poultry and swine projects where farmers were learning by seeing and doing, under the direction of their own people, who had been trained by our technicians under prior year efforts.

It is heartwarming to see men and women of this generation striving to better themselves by producing better livestock, using local products so as to provide a balanced diet for their families, and learning rudimentary techniques in food preservation.

Villages were kept clean. The inhabitants worked together and seemed proud of their accomplishments. Demonstrations in how to dig new wells and how to eliminate pollution were being extended. Projects showing how better homes could be built from local materials appeared worthwhile. Quoting from my "on the scene notes" which were jotted down during my visit to one of these villages:

"Fences and hedges surrounded the homes and there seemed to be an air of joy and contentment. It was very impressive and I hope that interest and progress can be maintained. Actually, very little money is being spent by us on such programs. We start them, create interest, and the rest of the program is carried on by the people through mutual help. All join hands in improving streets, building better homes, increasing their food supply, and generally raising their living standards."

These programs of self-help will certainly pay dividends—this will occur because we are attempting to assist the people of this generation. Certainly, programs of this nature are to be preferred to the outright grant aid, which if given lavishly, will result in the loss of self respect by the donees. Another thing, these programs are simple, in fact, rudimentary and are in keeping with the mental ability of the local people to absorb and they are also carried on within the financial capability of the local people.

While in the Philippines, I had breakfast with President Magsaysay and some of the members of the Senate of the Philippines. The conversation with them was most interesting. I was impressed by the sincerity and good intentions of these officials. I also conferred with Major General Joseph Harper, who is in charge of our military assistance mission here. He said that exclusive of the military hardware left here after World War II, goods valued at $178 million had been provided to the Philippine defense forces since 1950. He was unable to estimate what the future might bring, since developments will depend on the willingness of the government of the Philippines to pay its fair share of its defense burden. As I understand the situation, the local government reduced its appropriations for defense, considerably, actually to a point when it could not meet its obligations. As a result, we have held back delivery of further military hardware. It is my understanding that this policy will be continued until the local government meets its fair share of the cost. A similar attitude should be taken by our representatives in many other areas.

The information program here is a sizable operation. Posts are maintained at Manila, Cebu, Davao and Iloilo. I shall refer subsequently to this last post.

We also maintain information centers including libraries at Manila, Cebu, Davao and Iloilo.

As of July 1, 1956, a total of 15 American positions were authorized for the information service here, with a total of 109 local employees authorized as well.

Total costs approximate $721,300 per year, including $352,000 in funds allotted to the country, $124,500 in American salaries including the differential, and $244,800 for reimbursement to the State Department for shared administrative costs. At first blush it would seem to me that the reimbursement to the State Department is rather large, over one-third of the whole spent here by USIS.

In Manila, our Government also maintains a press production center. Costs approximate $2,586,600, including $1,519,900 in purchases consummated in the United States, $144,000 in American salaries, $162,200 for reimbursement to the State Department for shared administrative costs, and $760,500 in local program expenses. In this connection, the local program expenses in connection with the production center would bear examination in order to ascertain if they should not more properly be charged against the country budget of the information service.

Also maintained here are three radio-broadcasting services. The Philippines relay base, located 155 miles north of Manila, consists of a receiving station with general offices located at Baguio and transmitter station and offices at San Fernando. The transmitter plant consists of one 1,000-kilowatt medium-wave transmitter, two 35-kilowatt shortwave transmitters, and several low-power shortwave transmitters. Primary target of this relay base is south China, southeast Asia, and Indonesia, with broadcasts transmitted in Amoi, Burmese, Cantonese, English, Indonesian, Mandarin, Thai, Vietnamese, and Cambodian. Total costs for this facility aggregate approximately $325,000, including $185,800 in funds allotted to the base, $77,900 in salaries, $28,300 in purchases in the United States, and $33,100 for reimbursement to the State Department for shared administrative costs.

The facility at Baguio required the expenditure of approximately $694,500 during fiscal year 1956 which amount includes $382,000 allotted to the base, $137,700 in American salaries, $135,700 for purchases in the

United States, and $39,100 for reimbursement to the State Department for shared administrative costs.

Under the jurisdiction of this general area is the relay base for Voice of America broadcasts located on Okinawa. This establishment consists of a transmitting plant with a 1,000-kilowatt medium-wave transmitter and two 35-kilowatt shortwave transmitters plus a receiving station. The station is on the air 12 hours per day, with broadcasts directed principally at northeast Asia in Mandarin, Korean, Cantonese, Amoi, English, and Russian. Total costs for this facility during fiscal 1956 were approximately $668,200, including $358,700 funds allotted to the base, $160,200 for American salaries, $130,700 for purchases in the United States, and $18,600 for reimbursement to the State Department for shared administrative expenses.

Previously in this report, I referred to the USIA facilities at Iloilo. Before leaving Washington, I was requested by the information agency to look into the situation at Iloilo. At that time, it was proposed to close the facility entirely as of September 30 of this year. This proposal met a great deal of local opposition by the people residing in the immediate area, who desired the information center to remain open. As a matter of fact, the local residents formed a committee to study the proposed closing and after completing this study, recommended that the United States retain the facility. They promised to bear the cost of the space, together with the cost of utilities and janitorial services.

I recommend that this proposal be accepted. Certainly, the institution of a truly cooperative information center—based on cost of sharing between local citizens and the United States—would establish a precedent which could well be followed in other areas of the world. At the time of my visit, it was my impression that by accepting the local offer, we would be able to reduce our fiscal 1957 expenditures here by some $11 to $12 thousand. However, I am in receipt of a letter from Mr. George M. Hellyer, Assistant Director (Far East) for the United States Information Agency, wherein he states in part: "Unfortunately there appears to be a misunderstanding as to the effect of the decision to eliminate the branch public affairs officer position. The savings thus realized cannot be returned to the treasury as you suggest for the following reasons:

The decision to operate the Iloilo center without direct American supervision was made last year as indicated in Mr. Streibert's testimony before the House Subcommittee on Appropriations on February 22. When allocations were made to the overseas post in the following July, reduced costs of operations at Iloilo had already been taken into consideration. Thus, the allocation to the Philippines was determined on the basis that American salaries and other costs at Iloilo would be approximately $11 to $12 thousand less than they would have been if the branch post had been funded for the fiscal year. Hence, in arriving at the allocation of $354,000 (including $5,000 for local motion picture production) for fiscal year 1957 for the Philippine program, we were aware of the availability of this saving and anticipated its use in the post's other activities."

I attach to this report a record of correspondence between Mr. William W. Copeland, Chief Public Affairs Officer, USIS, Manila, and the Information Agency's Washington office concerning the Iloilo matter.

I would suggest, as I have before, that steps be taken now to close many of these facilities unless the local people carry a part of the load. There is no longer any reason why we should bear the whole load. The people are beginning to reap benefits from our library centers and they should be willing to contribute to their maintenance.

I respectfully refer to my report of last year where I discussed the cooperative movement here in the purchase and sale of Agricultural commodities. Much progress is still being made and the rates of interest charged to farmer borrowers are still being reduced.

KOREA

Mr. ELLENDER. From the Philippines I went to Korea. I wish merely to remark here that of all the countries I had the privilege of visiting, I do not know of one in which I had a more unfavorable press than in Korea. The bad publicity came about because I had been advocating reducing our assistance abroad. I was accused of calling the Koreans bloodsuckers, which I never did. I did not say that about Korea or about any other country.

However, I have since concluded, after all this bad publicity, that if the word were to be used at all, it could well have been said about our own people; that is, of those who are suggesting that we spend more and more money abroad.

The Senate may be surprised to know that all the aid budgets which are made in Korea, in Formosa, and, in fact, in every other part of the world, are not made by the people of those countries. It is our own representatives in those countries who go about figuring out how much money should be spent in order to carry on what they may regard as necessary programs.

For example, let me refer to Korea and Formosa—particularly Formosa. The ICA Administrators in Formosa and Korea were told to build an economy to take care of X number of soldiers. That was what they were told to do. There was nothing reasonable or realistic about the program—it was just conceived, as I see it. Thus, with little or nothing to work with, our administrators in Formosa and Korea proceeded to try to balance industry with agriculture. We now have in Formosa as well as in Korea, as the record will show, several hundred technicians who are trying to balance industry with agriculture.

The agriculture of Korea has never been better than it now is. In fact, in the raising of livestock of all kinds, there is no comparison with the condition which existed when the Japanese were in control of Korea before the Second World War, and there today. Korea's livestock industry—in fact, her entire agriculture—is producing at an alltime high. Yet the United States has technicians employed in that area who are trying to teach the Koreans how to grow more rice, for example, when the Koreans could teach some of our own people, because more rice per acre is grown in Korea and in Formosa, than is grown in any part of our country. Nevertheless, many Americans are employed there to teach the Korean people how to grow more rice.

In the case of industrial expansion, the same conditions exist in Korea as exist in Formosa. In those countries there are only a few technically-trained native personnel, if any. Yet, the United States has built manufacturing plant after manufacturing plant in those areas, and there is no personnel capable of operating them except our own people. The operation of the plants has to be done under our direction.

We have built, or are in the process of building, in Korea several flour mills, for example. Yet, not a pound of wheat is grown in Korea. Why was this done? Because our planners decided they could teach the Koreans how to use flour, and that by increasing the use of flour, the Koreans could export some of their rice. That was fine—except for one thing. Where will the Koreans get the wheat to grind into flour in these mills? Where do you think this wheat is coming from, Mr. President? Well, from gifts made under Public Law 480, of course.

In both Korea and Formosa the United States is spending millions of dollars to develop industrial plants. Most of the plants are to be operated by electricity. One would imagine that the governments of those respective countries would make every effort to have the individuals and the corporations which use the electricity pay realistic rates, so that the electric powerplants could pay their own way. But such is not the case. Instead, we—the United States—subsidize these plants and keep the power bills low. The same is true with respect to transportation and communications. What is particularly bad is that not only do we subsidize these utilities because the local governments will not charge realistic rates, but we built most of the powerplants, the railroads, the telephone and telegraph systems in the first place.

As might be expected, most of these utilities are publicly owned. In Formosa over 90 percent of the electric system is in the hands of the government.

Efforts are now being made, especially in Formosa, to double the present electrical generating capacity, although we have already been instrumental in trebling Formosa's prewar production of power. At whose cost has this expansion been? Almost exclusively at our own cost. Why? Because the fixing of rates, I was told, must be done by the Legislature of Formosa and the General Assembly of Korea. Because rate making is a hot political issue, neither the assembly of Korea nor the Legislature of Formosa has seen fit to increase rates to a point where they will pay current costs plus amortization.

I told our representatives in those two countries in no uncertain terms that I would report this fact to the Senate. I think we should ascertain how much we subsidized all those facilities, and deduct such amounts from any future appropriations.

I was advised by the American in charge of the railroads in Korea that the taxpayers of the United States pay an extremely large subsidy each year in order to operate those railroads—railroads built almost entirely by us. Again, because the General Assembly of South Korea will not charge reasonable transportation rates, the good taxpayers of the United States, including those who are our guests in the galleries, are subsidizing the Korean transportation system to the extent of several million dollars a year.

It is my hope that the General Assembly of Korea and the Legislative Yuan of Formosa, will proceed to im-

pose rates which will at least pay the maintenance and administrative costs of these facilities.

Though I have no proof of this, I have been advised, since my visit that in both Korea and Formosa the respective governing bodies have raised these rates to some extent. I hope that information is correct.

I think our next step should be to determine the size of the fiscal 1957 subsidies and to eliminate them from the fiscal 1958 appropriations. The people of those two countries should be required to carry that burden themselves. There is no excuse for the taxpayers of the good old United States of America to subsidize railroads, electric power, and communications in either of those countries simply because the legislatures fail to do their full duty.

Mr. President, I now ask unanimous consent to have printed at this point in the RECORD my statements relative to Formosa and Korea.

There being no objection, the statements relating to Formosa and Korea were ordered to be printed in the RECORD, as follows:

FORMOSA

I regret very much that the entire membership of the committee was not able to be with me on my inspection of this island fortress. Truly our program on Formosa—past, and present, and proposed—must be seen to be believed.

During the period fiscal year 1954 through fiscal year 1956 expenditures have totaled $247.4 million in United States funds, plus $237.9 million in counterpart funds. Against this amount local contributions have aggregated $146.5 million. During the 1957 fiscal year it is proposed to spend * * * in United States funds plus * * * in counterpart funds. Against this amount the Government of China will contribute * * * in its own currency. Thus, assuming the implementation of the fiscal year 1957 program as proposed at the time of my visit, expenditures during the period fiscal year 1954 through fiscal year 1957 will aggregate * * * in United States funds plus * * * million in counterpart equivalent. Against this amount the Government of China will have contributed * * * in its own currency.

"Unliquidated" balances (i. e., "unexpended") as of June 30, 1956, aggregated $97.1 million in United States funds, $3.6 million in unobligated balances is included in this total. In addition, there was on hand as of June 30, 1956, $23.4 million of unexpended counterpart funds, of which amount $8.6 million was unobligated.

These amounts plus the funds proposed for fiscal year 1957, enabled our mission on Formosa to open the 1957 fiscal year with a total of * * * in United States funds available for expenditure plus * * * in counterpart equivalent. The figure of * * * million in United States currencies is the equivalent of a 2-year program, based upon expenditures proposed during the fiscal year 1957. In other words, if expenditures in fiscal year 1957 reach the projected goal of * * *, our planners will have on hand something like * * * at the beginning of the 1958 fiscal year without the appropriation by Congress of another nickel.

On Formosa our economic assistance program is divided into two phases—technical assistance and defense support. Technical assistance during fiscal year 1957 will probably require the expenditure of * * * in United States funds while defense support will aggregate * * * in United States funds. This total of * * * in combined United States defense support and technical assistance expenditures during 1957 fiscal year compares with a total expenditure projected of * * *. (It is assumed that the difference between these two totals represents what is, in essence, budgetary support to the Nationalist Chinese Government.)

I have attached to this report for the committee's attention a 34-page summary of project descriptions for the defense support program plus a 12-page summary of projects to be implemented under the technical-assistance program. Reference to this data will show that the United States Government, through the mutual-security program, is presently engaged and has, for some time been engaged, in a comprehensive program designed to balance industry with agriculture on Taiwan. We are building new manufacturing plants, expanding power generation and transmission facilities, rehabilitating and expanding the Nationalist fishing fleet, undertaking a long-range program of coal, petroleum, and copper development along with a comprehensive program for exploration of minerals, expanding steel production, and surveying the possible necessity for expanding the production of steel and pig iron even further. In addition, we are maintaining a number of miscellaneous programs such as employment placement, job training, industrial administration, and a number of others. Altogether a total of 113 projects are included within the illustrative fiscal year 1957 defense support program. Listed marginal headings of these are as follows:

Agriculture and natural resources: Fifteen, total United States dollar cost * * *. Included in this total are the following items: * * * to procure logging equipment, etc.; * * * to procure engines and material for the local construction of four 350-ton tuna-fishing boats; * * * for the rehabilitation of cold storage and ice-making facilities to be used in connection with the fishing industry; and * * * to procure 75 tractors to increase mechanization for sugarcane growing and harvesting.

Industry and mining: This is the largest single phase of our defense support program here. Included are 62 projects, at a total United States dollar cost of * * *. The following are some of the more ambitious projects:

Coal-mining improvement: * * * For the development of workings in several coal mines.

Copper and pyrite development: * * * To defray the cost of the purchase of mining, drilling, and transportation equipment under the third phase expansion of the Chinqua-shih mine-development program.

Wusheh Dam: * * * To be used to defray the cost of contract services by the United States Bureau of Reclamation and to procure equipment necessary for the dam and power generating facility. The completion of this dam will add approximately 35,300 kilowatts of firm power to this system through the additional storage capacity available to the Sun-Moon Lake generating facilities.

Telecommunications exansion: * * * For financial support to the Taiwan telecommunications administration and to purchase equipment from worldwide sources to increase the capacity of urban telephone systems, the very-high-frequency system on the east coast of Taiwan, and the toll-carrier system on the west coast in order to meet the domestic demand for telephone services.

Lung Chien hydroproject: * * * To continue construction of this facility which will ultimately have a capacity of 48,600 kilowatts.

Ku Kwan hydrofacility: * * * To start procurement of equipment and to defray first construction costs of this project which will be developed initially as a 90,000-kilowatt run-of-river station with peaking pondage. ICA indicates that this project must be started in fiscal year 1957 in order to assist in relieving the acute power shortage projected for 1959 and 1960.

Fiscal year 1957 power transmission and distribution: * * * For dollar financing of equipment and materials to be procured on a worldwide basis for this project which is a portion of the Taiwan Power Co. program for the expansion and improvement of the transmission and distribution facilities under its control. (I shall comment on the Taiwan Power Co. later in this report.)

Fiscal year 1957 primary system improvements: * * * To defray the costs of procuring 100,000-kilovolt-ampere transformers and equipment and materials necessary to the construction of a new trunk transmission line paralleling an existing 154 kilovolt line along the west coast of Taiwan.

Shen Ao 1st unit thermal: * * * For planning and initial design of a hydroelectric plant and the training of two Taiwan Power Co. engineers in the United States on hydropower project planning and construction. The project, which it is proposed will be supported through the United States aid program in subsequent years, contemplates the establishment of a hydropower station having an ultimate capacity of 120,000 kilowatts.

Urea plant: * * * To continue procurement of equipment and materials, plant construction, and installations of equipment in a urea plant owned by the Taiwan Fertilizer Corp., designed to produce 85,800 metric tons of urea. This plant is expected to be in operations by the end of 1957.

Sulfuric-acid plant: * * * For continued financing of United States dollar costs of procuring equipment and machinery for the establishment of a sulfuric-acid plant with a designed capacity of 275 metric tons per day of 98 percent sulfuric acid, initial procurement of which was financed under the fiscal year 1956 program.

Electric motor and switch manufacturing: * * * To procure machine tools for manufacturing and testing equipment supplementing the equipment presently installed in the plant of the Ta Tung Engineering Corp. which produces small electrical motors, switches, switchgears, and other electrical accessories.

Incandescent lamp manufacturing: * * * To procure automatic bulbmaking machinery, auxiliary equipment, and testing apparatus for the manufacture of uniform glass bulbs. When complete, this plant will produce approximately 4.8 million light bulbs per year.

Modernization of mills: * * * To procure modern machinery and equipment to replace obsolete equipment in the sugar mills of the Government-owned Taiwan Sugar Corporation. In addition, an instrument control and repair team of 3 training participants will be sent to the United States for 6 months requiring * * * in United States currency and a counterpart grant of * * * Nationalist Chinese dollars plus * * * Nationalist Chinese dollars to be provided by the Taiwan Sugar Corporation.

Bagasse shaving board: * * * For a shaving-board plant having a capacity of 55 metric tons daily of bagasse board utilizing bagasse as a raw material. This plant is being established under the direction of the Taiwan Sugar Corporation. United States dollar financing is being provided under this project for the procurement of necessary equipment from the United States.

Dynamite manufacturing: * * * For the procurement on a worldwide basis of equipment for the establishment of a plant manufacturing 1,000 metric tons annually of industrial dynamite.

Acetic acid plant: * * * To procure equipment needed in the establishment of an acetic-acid plant having a capacity of 5 metric tons per year.

Rubber tire manufacturing: * * * This is an initial United States dollar grant to

provide equipment for the establishment of a rubber-tire manufacturing plant with a capacity of 30,000 automobile, truck, and bus tires annually. Additional financing will be required in fiscal year 1958.

Aluminum plant modernization: * * * For the procurement of equipment to improve the efficiency and reduce costs for the Kaohsiung plant of the Taiwan Aluminum Co.

Lithograph printing and platemaking: * * * To establish a modern printing plant in Taiwan to supply photoengraving and photolithographic plates to the printing trade and to provide high-grade printing facilities. The Government will sponsor this project but the plant will be turned over to private finance and operation after completion and after a training program has been carried out.

* * * * *

Shop improvement of the Taiwan Machinery Manufacturing Corporation: * * * To procure modern machine tools and equipment for plant improvement and expansion for this industry which produces the major portion of heavy machinery manufacturing on Formosa.

Tang Eng Iron Works: * * * To procure equipment for this privately owned facility to provide two new substations to meet the additional load requirements directly from its powerline.

Jute mill rehabilitation: * * * To rehabilitate two jute mills which were transferred to private ownership in 1955. This money will be used to procure replacements for wornout machinery.

Small industry fund: * * * This project, begun in 1954, was designed to make available industrial development loans to a great number and wide variety of small privately owned industries. Delayed payments for United States dollar-aid equipment and machinery and local currency loans for plant expansion are extended through three privately owned and managed commercial banks with branches situated in all major cities of Taiwan. In this connection, during my visit I was informed that these loans are being repaid at a rapid rate. However, I was informed that borrowers are required to pay 6 to 7 percent interest rate on 80 percent of the amount borrowed and 15 percent interest on the remaining 20 percent which is advanced by the banks referred to above. In addition, I was told that the banks charged 1 percent on the total amount borrowed for merely collecting the installments as they come due. I think such a system is unconscionable. It is a bonanza to the banks and I recommend most emphatically that our mission take steps to see that more reasonable rates are promulgated.

Water resources survey: * * * To finance a comprehensive survey of the water resources of Taiwan.

Steel industry survey: * * * To complete a project begun in the 1956 fiscal year. The * * * will be used as a contingency fund for services of a group of six consultant engineers whose expenses were financed in fiscal year 1956. This survey team will work with the Industrial Development Commission on general overall planning, blast-furnace installations, byproduct coke oven, steelmaking processes, and rolling mill installations.

General construction corps: * * * This is a new project which provides as a counterpart fund grant, local currency for financing the training, equipping, and housing of several thousand combat ineffectives retired from the Chinese Armed Forces who have joined together to form a construction working corps. This construction corps has been working on various water-conservation projects throughout Taiwan and is now employed on the East-West Highway. This project will enable the construction corps to be permanently resettled in self-supporting productive employment on Taiwan. United States dollar-aid financing is tentatively budgeted for importing construction machinery for use of the construction corps. This is another phase of the "GI bill of rights" program which the United States has undertaken to help finance in large part for the Government of Nationalist China. This program involves the resettlement of over-age members of Chiang Kai-shek's army. I shall refer to this program later on in my discussion of public administration projects.

Transportation: Under this phase, 13 projects are to be undertaken at a total United States dollar cost of * * *.

East-West Highway construction: * * * This is part of a continuing project which provides for United States dollars and counterpart funds to continue and expand construction of a major highway connecting the east and west coast of Taiwan. It was originally begun in the 1956 fiscal year. The highway involved crosses Taiwan's high central mountain range and opens up vast areas of the island for exploitation as resettlement activities for combat ineffectives in the fields of forestry, farming, livestock raising, mining, etc. The dollars provided will be used to obtain construction machinery and materials for the highway which cannot be obtained locally or in Japan. The counterpart funds will provide financing for resettlement projects for combat ineffectives. In other words, this is another phase of the "GI bill of rights" program being extended with the United States assistance to over-age soldiers of the Nationalist armies.

Expansion of railroad facilities: * * * To finance the dollar cost of the first year of a 4-year development plan embarked upon by the Taiwan Railway Administration to meet the needs of their growing economy. Dollars provided during fiscal year 1957 will finance the procurement of 5 steam locomotives, 1 wrecking crane, and materials for construction of 6,000 tons of freight cars. The 4-year plan aimed at adding 25 steam freight locomotives, 6 switching locomotives, 25,000 tons of freight cars, and 146 passenger cars. Also under the fiscal year 1957 program will come a railway shop expansion including the procurement of machinery and equipment and extension of shop buildings for the expansion of the Taiwan Railway Administration workshops at Taipet and Kaohsiung. In subsequent years we shall also contribute to the building of a railway double track over 3 sections totaling 21 kilometers which are regarded as bottlenecks.

Keelung harbor improvement: * * * To continue improvement of Keelung Harbor's facilities. Dollars will be used to expand the grain elevator from 10,000- to 15,000-ton capacity and to construct three new small tugboats.

Coastal ships construction: * * * On a loan basis to construct one 25,000-ton general cargo ship for banana export to Japan, one 350-ton ferry boat to run between Kaohsiung and Makung, and two 50-ton ferries to operate between Taitung-Orchid Island and Green Island.

Civil airways improvement: * * * To continue the improvement of navigational aids, landing and communication facilities of Taipei International Airport and Tainan and Hengchun NDB and VOR stations, as well as maintenance and overhaul facilities.

Shipyard expansion: * * * For the procurement of one 35-ton crane for the building berth of Taiwan Shipbuilding Corp. as well as additional arc welding machines, acetylene generating and piping systems and electric apparatus. The underwater section of the No. 2 berth will be extended to permit simultaneous construction of fishing boats and coastal vessels leaving drydock No. 1 available full time for ocean ships repair. The Government of Nationalist China will provide * * * Nationalist Chinese dollars to pay customs duties, installation cost, etc.

Education: In the field of education one project is contemplated as follows:

Expansion of educational facilities for overseas Chinese: * * * For physical facilities and improvements on the various college and high school campuses which have been made available for the training of overseas Chinese students.

During the fiscal year 1957 it is also proposed to spend * * * United States dollars in the area of health and sanitation including, among the larger expenses, * * * for further work toward the completion of permanent hospital and domiciliary facilities for 19,837 disabled and sick combat ineffectives discharged from the Chinese armed forces in June 1955. In addition, there is involved a counterpart fund grant of local currency in the amount of * * * equivalent United States dollars for financing the interim medical care and living expenses for these 19,837 persons. This, as is obvious, is another phase of the so-called "GI Bill of Rights" program for over-age Nationalist Chinese soldiers. Besides this facility, there is also programed * * * for the importation of construction materials for building construction and its support facilities such as staff housing as well as for importing medical supplies and equipment for equipping and operating a 1,000-bed general hospital for these soldiers; * * * for materials, etc. for a 1,500-bed tuberculosis hospital; and * * * for constructing and equiping three clinics being built to provide adequate medical facilities for 10,000 combat ineffectives. All of these programs, as I indicated previously, are part of the so-called "Chinese Nationalist GI Bill of Rights."

In the field of public administration, it is proposed to spend a total of * * * in United States dollars. * * * of this amount will be used to provide dollar aid to assist the Chinese Government in carrying out its retirement program for discharging combat ineffectives from the Chinese armed forces and to defray the cost of a contract with George Fry and Associates. This latter firm is to advise the Chinese Government on all phases if its retired servicemen's program which aims at permanently settling as far as possible in productive, self-supporting employment, the combat ineffectives in the Taiwan civilian economy. This, too, is part and parcel of this "GI Bill of Rights" for the Nationalist Chinese.

In the area of community development * * * is proposed to be spend during fiscal year 1957 including * * * to build 9,500 low-cost dwellings for low-income workers during fiscal year 1957 by making construction loans. About 40 percent of the capital required is supplied by counterpart funds. An additional * * * will be spent in the continuation of a project which provides as a counterpart fund grant local currency for constructing, equipping, and operating six domiciliary-type homes for 6,000 disabled combat ineffectives retired from the Chinese Armed Forces.

Listed as general miscellaneous projects are the following aggregating a total proposed expenditure during fiscal year 1957 at * * *. Motion picture producing facilities * * * in connection with the continuation of assistance to the Chinese Government in developing its program for improvements in motion picture production facilities for filming documentary subjects including the fields of agriculture, industry and related areas. Overseas Chinese information * * * to finance invitational travel for overseas Chinese leaders and journalists and other groups from southeastern Asia; increased travel of Chinese press, civic, technical and cultural leaders to and in the countries of Asia and assistance in providing United States dollar equipment and reading room material to Chinese Government information offices throughout Southeast Asia. In other words, besides maintaining our own information

service, we are also subsidizing and helping to maintain the propaganda outlet for the Government of Nationalist China. This becomes obvious when it is noted that * * * will also be spent for overseas broadcast facilities—a project designed to assist the Broadcasting Corporation of China in stepping up and improving broadcasts to overseas Chinese in southeast Asia, through the procuring of shortwave transmitting equipment, and supplying necessary funds for cost of construction and installation.

The last project listed under the heading "General and Miscellaneous" is a * * * local currency item earmarked for government budgetary support. However, it should be noted, that we are also proposing to expend during fiscal year 1957 * * * in United States currency on the Shihmen Dam. This is a multipurpose project for irrigation, hydroelectric power, flood control and domestic water supply. This amount is only a start toward an expenditure which will probably total in excess $12.5 million United States dollars for the project. The total cost of the project will be about $42 million of which we will contribute in cash an excess of $12.5 million and much by way of counterpart dollar funds. There is attached to this report a document entitled Shihmen Dam, which outlines the proposal in detail. It will be noted that the cost estimates vary in direct proportion to the scope of the facility, that is, whether it will contain 1 or 2 power units. Further, annual fund requirements—which were begun in fiscal year 1956—are proposed to extend through fiscal year 1961.

I shall not deal with the technical cooperation program in detail except to note that the various projects which we have scheduled for fiscal year 1957 indicate future years will bring increases in our expenditures in the transportation, industrial, mining, and related fields along with a large labor productivity program in future years.

At this point, I quote from my on-the-spot notes:

"We first visited the modernized railway shops where locomotives and cars were being repaired. This is quite an extensive facility toward the construction and maintenance of which we have contributed quite a large sum. I noted that hundreds of people were employed. Much repair work is done here. If parts are not on hand, they are made. However the facility is now self-sustaining and I was told that revenues more than pay for all operations as well as repairs.

"We then proceeded to the Sung I Textile Plant. This plant produces cotton cloth. As I recall, there are 13 such plants on the island. All the cotton required is obtained through ICA and except for our Government making it available the plants would immediately close. We donate the cotton to the Government and it in turn sells it to the textile mills. The proceeds of these sales are added to the counterpart fund and are used for rehabilitation of the island.

"The same situation obtains with practically all the flour mills erected here so far. I saw two of these mills. I also visited the Urea Plant and, while it is not completed, I understand it will be ready for operation early next year. I was informed that the United States provided all the money—either cash for the purchase of machinery—or counterpart funds required for the construction of this facility. It is quite a large plant and will supply much needed nitrogen. Of course, our aid planners claim that it will save the Government of Nationalist China many dollars. However, I was told the same story as to the other plants, but our contributions to the foreign aid program here continue to increase each year and there is apparently no serious effort made to reduce the amount. In connection with these fertilizer plants in particular, we furnish all phosphates and other ingredients that cannot be obtained locally. Of course, this is an expensive process for the United States and we do not obtain any reimbursement.

"Next we visited various plants which are owned by the Taiwan Power Company, an organization formed in 1946 to take over all former Japanese facilities. It is owned 90 percent by the Government and controlled by it in all respects."

Before the war, the powerplant we visited (Pei Pu Power Plant) produced a peak load of 177,000 kilowatts but this production dwindled to 33,000 when the present government took over. On its own resources and initiative, Taiwan Power Company restored the level of production which existed in 1948. Since that time, 190,000 kilowatts were added and by 1953, over 320,000 additional kilowatts were being produced.

It should be noted that this total is not produced from this one plant, it is produced from the entire network of generating facilities towards which I understand the United States is contributing $48 million in cash and $20 million in counterpart funds as against only $16 million by the local government—most of which comes from the profits made from the sale of power.

Yet, there is in contemplation a huge expansion program in which we are again to participate heavily (see above). During my discussion with the manager of the Taiwan Power Company System, he provided me with many details as to how all of Taiwan is now being supplied by electricity. He said that the east coast was connected with the west coast, and that the power produced was generated at a cost which was even less than the cost of power in the United States. His boast was that power can be generated in the Taiwan Power Company System at 1.2 mills per kilowatt. Of course, I lost no time telling him that if the United States were supplied the necessary money by a rich relative as is the case with Formosa, we could probably cut the cost of power even lower.

Then we visited the Taiwan Ship Company Yard. It is entirely owned by the government and operated by it. Ships are repaired here and boat owners are charged for services in just the same manner as if the yard were privately owned and operated. Incidentally, I noticed that there is a splendid harbor here which needs little or no upkeep.

We crossed the harbor to inspect the grain elevator. At the time of our visit a cargo of wheat from the United States was being unloaded. The elevator is most modern and I was told that the United States provided most of the funds for its construction.

We also visited cotton mills and a factory where chinaware is produced. I also inspected the installation which produces electrical equipment such as fans, meters, switches, etc. (see above). I regretted very much that due to inclement weather I was not able to visit the sugar mills and other facilities on the south end of Formosa. Reference to the above data will indicate that the United States has contributed generously to rehabilitation and now to the expansion of these installations. Much sugar is exported from Formosa to Japan.

During my trip over the island I was very much impressed with the work we are doing in the area of forestry. I was told that we spend about $100,000 per year for pine seedlings, fire-fighting equipment and similar materials. I saw quite a number of seedlings in open nurseries. They are balled and then planted. The process of growing new trees seems slow and appears to be expensive; I question the advisibility of expanding this program. Now that we have shown the way the local government should do more on its own.

At the time of my visit there were 810 employees attached to the ICA Mission here. This number includes 680 locals and 130 Americans. Of the locals, 492 are technicians employed by the United States, 67 are contract technicians, and 121 are assigned to administrative duties. With respect to the Americans, 57 are United States employed technicians, 51 are contract technicians and 22 are administrative employees. I was astounded to discover that the mission still employs such a large number of persons. I suspect that a great number of these are keeping busy trying to conceive new projects and otherwise seeking ways and means to increase United States expenditures in Formosa.

Before leaving the economic assistance phase of our mutual security program on Formosa, I believe it is important to call to the committee's attention the fact that there is extreme reluctance—reluctance which at times approximates full neglect—on the part of local government officials to see that operations in the nature of public utilities here fix their rates in such a manner as to properly amortize investments and meet current expenses. When I mentioned this situation, which is extremely flagrant in connection with the Taiwan Power Co., local officials indicated to me that rate making was a legislative matter completely within the hands of the legislative assembly. Further, it is difficult if not impossible to impress upon the legislature the necessity for charging a fair rate on utilities. We are here confronted with the same situation which prevails in Korea. Because of political reasons the legislative assembly will not raise utility rates in order to insure a return which will permit the Government of China to properly participate in the expansion of existing utility facilities. It should be made clear to the Government of China that unless it exercises its proper responsibilities in this, as well as in other areas, appropriate action by the United States must be taken. This action would certainly take the form of withholding further United States dollar and/or counterpart contributions until fair and adequate rates are fixed.

The Committee will be interested in the fact that United States assistance funds, appropriated under authority of the Mutual Assistance Act for purposes other than support of the United Nations, are nevertheless being used to bring UN experts into Nationalist China. While in Formosa, I inquired into this program. The following statement was provided me. I believe it is self-explanatory; it indicates that under "fellowships" the United States is indirectly financing under our mutual security program the bringing of United Nations experts to Formosa:

"With respect to the UN Technical Assistance Administration we have included below an extract statement from the Treaty Department, Ministry of Foreign Affairs, outlining the technical assistance program for China in 1956, which differs in some degree from the statements made in this section of the notes. The primary differences are that 41 fellowships will be awarded (these are for technical training) and 18 experts will be in China assisting in various fields, economic development, and public administrations. The statement by the Ministry of Foreign Affairs follows: 'For the year of 1956, the Technical Assistance Committee (TAC) of the Economic and Social Council, upon the recommendation of the Technical Assistance Board (TAB), approved for China the amount of US$280,667 to finance technical assistance projects in Taiwan Province. Under the program, 41 fellowships will be awarded by UNTAA, ILO, UNESCO, ICAO, and WHO, and 18 experts will be sent by these organizations to China to provide technical assistance in various fields of economic development and public administration.'

"(1) The personnel being provided by the United Nations in no way overlap activities carried out by ICA mission personnel. Similarly all fellowships (technical training assignments) to be carried out by the UN organization are screened against the technical assistance training projects established

under the ICA program. Wherever it is found that the UN is providing training in a specific field in which an ICA technical assistance training project has been established, there is eliminated from the ICA program that particular project.

"(2) Upon review of the technicians proposed it was found that one position differs from those outlined in the notes. No technician from the International Civil Aeronautics Organization is scheduled to be in Taiwan under the new or modified program; one International Civil Aeronautics Organization training fellowship has been provided in the field of aviation meteorology.

"Wth respect to comment on the budget deficit of the Chinese Government the primary scurce of this is, and will continue to be, the military assistance program impact, which is becoming greater as additional material arrives and more installations are constructed under the United States military assistance program. As long as the military program continues at the present level, little improvement in the situation can be foreseen."

Turning now to the United States Information Agency, fiscal year 1957 will bring an increase of $37,000 over funds spent during fiscal year 1956. The staffing pattern will remain the same with respect to Americans, yet the number of locals will increase from 56 to 65. * * * I was informed that the Nationalist Chinese Information Service, despite large-scale United States help (see above) has not been effective in its effort to counter Chinese Communist propaganda. Reference to the attached exhibit C headed United States Information Agency will provide the basic background as to our information operations here.

As with other countries, military assistance to Formosa is treated in a separate section of this report. However, it should be noted that during calendar years 1951, 1952, 1953, and 1954 and the fiscal years 1955, 1956, and 1957, the Chinese Government's contributions toward its own defense, expressed as a percentage of the national budget, were, respectively, as follows: 1951, 75.1 percent; 1952, 42.8 percent; 1953, 40.1 percent; 1954, 45.1 percent; 1955, 45.5 percent; 1956, 51.2 percent; and 1957, 49 percent (estimated).

KOREA

The magnitude of the United States assistance effort, both past and present, in this tiny land must be seen by one in order to properly evaluate it. South Korea, which is about the size of the State of Minnesota, suffered heavy damages at the hands of Red invaders during the period of the Korean war. The American people have paid dearly in their efforts to drive off the invaders and in reconstructing and rehabilitating the economy of the country. Yet I doubt that the economy of South Korea has ever been in a more healthy state than at present.

During the fiscal years 1954, 1955, and 1956, a total of $780.3 million in United States dollar assistance was actually spent here. During this same period, this aid generated a total of $144.5 million in counterpart funds, which funds were spent during the same period.

As of June 30, 1956, unobligated balances in the Korean accounts totaled $697,000 plus over $86 million in counterpart funds. Unexpended balance as of June 30, 1956, in dollars was $344,229,000, with a total of an additional $86 million in counterpart equivalent.

Allocations from the fiscal year 1957 mutual-security appropriation aggregate * * * which amount will generate an exact equivalent in local currency funds.

In other words, during fiscal 1957, there will be available for expenditure in this tiny land a total of * * * in dollars alone. At the time of my visit, our planners propose to spend * * * during fiscal 1957. If this program is actually implemented as proposed, the end of the 1957 fiscal year will find an unexpended balance of * * * on hand in Korea.

Assuming that the full * * * proposed to be spent is actually spent during fiscal year 1957, United States direct dollar assistance to the Republic of Korea from the beginning of fiscal year 1954 through fiscal year 1957 will have aggregated something over a * * * to be exact. In addition to this amount in dollars, counterpart funds generated and spent will aggregate * * * in dollar equivalent.

At the time of my visit, a host of technicians were employed in this country. It might be truthfully said that between the United States civilian employees and our troops, the countryside was alive with Americans. ICA employees in Korea totaled 988 technicians plus 1,944 contract employees, a total of nearly 3,000 civilian employees. Of this number, 399 are Americans, the remaining 2,533 are locals.

Reference to the attached exhibits will demonstrate that the United States is in almost complete charge of the Korean economy. I would not hesitate to say that * * * except that while our country continues to "pick up the tab," it is my considered judgment that the Government of the Republic of Korea has frequently shown an extremely uncooperative attitude toward our efforts to be of help. I shall refer to this specifically later in this report.

I desire to particularly direct the attention of the committee to the documents entitled ICA/FOA Capital Investment Programs in Korea—fiscal year 1954—fiscal year 1955—fiscal year 1956, which I have attached.

Reference to this exhibit demonstrates that since 1954 our country has actually spent a grand total of $214,554,690 in dollar expenditures plus $152,889,632 in counterpart equivalent on a variety of capital improvement programs in this country. Compared with this amount, the Government of Korea has spent only $84,620,826 for the same purposes.

With reference to grand totals, it will be seen that our total contributions in the various fields of endeavor embraced within the report referred to have totaled (including counterpart funds):

Transportation, $96,174,000 or 92.5 percent of the total.

Communications, $22,999,530 or 97.5 percent of the total.

Public works, $50,439,095 or 86.8 percent of the total.

Power development, $55,041,749 or 97.5 percent of the total.

Agriculture, $58,181,250 or 56.2 percent of the total.

Public health, $4,491,000 or 100 percent of the total.

Public safety, $1,355,000 or 100 percent of the total.

Social affairs, $4,488,000 or 36.9 percent of the total.

Manufacturing and processing, $63,353,900 or 94.4 percent of the total.

Mining, $1,150,000 or 100 percent of the total.

Fisheries, $1,200,000 or 85 percent of the total.

Education, $8,580,798 or 97.2 percent of the total.

Under these various headings, our planners have undertaken programs involving every conceivable project. The following are illustrative:

Transportation: $1.2 million to partially restore 4 engine houses and 2 back shops of the Korean National Railroad; $190,000 to restore 26 war damaged locomotive watering installations along the Korean National Railroad; roughly $100,000 for engine replacement and restoration; $549,632 to construct a prestressed concrete plant in order to permit the Korean National Railroad to manufacture concrete railway ties; $210,000 to improve the streetcar systems in Seoul and Pusan; $18 million to construct a railway to link the largest coal-mining area in Korea with the central system of the Korean National Railroad; $1 million to rebuild railroad warehouse buildings; $1.4 million to procure coal, tar, pitch, etc., to provide a basic material for the Korean National Railroad to manufacture coal briquettes for use in their locomotives; $2.4 million to purchase used passenger coaches; $3.7 million to repair 554 steam locomotives and 8,908 pieces of rolling stock; $1.9 million to purchase 9 to 12 new passenger coaches; $11.4 million to purchase 825 boxcars, 565 gondolas, and 50 coal hopper cars; $389,000 to purchase creosote to treat crossties; $4 million to finish the railroad line from the coal field referred to earlier; $2.3 million to rebuild the Han River bridge; $410,000 to purchase 15 used steam locomotives; $1.7 million to purchase cargo handling equipment; $8.6 million to purchase 8 cargo vessels in order to replace uneconomical units of the Korean maritime fleet; $235,000 to modernize a shipyard near Inchon; another $364,000 to modernize another shipyard near Pango-jin, T'chang; $2.3 million to procure 42 prefabricated steel warehouses to be erected in 9 Korean ports; $1.6 million to repair and modernize marine navigational aids along the coast of Korea; $20.7 million to rehabilitate 52 Korean ports; $1.3 million to purchase 89 streetcars and to rehabilitate 56 others; $7.3 million to provide machine tools and other equipment for the expansion of the Pusan Iron Works and $7.3 million to procure fishing vessels.

Further details concerning projects will not be enumerated here; however, they may be obtained from the attached data.

Communications: In this area, we have underway, among other things, programs involving $780,000 to purchase telephone poles; $4.7 million to rehabilitate and expand telephone facilities in Seoul; $4 million to rehabilitate a telephone cable plant in Seoul; $1.2 million to rehabilitate the National Police communication system; and, among other things, replacement of the telephone central office in Masan, rehabilitation of the manual switchboard at Taejon, and the rehabilitation of the Korean Ministry of Communications school for training communications technicians and specialists.

Also proposed and underway are projects to rehabilitate and restore the domestic radio telegram system within Korea, to rehabilitate major telephone toll centers; to reactivate 6 coastal radio stations for the marine radio service; to connect vital industrial cities and ports to the coal centers referred to earlier; to rehabilitate various secondary toll centers now that the major telephone central offices have been rehabilitated and connected; and to create a weather, press broadcast, and monitoring network in Seoul in order to "reestablish radio facilities for dissemination of weather and press information and for monitoring Korean radio stations which are controlled and regulated by the Ministry of Communications."

Public works: In this area we have undertaken to reconstruct and rehabilitate city water plants throughout Korea (estimated total cost something over $16 million); pave streets and highways throughout major cities and provinces; rehabilitate drainage structures throughout 32 major cities in Korea; rehabilitate and reconstruct highway bridges throughout the country; rebuild the Korean National Prison; reconstruct the Government buildings of the Republic of Korea in Seoul to provide more space for offices, industrial exhibits, the national police, library, post offices, and telephone central facilities (total cost $1.1 million with United States contributing 100 percent); construct a maintenance and repair shop in order to properly maintain and repair some $2.5 million worth of heavy equipment and vehicles which will be utilized in the recon-

struction of roads and bridges throughout South Korea (needless to say we also provided the heavy equipment and vehicles); rehabilitation of Korean city and provincial buildings in order to provide offices for city and provincial officials (total cost $750,500 with Korea contributing $150,000 in labor); rehabilitated a number of thermal and electrical power stations and transmitters including $4.5 million to rehabilitate the overall electrical power transmission system in Korea, $2.1 million to rehabilitate 2 thermal powerplants substations; $3.1 million for rehabilitation of the Chongpoing Dam; and a complete reconstruction and new construction of numerous thermal power, transmission, and similar facilities in Korea at a total cost of $34.9 million, with the United States contributions averaging out something over 90 percent.

One of the facilities which we undertook to rehabilitate was the Hwachon Dam, at a total cost of something over $8 million. This represented approximately 97 percent of the total construction cost. I visited this facility, and the engineer in charge (an employee of an American contracting firm) indicated that he felt sure that the project could be self-liquidating if only adequate charges for the use of electricity were levied by the Government. However, since the Korean National Assembly has reserved to itself all ratemaking functions, the entire rate structure has become involved in local politics. The net effect is that instead of levying adequate charges—charges which would permit the amortization of the cost of these facilities over a reasonable period of time—the Government of Korea continues to look to the United States for continued economic support. As a matter of fact, at the time of my visit, it appeared that the Government of Korea was attempting to shift the blame for delay to our shoulders, since they are claiming that our armed services—which are stationed here in order to protect the Republic of Korea from another attack from the north—were not paying their electric bills on time. In other words, although we have for all practical purposes built for the Government of Korea its entire electrical generating and transmission system, the Government is now raising as a barrier to adequate rate charges, the fact that the United States has not paid for consumption of electricity by its military forces. It is my considered judgment that this situation will never be completely rectified unless our officials in Korea make it known to the local government that unless and until they decide to charge adequate rates for the power, we shall refuse to provide one thin dime further in assistance. The same should be true as to transportation which we subsidized to the tune of $27,210,000 during the last fiscal year.

The attached exhibits will demonstrate that in the fields of power development and transmission, the United States has borne and continues to bear not only the burden of extending technical assistance to the Government of Korea but also constructing, maintaining, and training techniciains for the operation of these facilities.

Agriculture: In this area, we have built farm-soil testing service stations, complete agricultural research facilities, dams and levees in order to protect rice paddies and villages, irrigation systems in order to increase the Korean production of rice; veterinary and livestock facilities throughout the country; 70 seed fumigation plants; approximately 900 rural warehouses in order to store farm produce and equipment; and have undertaken a complete forestry development program including reforestation, forest erosion control work, stream improvement work, forest protection and forest management in designated forest areas in all provinces of Korea. This last project alone has cost something over $9 million.

Public health: In this area, we have constructed wells and sanitary facilities in all provinces and in Seoul; we have rebuilt and remodeled hospital facilities throughout Korea; in doing this, while the costs are small, it should be noted that we have contributed 100 percent of the total of hospital rehabilitation and construction and 100 percent of the total of constructing wells and sanitary facilities.

Social affairs: We have undertaken a $12 million resettlement project under which we propose to reestablish and resettle refugees and persons displaced as a result of war.

Manufacturing and processing: I do not intend to outline in detail the scope of this program. The number and types of plants constructed and/or rehabilitated are outlined in the attached exhibits. Suffice it to say, that they include fertilizer plants, sulfuric acid and aluminum sulphate plants, rubber tire and tube plants, rubber reclamation plants, insecticide and pesticide plants, pharmaceutical plants, flour mills, starch plants, plastic plants (in order to produce toothbrushes, rice bowls, glasses, combs, etc.) aluminum sheeting plants, a paint plant, clothing factories, asbestos plants, a leather plant, and leather processing and shoe manufacturing plant, a book printing plant, a three-wheeled-truck plant, a glass container plant, a plant to manufacture the material which provides hardness for rubber, a ball-bearing plant, silk textile plants, auto spare parts plant, a marble plant, iron stone-crushing plant, agar-agar plants, paper mills, small industrial processing plants, and others.

My report last year noted that the great majority of manufacturing enterprises constructed under our aid program were being operated by the Government of Korea. At that time, I commented that it was unfortunate that while preaching democracy and free enterprise, we were, in fact, fostering socialism in Korea. I was particularly pleased to note that at the time of my visit in 1956, the vast majority of the manufacturing enterprises which formerly were Japanese property and which had been rehabilitated under the aid program had been turned over to private industry. In this connection, I expressed an interest in obtaining the terms under which these transfers took place. I have requested this information from both the International Cooperation Administration, Seoul, and the General Accounting Office through its representatives in South Korea. As soon as it is made available, I shall file it with the committee.

During my stay in Korea, I visited the Hung Ah Tire Co., Ltd., in Pusan. This is a facility which was originally built by the Japanese but which was rehabilitated under the American aid program. The president of this firm indicated to me that his problem is to win customers. In addition, he fears that a shortage of operating funds and a lack of technical knowledge may hamper his success.

I also visited one of the chemical plants we constructed here and a number of port facilities. I noted that the port was crammed with goods obtained from the United States, and I was not able to find one item which originated in a foreign country other than a few purchased with American aid funds. Goods are flowing in to bolster the economy of Korea. It would appear, from the materials I saw on the docks, that our planners contemplate United States assistance for the Republic of Korea for many more years.

As I stated last year, none of our allies are helping Korea. We have undertaken and are doing the whole job.

In addition, the United States is in complete supervisory control of the port facilities since there are no Koreans who are competent to operate it. True, we are in the process of training a host of local employees in order to fulfill these tasks, but the process is a long and tedious one.

I was particularly alarmed to note that while we are building a number of manufacturing facilities in the Republic of Korea, there is very little in the way of natural resources available to supply raw materials for these plants. For example, we are building flour mills in order to convince the people of Korea that bread is a suitable substitute for rice in their diet. It is hoped that by so doing, the consumption of rice in Korea can be reduced, thus making rice available for export. Ignoring the fact that Korea is thus being placed in the position to compete in Far Eastern markets which our own rice industry would desire to obtain, it must be realized that Korea produces no wheat. Thus, after constructing the flour mills we shall be obligated to either subsidize the importation of wheat into this country or give it to the Republic of Korea. Consequently, it will be necessary for our aid to continue ad infinitum.

The same is true with respect to cotton textiles, for we are rebuilding, in fact have built, a number of textile mills here without a thought of the fact that no cotton is produced in Korea. Of course, it is the view of our officials that Korea will be able to purchase these basic raw materials under the Surplus Disposal Act (Public Law 480). This ignores the fact that there is no assurance that Public Law 480 will remain on the statute books for any definite period of time.

Many phases of our effort here boil down to placing the United States in a position where once the capital improvement program in Korea is completed, we will be compelled to provide enough raw materials in order to permit these facilities to operate. Since Japan is fast coming back into the manufacturing picture in the Far East, it is not far-fetched to assume that the day will soon come when the United States may be obligated to not only provide raw materials in order to operate the plants which we have constructed, but to also provide markets for the goods which are made there.

In this connection, during my interview with President Rhee, I stressed to him the necessity for his government to undertake a "buy at home program"—in other words, a program designed to convince the people of his country that the goods manufactured there are deserving of their patronage. I cited the tire plant as a case in point. Unless Koreans buy Korean made goods, many of the factories will have to close or else foreign markets will have to be tapped.

I also suggested to President Rhee that he intervene and undertake to have the legislature increase public utility rates—telephone, telegraph, electric, and transportation—in order to amortize the cost of and pay for operating investments which we have undertaken in this country. I said to him that public utilities involved one area where Korea could certainly afford to carry a bigger portion of the burden. His only answer was that the United States Army did not settle its bills promptly.

Since our military effort in Korea is of such tremendous magnitude, I was not able to delve deeply into its operation. However, it should be noted that we have constructed fine barracks for practically all armed services, both American and Korean, and these are more or less permanent facilities. I was not able to obtain an estimate of the cost but I feel sure that it was substantial. I was informed however that during the 1956 fiscal year, the Republic of Korea allocated 51 percent of its entire budget for support of its military forces. On this amount however, roughly 25.6 percent consisted of counterpart funds generated under our aid program. For the last 6 months of 1956, 54 percent of the Korean budget was devoted to the military with some 22 percent of this amount consisting of counterpart funds generated under our aid program and the remainder from the Republic of Korea treasury. This latter figure, compared with the prior one,

offers some encouragement and I hope it continues. I have not attempted to show our expenditures in the military field before and after the armistice. I can assure the committee that the figures stagger the imagination.

The information service in Korea received $310,118 for fiscal year 1956. This amount was increased to $420,600 for 1957. (See attached exhibit.) This increase appears to be completely unwarranted, if, as our officials have maintained, the people of Korea are truly stanch and loyal allies. Certainly, if the Koreans are stanch and unwavering friends of the free world, it is inconsistent that there be increased budgets for propaganda purposes. Therefore, I urge that the amount provided for fiscal year 1958 be considerably reduced.

JAPAN

Mr. ELLENDER. Mr. President, I now turn to a discussion of my visit to Japan. I shall not spend much time in discussing Japan except to say that 3 years ago I did all I could to prevent our planners from establishing a technical aid program in Japan. The Japanese need no such aid. They have good technicians.

When the technical aid program here was first conceived, the Ambassador at that time was opposed to it—but he was prevailed upon by Governor Stassen, who then headed our aid program, to establish such a program in Japan. The cost for the first 6 months was $450,000. For the next year the cost was $980,000. This year it will be $3 million. Needless to say, the amount is rising and probably will continue its climb.

I say there is absolutely no need for any technical assistance program in Japan. My hope is that such a program will be dispensed with as quickly as possible.

Advice is being given as to how to cultivate land in Hokkaido, the northern island. I visited the place. I was surprised to learn that there were several million acres of land in that area—beautiful land—which is not cultivated because the weather is too cold. The American who was sent to guide the Japanese in doing the Hokkaido land reclamation job went with me on my visit.

As we looked around, he said, "What a change has taken place since I was here last! Look at all they have done."

I asked, "When were you here last?"

He said, "18 months ago."

Mr. President, why should we have there a man ostensibly guiding the Japanese, showing them what to do, when he had not been there in 18 months to see what they already had done?

I say that the Japanese people are able, and have good technicians. To my way of thinking, it is a pure waste of money for us to do such things. I believe it borders on an insult to the Japanese, for us to establish such a technical assistance mission agency there.

Mr. President, I ask unanimous consent to have my memorandum on Japan printed at this point in the RECORD.

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

JAPAN

The program in Japan is primarily technical assistance. However, our efforts will bear close attention. Although the funds appropriated directly for assistance to Japan are comparatively small, the increases which have taken place from fiscal year 1956 through fiscal year 1957 are large. For 6 months in 1955, when the program started, $450,000 were made available. For fiscal 1956 the annual total was $948,000 and at the time of my visit it was expected that fiscal 1957 would be increased to * * *. It will be recalled that I objected to this program when I visited Japan in 1955. I contended then and I repeat now, that the program was started against the advice of our Ambassador. It was upon the insistence of Harold Stassen that this program was ever started here.

Basically the American effort is to increase productivity. We are attempting to spur the efficient production of goods and commodities in industry, in agriculture, and in labor. In addition the United States is attempting to bring Japan's transportation system, principally by air, up to date.

It should be noted that the United States technical assistance program in Japan is geared to operate in conjunction with our assistance program under Public Law 480, sales of surplus agricultural commodities. To date two sales have been consummated, both under Title 1 of Public Law 480; the first took place on May 31, 1955, and involved the sale of $85 million of surplus commodities to Japan. About 30 percent of the total or $25½ million, accrued to the credit of the United States and was used by the United States for Armed Forces dependent housing, and the purchase of goods and services in Japan for other friendly countries; also sales promotion and market research, to defray the expenses related to the international exchange activities between the United States and Japan, and to finance USIA activities in Japan. The remainder (70 percent of the total proceeds or $59½ million) was loaned to the Japanese Government. This amount is to be repaid by Japan over a 40-year period with a 3-year moratorium on interest and principal at the outset. Payment may be made in either dollars or in Japanese currency. If the payment should be in Japanese currency the interest rates rise from 3 percent to 4 percent.

The second Public Law 480 agreement consummated on February 15, 1956, is very similar to the first although smaller in amount. Under it, $65.8 million of surplus commodities were financed with the United States retaining 25 percent or $16.4 million, and the Government of Japan being loaned 75 percent or $49.4 million over a 40-year period with repayment rates similar to those outlined under the first program. Of the United States share of this sale, $8 million will be used to procure military equipment, materials, facilities, and services for the common defense. Under this heading the great bulk of the amount will be used for dependent housing. Five and a half million dollars will be used to finance the purchase of goods or services for other countries, $1.3 million to help develop new markets for United States agricultural commodities, $1.3 million to finance international education exchange activities, and $300,000 to pay United States obligations in Japan.

The total sum loaned to Japan, amounting to $108.9 million, will be spent for the following purposes:

Electric power development project	$50,700,000
Land reclamation and irrigation	8,400,000
Increase of productivity in Japan	400,000
Aichi Irrigation Public Corporation	11,700,000
Agricultural Land Development Machinery Corporation	4,600,000
Mechanical land reclamation	500,000
Development of forestry, livestock products, port and storage facilities, fertilizer for domestic use and the domestic sugar beet industry	$11,500,000
Japan Productivity Center	2,800,000
Electric Power Development Company	21,900,000
Total	108,900,000

(Figures may not add to exact total due to rounding.)

A third surplus commodity arrangement has been entered into between the United States and Japan on a 4-year basis. It involves the United States providing a declining amount of foodstuffs for use in the Japanese school-lunch program. During the first year the United States has agreed to furnish 100,000 tons of wheat and 7.5 million tons of dried milk. The total value of both is $15 million. At the same time, the Japanese Government will furnish 85,000 tons of wheat and 12,000 tons of dried milk. The United States and Japanese contributions combined are expected to permit the extension of a school-lunch program to nearly 7.5 million children or about 80 percent more than were receiving the benefit of this program prior to this new arrangement. Through the 4-year period, the United States contribution will decline and the Japanese contribution will rise so that a constant level will be maintained. By the fifth year of the program it is expected that the United States contribution will be entirely discontinued. At the time of my visit to Japan shipments under this program were expected to begin very soon.

It is the position of our mission here that the government of Japan needs advice and counsel as to how to spend the $108.9 million in local currency heretofore mentioned. It is my view that the Japanese are well able to spend these borrowed funds without help from us, except that it might be advisable to have some one here to see to it that the money is spent for the purposes indicated. After all, that is the procedure followed by the World Bank and the Export-Import Bank.

According to our experts here, the primary difficulty with the Japanese economy is its low productivity. They feel that if industrial, agricultural, and labor productivity could be increased, the Japanese competitive situation with respect to world trade would be strengthened.

To achieve this end our Government has formulated, in cooperation with the Japanese Government, a productivity program which went into effect in April of 1955. It is allegedly supported by the Japanese Government and Japanese industry. These two segments of the Japanese economy have joined with the United States in establishing a Japan Productivity Center which is more or less a private agency through which all technical assistance to the Japanese economy is channeled.

This effort relies very heavily on exchange of persons. The fiscal 1957 program will expand this exchange, and will endeavor to place more emphasis upon the program hitting the grass roots of Japanese industry. It is my understanding that prior year programs, that is those conducted during the last half of 1955 and fiscal 1956, were directed primarily at big industries in Japan, and were based more or less on the trickle down theory. The net result was, in view of this activity, a tremendous barrage of criticism, particularly from Japanese small business (which received no benefit under prior-year programs) and Japanese labor which regarded the American effort as a means of increasing the power of big Japanese business, and strangling Japanese labor.

Thus, the net result of the pre-1957 fiscal-year programs was to develop among the great masses of Japanese people what

amounts to an increasing distrust of the United States and its motives.

Recognizing this situation, our planners in the current fiscal year have placed particular emphasis on extending the benefits of higher productivity to Japanese small business and labor groups. My impression of the situation was, especially with respect to labor, that the United States is doing its utmost to convince Japanese organized labor that our technical assistance and productivity programs are in their best interest. However, it was not my impression that this effort is making any great headway. In the data which I am attaching to this country report, the committee will note a number of project proposals and approval forms. These forms provide a good indication of some of the specific productivity efforts now underway in Japan.

It is with great reluctance that I have reached the conclusion that the United States assistance effort in Japan seems to be predicated on the notion that we must maintain a staff of advisers and technicians in that country in order to save the Japanese from themselves. That is to say, after American planners have noted what they consider to be ways and means of bettering the Japanese economy, they feel dutybound to force these views upon the Government of Japan, whether that Government desires them or not. I was particularly impressed by what seems to be a prevailing attitude among our aid planners there that even though the Japanese Legislature, for example, may not desire such programs as these planners have recommended, it is the duty of our Government to undertake them at all costs. A striking example of this is found in the field of agriculture, where, due to American efforts, the Japanese are being exposed to a great land reclamation and land-use program. For many years the Japanese have concentrated their agriculture on the production of rice. However, American planners take the view that the Japanese diet is insufficient under present conditions in that the intake of protein is too low. Therefore, they have undertaken a program to not only expand the area of arable Japanese land, but to take some of this land out of rice production and place it in the production of cattle, poultry, etc. In particular, efforts have been concentrated on the uplands of Japan, areas which presently produce rice on a marginal basis but which American planners feel could be used to great advantage to produce protein foods. During the 1957 fiscal year I was told * * * will be spent to set up some 8,000 demonstration grassland projects. This, in itself, would perhaps be salutary; however, it should be noted that according to information given me in Japan, this proposal was first submitted to the Japanese Diet and was promptly turned down. Thereafter, the unit which corresponds to our Department of Agriculture in Japan approached our planners, asking if the United States would undertake the demonstration. Needless to say, we complied, all at our expense.

It may be true that agricultural efficiency would be promoted by devoting these areas to the production of protein foods instead of rice; however, the fact is that the Japanese Parliament has on several occasions turned down such proposals. Since the Japanese themselves refuse to undertake the projects, it would appear to me to be an infringement by the United States upon Japanese sovereignty for us to now come in and undertake the project for them. It is evidently the view of the Japanese Diet that domestic Japanese agricultural policy would be best served by the continuation of the existing agricultural set-up with its accompanying emphasis upon the production of rice. Until the Japanese themselves change this attitude, I am forced to conclude that it ill behooves the United States Government to step in and undertake to change it for them, no matter how misguided we may believe them to be.

I am also concerned about our present efforts in industry and labor to make the Japanese economy over into a mirror of our own. It is no doubt true that Japense productivity both in factories and per laborer is considerably below ours. However, the Japanese themselves are technically advanced people. They are well able to undertake the modernization of their industrial and labor techniques on their own without an overly generous United States having to step in and do that for them. It should be noted and it was my distinct impression during my visit in Japan that the United States is committed, at least morally, to a 5-year program designed to raise the productivity of the Japanese economy. In other words, should the Congress decide tomorrow to eliminate the technical assistance program, we would place our government in the position of having to breach what the Japanese seem to regard as a moral obligation for the United States to continue its assistance to the Japanese through 1960 or 1961.

I discovered much the same situation with respect to Japanese agriculture. As I mentioned earlier, the United States has undertaken ambitious reclamation schemes in Japan, projects designed to increase the area of arable land available to Japan and place it under cultivation. The objective of this, of course, is to make Japan more self-sufficient in foodstuffs.

The Japanese themselves have known for many years that they must increase their domestic agricultural production if they are to survive as a nation. At least one reclamation project was begun some time ago, and was proceeding satisfactorily although perhaps slowly until Uncle Sam came in. Now there are two such programs in effect on Hokkaido Island alone. The gist of the logic which our planners say necessitates our assistance is that (a) Japan needs more food production; (b) They need that food production immediately; (c) If the Japanese undertake the job themselves it may take them 10 or 15 years; (d) But if the United States pours technical aid and money by way of Public Law 480 sales into the Japanese effort, the objective can be reached in a much shorter time.

This may no doubt be true if it were predicated upon a sound basis; however, what it ignores is that the Public Law 480 program may not be in existence for a sufficient length of time to permit the expenditure by Japan of the huge amounts which our planners propose. If Public Law 480 should cease to exist, and the necessary funds required for these projects were not forthcoming from that source, the United States would be at least morally bound to come in and supply the deficit.

I quote now from my field notes which I jotted down after visiting one of the reclamation schemes on Hokkaido Island:

"This project as well as others is being helped by us by way of Public Law 480 funds, derived from the purchase by Japan of agricultural commodities from the United States and then the lending back of the end proceeds for the development of the Japanese economy. After flying over the two pilot projects on Hokkaido Island we landed for an inspection of the works in progress. One of these is located in the Kosen Plains. The Government of Japan uses the money or at least part of it which we loaned to the government to help build a home and equip a farm for a family. The settling family obtains about 50 acres which costs the government about $8,500 when equipped. In return the settler agrees to pay for his farm on the installment plan with the government actually realizing about $4,000 and absorbing the rest. The land I saw appears to be very fertile. The project I visited will, it is hoped, take care of 450 families. There were 58 on the land at the time of my visit; the others were to come in gradually. It is the objective to have all the land occupied at the end of 5 years.

"My impression is that our presence here is more or less useless. To begin with the Japanese are competent people. They are able to hire experts to help them, without our assistance. Certainly the Japanese have competent scientists and competent technicians. But perhaps the greatest danger in this entire effort is the fact that should the Public Law 480 program end, Japan would find itself without sufficient funds to complete the work which it has undertaken."

One of our agricultural experts in Japan accompanied us on the visit I referred to in my notes. He was amazed at the progress made. He admitted he had not been here in 18 months, which goes to show that the Japanese can do the job themselves.

Earlier in this section of my report I referred to the Japan Productivity Center. This center, which at least in theory is supported by Japanese private industry and Japanese Government contributions, is designed to act as a clearinghouse for American technical assistance to Japanese industry. However, I was informed that it was difficult to obtain sufficient contributions from the Japanese Government to support the size center which our planners deem advisable. Therefore, in order to close the gap the United States has stepped in and is contributing Japanese local currency to do so. It is evidently hoped that once the Japanese legislature has become educated to the necessity for this project, it will become more liberal. This may or may not be true; however, even if the Japanese legislature should become more amenable to the program, I can well understand its attitude that instead of increasing contributions the reply could be: "Well, the United States has done it so far, why not let them continue."

In this connection I urge special attention to the data which I attach to this report. It outlines our program here and its background in detail, and I believe amply demonstrates that we are attempting to undertake a program with respect to the Japanese economy which the Japanese themselves are well able to handle on their own, without continued, long-term, large-scale American aid. Of course, should the Japanese do this work alone, it is the view of our planners that they might not do it in the same manner and to the same degree which these planners presently deem desirable. This means in effect that the United States is pushing the Japanese in order to force them to achieve certain goals which we may believe to be desirable but which the Japanese themselves may not be convinced are desirable at all.

I particularly urge the committee to carefully examine the United States technical assistance program in transportation, under which we are extending technical assistance to Japanese airlines, in order to Americanize this air carrier. In addition, we are undertaking to supervise the construction of United States-type commercial airfields in Japan. As a matter of fact, despite the fact that only 2 of the 11 commercial airlines which presently use Japanese facilities are American, we are at the helm, showing the way, and incidentally—picking up the tab.

As to the necessity for any technical assistance program whatsoever in Japan I reiterate my comment of last year that this effort was forced upon the Japanese Government by our planners in Washington. It was not endorsed by our Ambassador to Japan contrary to the impression given the committee last year. As a matter of fact, I discussed with Ambassador Allison the Department of State's position that I was incorrect in my comment of last year that he had opposed the extension of a technical assistance program to Japan. I quote now from my verbatim

notes, which I wrote immediately after my conversation with the Ambassador:

"I reminded him of his statement to me last year and his subsequent denial of having said in effect that I had misunderstood him and in fact misquoted him when I said he opposed the creation of a technical aid program here. He insisted that he is and always has been opposed to a technical aid program. He reiterated to me that the program was started without his approval and over his objection. He said that he favored a program of assistance through the sale of Public Law 480 surpluses. That, I have no objection to, but we agreed that there was no need for 26 Americans to administer such a program. He agreed with me that one or two persons connected with the Embassy could check on the end use of the borrowed funds. I expressed the hope that the Federal-aid program offices would be closed out as of June 30, 1956, and he agreed that they should."

I therefore recommend to the committee that no further funds be appropriated for technical assistance to Japan; that if the Japanese Government or the Japanese people desire to improve their industry, their agriculture, their transportation, and their labor, that they do so with their own funds. In the meantime, the present USOM Japan should be closed out. As it now stands, the aid program here is a self-perpetuating, empire-building scheme. Our planners advise the Japanese on what surplus commodities they need. Our planners assist the Japanese to arrange for the purchase of these commodities. Once the purchase is consummated, our planners assist the Japanese in allocating the loan proceeds among Japanese economic areas. This is not the way any program of aid should work.

Instead of waiting for the Japanese themselves to see if they need a program, we attempt to go in and convince them that a program is necessary. In order to convince them, we institute a program and then have to spend vast additional sums to educate the people that our motives are not ulterior. Much expense, much possible loss of face, much waste could be eliminated if only we waited for local people themselves to realize their needs instead of insisting that the need is there and volunteering to satisfy it.

As to our information program in Japan, we have been forced to undertake a huge program here in order to counteract some of the bad impressions created by our eagerness to make the Japanese economy over into a picture of our own. At the time of my visit an estimated budget of $1,794,700 was in prospect for the fiscal year 1957, compared with $1,074,429 for fiscal year 1956, an increase of $720,271. Of this increased amount, $65,668 will be used to defray the cost of clerk hire and other administrative expenses. As a matter of fact, during 1957 fiscal year, our Government will pay out roughly $270,600 in rent and administrative expenses alone for the information program in Japan. Incidentally, it is interesting to note that the Japanese USIA budget for the 1957 fiscal year is precisely what the local people requested of Washington. Data is attached which demonstrates the use to which these funds are to be put, including a new radio TV program series entitled "Science for Peace and Peoples Capitalism." In particular, I call the committee's attention to the fact that during the 1957 fiscal year the United States plans to spend $22,000 to establish an * * *, $10,000 to establish a * * *, and $58,000 for * * *. Needless to say, much of this expense is unnecessary. I recommend therefore that the entire USIA budget in Japan be reevaluated and reduced. I think we could safely do so if only our ambitious planners did not try to cram programs down the throats of the Japanese Government and the Japanese people, thus generating distrust and, in many cases, outright hatred of the United States.

HONG KONG

Mr. ELLENDER. Mr. President, in Hong Kong we are not doing very much except by way of a refugee program. In that connection, we are spending considerable amounts of money, however. As the buildings are erected, we turn them over to the British, who are allowed to rent them. I am told that the rents are merely sufficient to pay for the upkeep of the buildings, which have been constructed by us. The project is a worthy one, and I am not criticizing it; but at the same time it seems to me that since we have obtained nothing from the buildings, and since we have not been repaid for them, they should be rented for amounts at least sufficient to repay the cost. I hope that is being done.

I ask unanimous consent to have my memorandum on Hong Kong printed at this point in the RECORD.

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

HONG KONG

The pressing problem facing the British in Hong Kong is the resettlement of refugees fleeing the Red rule in Communist China. Estimates of how many displaced persons are presently residing within the restrictive confines of Hong Kong vary, but it can be safely estimated that between 500,000 and 800,000 refugee Chinese are presently crammed into this small area.

Both the United States Government, under the Far East refugee program, and the British are endeavoring to provide housing and employment for as many of these refugees as possible. The British have constructed a number of apartment buildings. They charge sufficient rental to amortize the cost of the structures and to pay for current expenses. Initially, two-story buildings were erected, but because of the high cost and shortage of land, subsequent construction has consisted of buildings of 5 to 7 stories. Even so, the accommodations are rather crowded. Nevertheless the contrast between the old, rickety, ramshackle, tenement-type structures and the spanking new multi-story dwellings is astounding.

The United States has also undertaken a construction program here. This program, administered under the Far East refugee program * * * has built a number of one-story buildings. These structures are located on the side of mountains and are by comparison with the older dwellings quite attractive. The mountain is first terraced and the stone thus obtained is used for building materials. According to my information, each unit costs about $200. I visited several of these projects and it was my impression that much good work is being done. A small rental is charged by the British, who take over after we have constructed these dwellings, to defray maintenance costs and the cost of building streets up the mountain. We are not repaid for expenditures in building as is the case with British-built facilities.

The most commendable feature of this program is the opportunity given the refugees to help themselves. Actually, they furnish the labor for the building operation. Some hew stone slabs, while others make brick out of crushed stone. Thus, the program not only provides housing, but it is also a means of keeping the refugees occupied.

According to my information, the Far East refugee program spent approximately $1 million in fiscal year 1956, with about $700,000 of this spent in Hong Kong and Macao and the remainder on Taiwan. This grand total of $1,062,168 was spent in the following manner:

Transportation	$290,862
Documentation and counseling	46,796
Medical and dental	184,510
Economic aid	57,124
Vocational training	202,887
Permanent houses	206,823
Supplementary food and clothing	41,761
Temporary shelter	23,299
Amenities	7,625
Others	477

Assistance is also rendered by accredited nonprofit international volunteer agencies, such as the Aid Refugee Chinese Intellectuals, Inc., the Catholic Foreign Mission Society of America, the Church World Service, the Free China Relief Association (which is the welfare arm of the Nationalist Party Republic of China), the Intergovernmental Committee for European Migration, Lutheran World Federation, National Catholic Welfare Conference of America, and the World Council of Churches. An attached summary, which is marked "Not for publication," indicates the various contributions made by these organizations.

While in Hong Kong, I also visited the Pope Pius XIII Handicraft School. This school is conducted by the Maryknoll Fathers and is housed in a granite-block building 100 feet long and 25 feet wide. I was told that the granite blocks for the building came from surrounding hills and that they were cut by resettled refugees. I was also told that 70 percent of the labor used in the erection of the school was supplied by the refugees. Actual cost of the building was about $9,000.

The primary purpose of this facility is to train refugee Chinese in handicrafts to qualify them for employment. For example, 150 candidates were selected for the first weaving course. Each one of these candidates represented a family. They were paid 5 Hong Kong dollars per day as an allowance in order to help them live while they learned weaving. Upon graduation, each student is presented with a loom, a table, and a chair on a loan basis. From the school they obtain the yarn which is woven into cloth at their cottages. The finished goods are then returned to the school and marketed by a specially trained clerical staff, through local Hong Kong stores.

While there is no doubt that assistance such as construction of new housing and the creation of employment opportunities for the displaced Chinese refugees is of great importance, I did not learn why the British Government is not able to bear this expense without our assistance. Certainly Hong Kong is first and foremost a British responsibility. Therefore, I recommend that consideration be given to shifting the resettlement and rehabilitation program entirely to the British, with the specific understanding that they cooperate with the various international volunteer groups now doing work in Hong Kong. As I pointed out before we receive no aid from the British in any part of Asia, except a small 700-soldier contingent in Korea. Here in Hong Kong, a rich British colony, where the British could undertake the whole job, good old Uncle Sam steps in and gives aid. No one must be blamed except ourselves. Our big-hearted representatives see to it that we chip in.

The Information Service here is a mushrooming endeavor. However, there is considerable merit in the contention that Hong Kong offers the best point to channel the Voice of Freedom through the Bamboo Curtain. Certainly, information emanating from Hong Kong will have a more profound effect upon the people of Communist China than that created in Formosa.

The Information Service budget here for fiscal 1956 was approximately $427,000. Dur-

ing 1957 fiscal year, expenditures will probably aggregate $590,000, an increase of $163,000. In addition to this amount, $28,500 will be used to make an emergency purchase of paper for the magazine World Today, to produce some extra broadcasts for the Voice of America, and to do some motion picture work on behalf of the USIS mission in Saigon.

* * * * *

For the committee's information, a complete and detailed picture of proposed expenditures during fiscal year 1957 by the United States Information Service is attached.

SOUTH VIETNAM

Mr. ELLENDER. Mr. President, I come now to South Vietnam. I shall not spend any great length of time in discussing our programs there. I do wish to say they are huge. The amount of money being spent there is enormous, as will be seen by a review of my report.

It is my considered judgment that at this time we are doing in South Vietnam things the host government will not be able to maintain after our representatives leave. Our "eager beavers" are simply trying to do too much in too short a time. Our representatives are trying to construct various factories, although few or no local technicians are available. In other words, there we see the same scheme that now is being carried on in Formosa and South Korea.

In South Vietnam we are simply doing so much, that the people of the host country cannot possibly maintain the projects by means of taxation. Unless our representatives stay there and maintain the facilities, I assume that we shall have more enemies by the time our representatives leave than we had friends there when our representatives began their work.

When I was in South Vietnam 2 years ago, in 1955, it was my privilege to talk to President Diem, a very intelligent and able man. After visiting the refugee camps—and, as I remember, approximately 800,000 refugees had come there from the northern part of Indochina—I suggested to President Diem that he cooperate with our representatives to the fullest extent, in the hope that it would be possible to provide work for the refugees, and keep them contented. I was glad to note on my trip that the suggestions I made in 1955 had been followed. It was my privilege to travel for many miles along canals which had been dug by hand by the refugees, with our financial help. In that effort we spent approximately $40 million. I am glad to be able to say that most of the refugees are now at work, and have houses in which to live. All that has come about as a result of our assistance.

Last December, 1 year after the canals and houses were built, our representatives brought tractors, bulldozers, and plows to prepare the new land for planting. Much of the rice which was harvested this season was planted as a result of our efforts. In December 1956, the people were plowing the rest of the area. It made me feel good to see the excellent work done in rehabilitating the refugees and in making it possible for them to earn their own way.

Mr. President, inasmuch as we had provided $40 million with which to complete the work, one would assume that in the next budget that amount would be deducted. We now find, instead, that even more is asked for—and for what purpose? Our planners say we must provide the money to build roads there. I do not mean it is intended to build new farm roads for the refugees whom we have rehabilitated and established on farms. Good stone roads have been available from time immemorial, but now our dreamers say that those roads must be macadamized. Our eager beavers in Vietnam do not know where to stop, Mr. President.

Since we have spent the vast sums that were required to rehabilitate those people—$40 million—I say this is a good time to reduce next year's foreign-aid allocation to this country by at least the $40 million. But no, Mr. President—they want even more money now; they say we must put up enough to build roads in Vietnam. It is my hope, Mr. President, that Congress will tell them to raise their own road-building funds by taxing the local people, just as we do in my own State of Louisiana, and in the other 47 States.

Mr. President, I could speak on and on about the situation in South Vietnam and the projects we have undertaken there. I do not want to detain the Senate too long. I ask unanimous consent to have my report on South Vietnam printed at this point in the RECORD.

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

VIETNAM

It is unfortunate, to say the least, that the International Cooperation Administration has seen fit to classify the tabulation of fiscal data provided me in connection with our operations in this infant Republic. Vietnam, which has a total area of 127,000 square miles and a population of approximately 25 million, has been allocated appropriations aggregating over * * * during the fiscal years 1954, 1955, 1956, and 1957.

Of the total appropriations of * * * allocated to Vietnam since the beginning of 1954 fiscal year, approximately $585.9 million have actually been spent. Available for expenditure as of July 1, 1956 (the beginning of the 1957 fiscal year), were * * * made up of $209.5 million in unexpended carryover from prior fiscal years and * * * available under the mutual-security appropriation for 1957 fiscal year.

I wish to emphasize that these dollar amounts are over and above counterpart funds which American assistance has generated. As a matter of fact, during the period 1954–57, it is expected that these generated funds will aggregate * * * with an additional * * * in local currency available for expenditure in fiscal year 1957. During this same period, the Vietnam Government has made available * * * composed of * * * in local currency and * * * in services.

Although a vast amount of aid has been extended to this beleaguered Republic, the accomplishments are far from heartening.

* * * * *

Thus, it appears obvious that our aid effort here, instead of being directed to activities designed to raise living standards, is being used to fill the coffers of the Vietnamese Government.

I landed at Saigon on September 28, 1956, in a drenching rain. One of my first inspections was at a school center maintained by the military where soldiers are taught basic fundamentals of mechanics, such as repairing engines for trucks, jeeps, and tanks. This is one of three such centers which were built by the French but which are now maintained by us.

From these centers search parties go out into the jungle wilderness to search for the military hardware which was sent to the French during its fight against the Communist Viet Minh here. As the committee knows, during the last year of active fighting alone, the United States gave to France some $785 million in American currency to support its armies and to assist the new military forces of the Associated States of Indochina. It is my understanding that to date over $100 million in abandoned war equipment has been found in Vietnam. This equipment was not credited against future demands of our Southeastern Asia allies, but instead, was sent to various countries in Southeast Asia, including Formosa, as "Lagniappe." During my visit I was told that enough usable war material had been located in Vietnam to take care of all present requirements of this area. Some of the material, particularly ammunition, had considerably deteriorated. Nevertheless, much of the war equipment has been rehabilitated and has been supplied to the army of Vietnam—all of which is over and above the military assistance authorizations provided by specific legislation.

My next stop was the Hung Loc Livestock Station, one of three to be developed by the United States and Vietnam. It is hoped that these facilities will help implement an efficient long-range policy to attain self-sufficiency for Vietnam and to renovate the agricultural economy of this country which our planners feel is endowed with real possibilities for large livestock development. Reference to the attached material will outline in more detail the size of this proposed facility and its two companion stations.

It is my view that the country has not sufficient technicians to properly man three full-fledged stations, nor the finances. Perhaps the one station will suffice. After all, only fundamentals are taught and climatic conditions will determine the advisability of growing cattle in the lowlands. I fear that cattle and/or animal husbandry cannot be made to thrive throughout the country, but there might be some possibility of success in the mountainous areas where this one station is now located. It would be a waste of money to establish a station in the lowlands and another in a trifle higher land and the third in still higher land than the one I visited is located.

During my stay in Vietnam, I visited several villages including the resettlement projects built to house thousands of refugees from North Vietnam. With respect to the resettlement of these refugees a splendid job has been done. Of course, mistakes have been made in some areas. As an instance, in one area, 30,000 were established and 10,000 of them became dissatisfied and moved away. I repeat, a good job was done and it was heart warming to see these displaced people pitch in and work with their own hands to better themselves. The funds used for resettling refugees have been well spent, in my judgment.

Another settlement which I had occasion to vist was the Cai Son refugee settlement. The refugees in this settlement have dug 14 canals without the aid of machinery. These are located 2 kilometers apart and are about 2 kilometers in length. Along each bank of the canals, a strip of land 100 feet wide by 1 kilometer deep has been assigned to each family. The earth removed in the course of digging the canals was placed on the bank so as to provide a high dry spot on which the homes are built. In December of 1955, much of the land was plowed and disked so that when the rains came in early

1956 rice was planted. It is my understanding that in December of 1956, during the dry season, a similar course will be followed, with the result that all of the remaining land will be plowed and then planted.

In this connection, the United States donated over 100 tractors plus a similar number of plows and disk harrows to perform this work. This equipment has become the property of the Government of Vietnam.

As I indicated earlier, I feel that a good job has been done in connection with the resettlement of these refugees and I sincerely hope that the money already set aside will be sufficient to finish the project. From here on out, settlers should be basically left on their own, and by all means, the equipment which we have provided for the disking and plowing operations should be placed in local machine pools to be used by the settlers in the maintenance of their new land.

I am compelled to inform the committee that while the resettlement project appears to be substantially complete, our eager planners are not undertaking to reduce expenditures as the work is completed. For example, although we spent from $38 to $40 million out of last year's budget for resettlement purposes, and although the project is completed, the budget for 1957 has not been reduced by that amount. On the contrary, the amount available was replenished. I was told that this was necessary because roads had to be repaired and others built. Some of the people are insisting upon macadam roadways although they presently have adequate stone roads. They insist that the United States do their road building for them, and of course our mission is complying. To me that is incredible and yet it is true. I can see no end to this program if we pursue such a course.

During my stay I visited the National College of Agriculture at Blao, located some 3,000 feet up in the southern highlands. This project, which was opened in December of 1955, is a joint project of the Government of Vietnam and the United States Operations Mission. But, of course, the entire tab is borne by the United States. It is designed to ease the country's urgent need for skilled agricultural technicians. It is hoped that by 1958 the college will be able to accommodate some 500 students.

Two dormitories for a total of 192 students are being built, in addition to 3 masonry buildings, each holding 4 classrooms, 2 laboratories, and 2 offices. A small playing field has been cleared and some $850 in sports equipment has been ordered from the United States. About $70,000 worth of material to equip the new classrooms and dormitories are being shipped from the United States, while from Saigon we are obtaining about $30,000 of goods which are available on the local market. In addition to the erecting and equipping, the United States will also supply the teachers to staff this college of agriculture.

Frankly, I feel that this facility is unnecessary at the present. It is beyond the capacity of the Vietnam Government to maintain and its cost is, by comparison, much too high. For example, according to my information, the total cost of the project will approximate * * * Of this amount, the United States will put up * * * in cash and an additional * * * will be obtained from counterpart. Our planners are trying to do a job overnight. The schools should expand as the economy of the country improves. It would be better to stress elementary and high schools and then start on colleges, if and when the country's economy can provide them.

I also visited a rural hospital for which the United States had provided some of the equipment and built three quonset huts. It is my understanding that this installation, which is headed by Dr. Bienbenido P. Caro, from the Philippines, is allegedly maintained and conducted under the auspices of the Junior Chamber of Commerce International Operation Brotherhood. The United States gets no credit for the assistance supplied. As a matter of fact, this project is in line to receive more equipment and additional quarters for doctors and nurses from us, although it has been fostered by the Junior Chamber of Commerce.

Although the objectives sought by this work are doubtlessly laudable, I feel that if it is to be conducted under the auspices of a private organization, the private organization should provide the financial support. On the other hand, if the United States is toing to supply assistance, then the people of the United States should receive credit.

The committee will note that among the data attached to this country summary is a volume entitled "Special Activities Report, United States Operation Mission to Vietnam, September 1956." This volume outlines in detail the various projects undertaken in agriculture, industry, and mining, transportation, labor, health and sanitation, education, public administration, resettlement and rehabilitation, and program support. It also provides an outline of ICA personnel here—personnel which aggregated at the time of my visit a total of 893 persons, of which 225 were Americans and 668 locals.

I also wish to inform the committee that the United States has undertaken a rather large information and propaganda program on behalf of the Government of Vietnam. Quoting from the volume previously referred to in the preceding paragraph, it is found that:

"Training is conducted in the techniques of audiovisual presentation and equipment provided to meet the national needs. Vietnamese Government photo lab has been established in Saigon and three branch labs are under installation. Seventy-three audiovisual mobile units are in operation throughout the country and 646 community listening centers have been established and are functioning. A national radio chain is being erected to take advantage of the geography and population concentrations of Vietnam. Provincial information headquarters is functioning in each of the 39 provinces as well as in the 212 districts of free Vietnam. More than 1,500 information specialists have been trained. Six potential technicians have been qualified and sent to the United States for training and five more are scheduled to leave shortly."

The total cost of this project is estimated at $9,216,630, of which the United States will contribute $1,545,227 in direct dollar aid with the remainder coming from counterpart funds and local government contributions. Of this remainder, counterpart funds in the equivalent of $1,489,418 will be provided. Completion date is estimated at June 1958.

It should further be noted that this program is over and above our own information program, which I shall discuss subsequently. Here we have another indication of the scope of our activities and the extent to which we have shouldered the burden of purely local governmental functions.

For the latest on this program of support to the Vietnamese propaganda effort, I refer the committee to page 6 of the January 4, 1957, issue of News From Vietnam, published by the Embassy of the Republic of Vietnam, Sheridan Circle, Washington 8, D. C., an article entitled, "Former Opium Factory To Be Converted Into Motion Picture Laboratory for Vietnamese Government."

This article reads in part:

"A former opium manufacturing establishment in Saigon will soon be transformed into a motion picture laboratory for the Vietnamese Government. Plans for remodeling the interior of the building have already been approved by the Government as well as the budget for financing the project. The studio will be modern in all respects, completely air conditioned, and have its own automatic auxiliary powerplant, machine shop, snack bar, and comfortable rest areas. The United States operations mission has allocated $280,000 for film equipment, supplies, and professional services.

"It is estimated that remodeling work will require at least 4 months time. When completed, this Government will have the largest and most modern motion picture production studio in Southeast Asia with a staff of 60 employees."

From the attached data headed "Changes in the USIS Program in Vietnam," the committee will note that proposed obligations for fiscal year 1957 will be $140,100 less than in 1956. However, this decrease in expenditures results from a change in the exchange rate and is not really a reduction in the budget. At this point I quote from the report supplied me:

"Throughout fiscal year 1956, USIS paid for all local expenditures in piasters purchased with dollars at the official rate of 35 piasters to $1. Beginning July 2 all United States and other foreign government agencies in Vietnam were granted use of a limited access free market—which in practice has meant approximately 74 piasters to the dollar depending on slight daily fluctuations. The 'limited access' means that this accommodation is restricted to the legitimate expenses of diplomatic establishments, tourists, and a few other small categories. All imports and exports, capital transfers, and American and other aid goods are still reckoned at the official 35 to 1 rate."

It is obvious, then, that because of this exchange rate concession, those phases of our Information Service which are supported by local currencies can be expanded despite the fact that the actual dollar expenditures may show a slight reduction. However, as to capital goods and other assistance generating local currencies other than the information program, the United States continues to be bound to what is obviously an artificial exchange rate pegged at less than one-half the true rate.

This factor takes on added importance when viewed in connection with the manner in which our aid dollars have been utilized in Vietnam.

It is obvious then that in exchanging our aid dollars for piasters at the central bank of Vietnam, the United States was compelled to accept an artificially fixed rate of 35 piasters to $1 instead of the realistic rate of 74 piasters to the dollar. Thus it is clear that for value received (that is the local currencies purchased) the United States actually obtained less than one-half the true value of its dollars when measured by actual market standards. Thus again we are denied full credit for the aid we have extended.

I recommend that a new look be taken at the information service program which seeks to increase the size of its library. In the alternative, I would favor and recommend opening a number of smaller branch libraries. I would extend this further to provide small library facilities throughout the rural areas of Vietnam in order to permit the local people to obtain a better picture of what the United States of America is doing for them. As the situation now stands, I fear that the Vietnamese "man in the street" has no comprehension of the support—fiscal, political, and economic, as well as military—which the United States has extended to his country in its quest for true independence. Space for these branch libraries should be provided by the Vietnamese Government. Only in this way will we be able to effectively combat Communist propaganda.

LAOS, CAMBODIA, AND THAILAND

Mr. ELLENDER. Mr. President, from South Vietnam I traveled to Cambodia, Laos, and Thailand. Again I could speak at great length about the situation in those three countries. Our programs are being carried out there along much the same lines as in South Vietnam, except not quite as extravagantly. In Cambodia, Laos, and Thailand, we are undertaking projects which undoubtedly are worthy, but they are not in keeping with the ability of those countries to proceed with them in future years. Many undertakings are far beyond the present capabilities of the people of those countries. If only we would spread over a period of several years the money we are now spending there in 1 year, far better and more lasting results would be obtained.

Furthermore—and this is not peculiar to Laos, Cambodia, or Thailand—a considerable number of long-range projects are underway or in the planning stage. The objective is to bring about improvements 10 years from now; for instance, to construct buildings and make expenditures for colleges and other projects to which I refer specifically in my reports. In my humble judgment, we should be taking care of the present-day generation. If trouble comes in the near future, today's and not tomorrow's population will be affected. Yet, in these countries very little is being done to improve the lot of the people of this generation.

Mr. President, I ask unanimous consent to have my reports on Cambodia, Laos, and Thailand printed at this point in the RECORD.

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

CAMBODIA

Once again we are confronted with unnecessarily large amounts of unexpended funds. Reference to the attached data as pertains to Cambodia will show that during fiscal years 1955 and 1956, a total of $61.3 million was actually spent in Cambodia under our non-military-assistance program. At the termination of the 1956 fiscal year, our unexpended balances approximated $42.8 million, of which amount $279,000 were unobligated. Appropriations for fiscal year 1957 for Cambodia aggregate * * * which, when added to the unexpended carryover of $42.8 million indicates that something like * * * will be available for expenditure during fiscal year 1957. However, against this amount, the mission has programed for expenditure only * * *. If Congress did not appropriate another penny for expenditure in Cambodia during the 1958 fiscal year, the mission here will have available for expenditure approximately * * *.

I also call the committee's attention to the fact that during the 1955 and 1956 fiscal years, approximately $12 million were expended by way of cash grants to the Government of Cambodia to generate local currency. In general, this process involves our exchanging appropriated dollars through the local banking system for local currencies and then using these local currencies for aid purposes. This procedure has serious drawbacks. Because of an unrealistic exchange rate, it leads to what, in my opinion, is nothing less than the misuse of appropriated aid dollars. Actually the United States is not receiving full value for its aid dollars when this procedure is followed. Doubtless much of our cash finds its way into the hands of the few in exchange for inflated local currency.

There will be no discussion in this report on our military-assistance program. As indicated in the introduction to these country reports, a separate section of this overall report will deal with military-assistance programs in the various areas insofar as dollar amounts are concerned. This is necessary because the information provided at the grassroots level was very sketchy. The scant amount of specific information obtained originated at the Washington level and I hope to obtain a full picture there.

In Cambodia there exists a situation similar to that prevailing in South Viet Nam. It is beyond the scope of this report to discuss 1956 programs in detail. However, for the committee's use, attachment 1C consists of project proposals and approval summaries for each and every project undertaken for prior fiscal years.

Concerning technical cooperation, attachment 2A explains in some detail the purposes for which technical assistance funds are to be spent during fiscal year 1957. I specifically direct the committee's attention to proposals to expend considerable funds for development of irrigation and drainage systems, aid in establishing a bureau of reclamation * * * including both dollar currency and counterpart), power site survey * * * and * * * in counterpart equivalent), development of credit for small industry * * * in counterpart equivalent), * * *.

It is apparent that the technical assistance program here is not being used to extend grassroots enlightenment to the people, but rather to find ways and means of maintaining a large economic assistance program for the future. For example, reference to page 21 of the attachment indicates that the total resources survey is to be undertaken, for which * * * in counterpart equivalent will be spent during the 1957 fiscal year. The purpose of this program is to survey all of Cambodia's resources to determine by research, census, or physical inspection the total resources of Cambodia available for economic development. In this same category, there can be found on pages 23 and 24, under the general heading "Improvement of Mass Communications," proposals involving the expenditure of * * * in counterpart equivalent during the 1957 fiscal year. Reference to the details of this program reveal that among the so-called "technical assistance commodities" to be procured are 12 audio visual mobile units, 4 marine engines, and 4 sets of basic mobile audio visual equipment. This equipment is to be installed in Government-procured halls to reach otherwise inaccessible masses of people. Obviously the purpose of this "technical assistance" program is to expand the propaganda organs of the Government of Cambodia. I doubt seriously that either Congress or the American people had such enterprises in mind when the program of technical aid—point 4—was conceived. In addition, the explanatory material provided in connection with this project indicates that it is being undertaken despite opposition from the Cambodian Ministry of Information. I quote from page 26:

"Before all else in the field of mass communications and information assistance in Cambodia, the first problem to overcome is a lack of recognition—within the Ministry of Information itself—of the nature and role of audio visual production to support the economic development efforts of the Government as a whole. On the highest levels knowledge in the field of information did not go beyond direct political and personal propaganda. Coupled with this, of course, is a lack of technicians and an inadequate national budget.

"Concrete beginnings have been made in this extra job of educating personnel of the ministry. As a result of this—and of the failure to recruit the total of four United States technicians requested for fiscal year 1956—the following year looms as the crucial year in implementing a direct-aid commodity picture that now totals nearly half a million dollars."

If this were not enough, information outlined on page 27 indicates what other propagandizing activities have been undertaken under the guise of technical assistance. These include—

(1) An ICA financed printing plant.

(2) Two hundred and fifty radio receivers plus 150 generators have been distributed throughout Cambodia.

(3) One 1,000-watt transmitter has been installed.

(4) Five audio visual mobile units have been delivered, with two of these not in operation for lack of technically trained personnel.

(5) A Government photographic laboratory has been constructed, equipped, and put into operation.

On page 28 of attachment 2A it is indicated that * * * American dollars plus * * * in counterpart equivalent will be spent to provide the services of 14 American experts and secretarial personnel to the missions program office and finance and trade division. Thus it appears that, despite the fact that we have presently employed in Cambodia 63 Americans plus 102 locals, it is proposed to further increase the number of Americans by 14 plus secretarial personnel. Again I remind the committee that this project is not carried as an administrative expense, but rather, apparently, is listed as technical assistance.

Turning now to defense support for fiscal year 1957 (see attachment 2B) a similar situation presents itself.

A number of projects in this area require close scrutiny and should be reevaluated, particularly the development of irrigation and drainage systems, rural power development, river navigation improvement, the repair and rehabilitation of airfields, and others. Specifically, I direct the committee's attention to the following:

The construction of a new highway from Phnom Penh to Kompong Som which will probably cost some * * * of which * * * is scheduled for expenditure during 1957. This highway, which will be built to American standards, will involve the shipment of 500 tons of equipment to Cambodia, plus large quantities of asphalt, cement, bridge iron, and so forth. The highway is proposed to be completed in fiscal year 1958. In addition, we have undertaken and will no doubt complete, a program of highway and bridge repair, rehabilitation and construction, on which will be spent * * * United States dollars in fiscal year 1957 plus * * * in counterpart equivalent. Needless to say, both of these projects will involve continued maintenance. As a matter of fact, in the briefing material supplied me, our officials state: "The mission feels that it should withdraw from the field of maintenance of highways and bridges, but realizes this change must be gradual." How gradual it is not said, but it is obvious that a considerable amount of money will be required for maintenance for an indefinite time.

Attached, as an exhibit, is a letter dated October 10, 1956, which has as its subject the status of the dredge program in Cambodia. This letter explains in full the genesis of this operation and prospects for ordering an American withdrawal. Suffice to say at this time, these prospects are dim indeed. I quote from my field notes:

"I again asked about the dredging operations about which I complained last year. At that time there were three dredges on the job involved in filling privately owned land at our expense. I was informed that the situation with respect to this dredging had been changed. However, upon investigation, I discovered that the United States is still picking

up the tab. The government has assessed riparian land owners, and it is proposed that they will pay for the benefits to their land over a period of 5 or 6 years. In the meantime, we continue to advance the money through counterpart funds. In other words, the United States still pays and the Government of Cambodia will later attempt to collect and, where successful, money so obtained will be used to replenish the counterpart account.

"I feel that this is unconscionable, to say the least."

The situation is such that a new Cambodian Government agency called "Office of Dredges" has been created and has taken over the responsibility for continuing the dredging program. However, the 1957 operating budget totals * * * of which only * * * are guaranteed by the Royal Government of Cambodia and * * * will be loaned to the Office of Dredges from counterpart accounts. The remaining * * * will be made up of an equivalent amount of American dollars which will be used to procure spare parts, fuel, and to continue training.

Reference to the last paragraph of this letter indicates that "We made a strenuous effort to reduce our aid to technical assistance only. We found the dredge authority unfamiliar with the nature of their responsibility and actually frightened with the political ramifications of tax assessment and collection. They have never heard of an assessment roll and it seems that there is actually no word in the Cambodian language for the English word "assess." We have convinced them that this is a part of the Democratic process and they should try it. Consequently we are continuing aid and hope for results."

* * * * *

The Government of Cambodia has recently embraced the so-called five principles of peaceful coexistence, and has consummated trade and economic assistance agreements with Communist China. Our planners in Cambodia apparently feel that the United States must engage in all-out competition with the Government of the so-called Peoples Chinese Republic. If this is so, then it becomes obvious that our program in Cambodia will not even maintain a semblance of supplying the basic needs of the people. On the contrary, it will evolve into a propaganda effort designed to see which government can spend the most and achieve, at least superficially, the most progress.

For a review of information service activities, I direct the committee's attention to the attached memorandum from John M. Anspacher, public affairs officer, USIS, Cambodia. This memorandum indicates that the fiscal year 1957 program for Cambodia has been increased by $107,000—that is, to $407,000 from $300,000 in fiscal year 1956. The increase will be used to provide staff housing rentals, rental and maintenance of a new library, expanded Chinese programs through various mediums, budgetary support for 14 provincial Cambodian-American cultural centers, a book translation program, and 1 new position.

With reference to the film and library programs, I recommend that they both be immediately reevaluated. For example, I visited the USOM/USIS film center at Phnom Penh. This facility is housed in a residence which is owned by a rich banker. We pay $1,000 in American currency per month for rental on this facility. Actually, USOM pays the rent, and USIS in return makes 12 films for USOM.

With respect to the library, we again rent a residence at approximately $1,000 in American currency per month. While the facility appears to be well organized and is used by a number of Cambodians, it would appear that an expenditure of something like $24,000 per year in rentals for these two magnificent pieces of property is wasteful, to say the least. I therefore recommend that the library and film center be housed in one building which should be supplied by the Government of Cambodia.

It should also be noted that the United States has rented an office building which houses the Embassy, USIS, USOM, and military attachés. The rents are out of all proportion. * * * I recommend that the Government of Cambodia be prevailed upon to provide suitable facilities for these units at cost. This should not be difficult to achieve inasmuch as the Government of the United States is dealing on quite generous terms with the Government of Cambodia.

Laos

Laos, once a part of French Indochina, is now an independent kingdom, covering an area just a little larger than the State of Idaho. Our aid program has been here for some time, but prior to the 1955 fiscal year, funds appropriated were allocated to Indochina as a whole and only a small sum reached Laos. There is no breakdown as to what proportion of the total Indochina funds prior to fiscal year 1955 had been allocated to the area which is now the Kingdom of Laos.

Expenditures during the 1955 and 1956 fiscal years totaled roughly $71 million. As of June 30, 1956, the end of the 1956 fiscal year, unexpended balances totaled $25.7 million with $70,000 of this amount unobligated. In addition, we have on hand in the Laos accounts, over $2 million in unobligated counterpart equivalent with a total counterpart balance unexpended of $2.7 million in local currencies.

As of September 26, 1956, the date when the attached "Summary of Operations of ICA: Laos" was prepared, no firm allocation had yet been received with respect to expenditures during the 1957 fiscal year. However, based upon the International Cooperation Administration's budget as approved by Congress, roughly * * * will be available for expenditure during the 1957 fiscal year. This amount, added to the aggregate unexpended balance on hand as of June 30, 1956, will make available a total of * * * for expenditure during the 1957 fiscal year. Based upon the record of expenditures during the 1956 fiscal year, this amount would be sufficient to carry the program through fiscal 1957 and fiscal 1958 without the necessity for an additional appropriation. We are spending quite a sum here when one considers the size of the country with a population of only 1½ million people. This program should develop slowly and in keeping with the economic ability of the country to carry on.

I received a thorough briefing on the economic situation in Laos during my visit, and was informed that the little nation is presently experiencing the greatest building boom that the country has seen since the war. Construction of public and commercial buildings, offices, and homes has been going on during the last 6 months at an unprecedented rate. I was told that two fairly modern hotels are nearing completion in Vientiane, and that they will be ready for occupancy in the near future. However, there has been no investment in new manufacturing enterprises.

Highway construction is also being emphasized, as I shall point out later, with a network of roads linking Laos with Thailand receiving high priority. In addition, as the committee will note in connection with my report on Thailand, emphasis is also being placed on expanding rail links between Thailand and Laos, in order to move into commerce the rather large Laotian production of rice.

Reference to the attached exhibit headed "Current Economic Situation in Laos" will provide the committee with a rather thorough picture of the economic situation in Laos as of the fall of 1956.

At the time of my visit, the fiscal year 1957 allocation of funds had not as yet been made. Thus, the information provided me concerning the fiscal year 1957 program in Laos has been classified "For official use only." However, reference to the 1956 program will provide a comprehensive picture of our aid-program operation.

Attachment 1 to this report contains a number of project proposal and approval forms indicating the use of fiscal year 1956 funds. It is obviously impossible for me to direct the committee's attention to each and every one of these forms, but I believe that there are certain undertakings which should be specifically called to the committee's attention for its use in studying the budget for 1958.

Under the general heading of "General and Miscellaneous," approximately $124,000 had been programed for support of the Laotian Propaganda Ministry for fiscal year 1956. This money was allocated on May 23, 1956, some 33 days prior to the expiration of fiscal year 1956. The committee should take note of the fact that while allocation had been made in May of 1956, the funds were not to be used until January 1, 1957. This particular program involves the publication of a weekly photo newspaper, in the Laotian language, to be operated under the auspices of the country's Ministry of Information. At present, it is planned to publish approximately 30,000 copies weekly.

This project will also involve the construction, equipping, staffing, and operation of a modern printing plant. The newspaper will be distributed free of charge for the first year with the hope that during that period it will be possible to build the public interest to a point where newsstands will have a market for these papers.

I recommend the reevaluation of this proposal, and suggest that if it is carried out, a commensurate reduction in the USIA program be made. Otherwise, I fear that there will be rank duplication of effort by this facility and our regularly established information program.

Also programed during the 1956 fiscal year are $65,000 for the organization and establishment of a Government procurement system for the Government of Laos. This proposed unit will coordinate and control all Government procurement. It will establish and provide policy direction and issue regulations, manuals, and instructions. It is proposed that it will review and analyze all procurement actions, train procurement specialists and technicians, provide a central purchasing office, and will generally promote the efficiency of the Government's procurement program. Under this program it is also proposed (since there is no space available in any of the existing Government buildings) to erect two warehouses which will house both office and warehousing facilities. The construction of these two buildings will cost approximately $45,000.

At this point, I quote from the project proposal and approval summary:

"This function of government cannot be financed within the Government budget as present revenues plus nonrecurring items make up less than 75 percent of the cost of operating and maintaining the Government on a minimum level without taking into account any of the cost of the military services and the new public works which are financed entirely from the United States and other foreign aid sources. The Government purchasing office will delegate operating authority, under its policies and procedures, and subject to its review and analysis, to the Ministries of Defense, Public Works, and other Government departments as they become qualified."

This project is justified because of the extreme shortage of competent procurement

personnel in the Government procurement processes. Purchasing has in some instances developed into a personal prerogative of senior officials with the usual problems attending such a situation. In other words, the project is necessary to eliminate corruption.

The 1956 project proposal and approval schedule also indicates a proposal to spend some $900,000 to provide aid in the reorganization, training, and reequipping of the civil police in this country. It should be noted that during the fiscal year 1955, $257,000 for equipment and $2,150 for a technical-assistance contract was paid from defense support funds. Financing of participant training and cost of United States technicians was deferred until fiscal year 1956. This project proposal and approval schedule provides $642,156 for equipment, $200,000 for participant training, and $57,844 for technicians. One million three hundred and thirty thousand dollars equivalent in counterpart is provided for salaries and equipment and supplies to be purchased in Laos.

It is presently estimated that expenditures for plant equipment will be completed by July 1, 1958. However, ICA notes, "It cannot be determined at this time whether it will be possible to phase out the requirement for technical assistance by that date." Further, under another project proposal and approval summary, the same project also involves the installation of a radio network under contract between the Government of Laos and Barrow Brown & Co., of Bangkok, Thailand.

Because of the crippling scarcity of skilled and semiskilled mechanical technicians in Laos, it is planned to establish 3 training centers consisting of 2 apprentice training schools and a technical training school. This last school differs from the two former in that the theoretical aspects of technical training will be included in the curriculum for a 5-year course. The apprentice schools will offer a 3-year course and will turn out much needed but less highly skilled mechanics, stenographers, and clerks. It is believed that the technical schools will eventually become the source of nearly all skilled and semiskilled labor for the country of Laos. The estimated completion date for this work is June 1959.

We have also become involved in a rather ambitious transportation program, based upon a survey authorized in fiscal year 1955. I particularly want to direct the committee's attention to what is described as "Operation Mekong." This program, instituted in fiscal year 1956, consists of an attempt to establish a reliable transportation network between Thailand and Laos. It will involve a ferry or ferries to provide suitable river crossings; a properly constructed ramp on the Laos side to insure mooring of the river-crossing vessels at all times of the year; storage and customs facilities immediately adjacent to the ramp site; and improvements to the road into Vientiane to insure all-season all-weather heavy traffic usage.

We are also involved in a fisheries project here, in order to expand the production of tilopie, a kind of rapidly developing fish. We are also undertaking a rather large program of forestry development, and the development of the lumber industry. In the field of agriculture, we are undertaking to expand the production of major cash crops, principally rice and coffee. In 1955, we began the Xieng Khouang development project, which was to be the first model agricultural project in Laos. It is described as essentially a self-help project, and I was able to visit the site during my inspection of our program in Laos.

I quote now from my on-the-spot notes:

"Some 1,000 acres have been set aside by the Government. We are building fences around the land to keep the cattle out. A large plot is devoted to the planting of soybeans, potatoes, vegetables, etc. Grasses are being fertilized to see if pastures can be improved, since grasses appear to grow well here.

"The plan is to start a cattle industry if possible. I saw some of the local cattle and they appear to be small and lean. I would judge that there is something wrong with the grass since native cattle do not get fat. About the only exception to this are water buffalo which apparently thrive on the forage. It may be that heat has an adverse effect upon the particular breed of cattle presently being raised here.

"I also visited rice plots where fertilizer was being applied. A great difference could be seen. However, I fear that this entire project may turn sour. It is a long range program whereas something should be done for the generation which now tills the land if our program is to be effective. We are apparently to begin a cattle industry here with no way to market the meat which will be produced. Of course, this will lead to another road program.

"I return to the proposition that I have frequently expressed, i. e., that what is now being done may pay dividends in the long run but our most pressing need is for immediate results."

The following information is classified:

* * * * *

The staff planned for the mission for fiscal year 1957 will aggregate 150 persons compared to 88 during the fiscal year 1956. This would include 111 United States employees of which 80 will be employed by the United States Government and 31 under contract plus 39 locals, including 37 United States employed and 2 contract. The increased staff for fiscal year 1957 "reflects the number of personnel needed to achieve reasonable effect for the expenditures planned.

The committee will recall that last year at the time of my visit I noted that bulldozers were at work leveling the ground in the Embassy compound to erect houses for the Embassy staff. During my visit this year, I revisited the compound. We erected 18 houses for the Embassy staff and also servants' quarters. I was informed that the houses cost about $6,000 apiece. They are prefabricated houses purchased in Japan and shipped to Laos. Corrugated aluminum was used for the sides and the roofs. In addition to the $6,000 original cost per unit, an approximate $3,166 additional was necessary for extras including the drilling of a well, pumps, piping, air conditioning, etc. I feel in this instance we received our money's worth.

However, in addition to the houses built for our Embassy personnel, approximately 18 houses are now being built over and above the 14 which were constructed last year for personnel of the United States Operations Mission. These houses are built with counterpart funds plus some United States dollars, and are located on Laos Government property. If and when we leave this country, title to the land and of course the houses upon it, will revert to the Government of Laos. It would appear to me that an arrangement more advantageous to the Government of the United States could have been consummated with respect to these USOM houses.

Before moving into my discussion of the information service, I want once again to place on record the fact that the bulk of the work we are undertaking or will undertake in the future in this tiny kingdom will require a long time to show effects, and that, if our programs are to succeed, it is necessary that we provide immediate relief to the people of this generation.

I also fear that with the expansion of the USOM staff here, more ambitious schemes will be conceived involving principally the industrial development of Laos. At present, Laos is primarily an agricultural country. However, during my stay, I noticed an increase in sentiment among the people and among the Government officials to the effect that Laos will never feel secure until it has created a rather large industrial program. It is my distinct impression that the bulk of the people do not seem to want to continue to farm—they are more interested in industry.

If and when we do undertake an industrial development program here, it will be necessary to build a complete transportation system—land, rail, and water, along with development of what mineral resources Laos may have, plus the construction of industrial plants. Under no circumstances should we become embarked upon such an ambitious program. Yet, the proposed surveys of minerals, ways and means of improving transportation, and similar projects, indicate that the views of local leaders have been heeded and that the United States of America is about to become embroiled in a long-term, long-range, high-cost program of remaking the landscape and economy of Laos.

Perhaps the main thing our planners lose sight of is that some time in the future the United States Government will have to halt financial aid, not only to this country, but to all beneficiaries of our bounty. Nevertheless, if our planners conceive and implement projects which are overly ambitious, the Government of Laos will not be able to sustain the effort if and when we leave. Then instead of having the gratitude and friendship of these peoples we will be the object of contempt and hatred for generations.

At the time of my visit, it was proposed to increase the information service budget here from $157,000 actually spent in fiscal year 1956 to $285,000 in 1957. The justification for this rather large increase was "the greater need for USIS effective action in Laos resulting from the changed political situation and the increase of Americans on the job in Laos from 4 to 8." We are also going to institute a radio program here for the first time. Estimated cost for this will be $5,000 a year. Press and publications will increase from $14,400 to $22,000. Motion pictures will rise from $18,160 to $33,000. It is proposed to purchase three river boats to operate out of Vientiane, Pakse and Luang Prabang for use as floating mobile units. Costs of information centers will also rise, from $6,600 in fiscal year 1956 to $20,600 in 1957 fiscal year. It is expected to inaugurate for the first time a book translation program plus repairs and improvements to the USIS libraries. Special exhibits will also be shown.

USIS further proposes to spend $20,400 during the 1957 fiscal year as against no money during 1956 for the teaching of the English language. Besides paying the hire of teachers, it will be necessary for the United States to pay the cost of transporting teachers to the classes. Since there is no public transportation and since no Government vehicles are available for this purpose it is further proposed to purchase a small bus to provide this transportation.

Reference to the attached exhibits dealing with USIS will demonstrate that among the programs presently maintained are:

(1) Yearly publication of a mimeograph news bulletin.

* * * * *

(4) Free World Magazine, which is a feature magazine emphasizing cultural, historical, and economic development in Laos.

* * * * *

(6) Production of photographs for display purposes.

(7) The preparation and publication of posters, booklets, and circulars.

(8) The sponsoring of exhibits.

* * * * *

(10) Distribution and showing of films produced in Laos as well as films received from Washington showing the American way of life, etc., and of course the educational

exchange program under which 10 Laos citizens have been sent to the United States.

THAILAND

The fiscal accounts of this country with respect to the nonmilitary mutual assistance program are, in my opinion, in a most unenviable position. According to information provided, our assistance during the period fiscal year 1951 through fiscal year 1956, inclusive, totaled $99.9 million. During the period, fiscal year 1954 through fiscal year 1956, actual expenditures aggregated some $37.5 million. Unexpended balances as of the end of the 1956 fiscal year totaled $62.3 million with $1.6 million of this amount unobligated. In other words, out of a grand total of approximately $99.8 million appropriated during this 3-year period less than one-third was actually spent. Despite the fact that on June 30 the unexpended balances amounted to $62.3 million, our foreign-aid planners prevailed upon Congress to appropriate an additional * * * in new funds. This raised the amount available for obligation and expenditure in fiscal year 1957 to * * * in United States funds and approximately * * * in counterpart funds equivalent.

Information provided in response to my questionnaire indicates that during the 1957 fiscal year approximately * * * in American funds are proposed for expenditure. If this amount is deducted from the total amount of * * * available for obligation and expenditure in fiscal year 1957, it is obvious that the 1958 fiscal year will begin with approximately * * * in funds available for expenditure in Thailand without the appropriation of another dime by Congress.

It was also interesting to note that as of August 31, 1956, a total of 475 persons were on the ICA payroll here. Of this number, 271 were Americans and 204 locals. Of the 271 Americans, 88 were United States-employed technicians, 165 were contract employees, and 20 were in other categories, presumably administrative.

Why is there necessity for so many employees in this comparatively small nation? Perhaps it is due to the fact that the United States is footing the bill for practically every conceivable kind of endeavor. They range from road construction to education, and include development of manufacturing resources through labor union formation, fish-hatching projects, and public administration programs.

Our program of aid had its inception in the fiscal year 1951, and until fiscal year 1955, it consisted primarily of technical assistance. In 1955, our planners began to pour economic assistance funds into this country, in an effort to raise the standard of living and remake the entire economy. Our planners hold that the economic aid funds make possible the undertaking of larger scale assistance projects and in addition provide needed budgetary support to the Thai Government.

The attached document entitled "United States of America Operations Mission to Thailand," amply illustrates the range of our program here.

It is not my purpose to outline in great detail each and every program undertaken but the committee and the Senate should know that few fields of endeavor have been neglected by ICA in its attempt to remake this tiny nation overnight.

The first category is agriculture and natural resources. Our projects in this area are many and varied. To mention a few, here is what we have done so far. We have become involved in a huge program of upland crop improvement, of plant protection, and a comprehensive effort of soil fertility and management. We have established a soil laboratory and conducted innumerable demonstration projects. We have a thorough extension program, including a youth organization similar to the 4–H Clubs in the United States. We have undertaken to enlighten the citizens of Thailand in agricultural engineering. We have created a 200-acre completely mechanized rice farm. We have assisted in planning the northeast Thailand land-clearing and leveling project in order to make available more land. We have erected 10 Butler steel storage bins for the storage of rice and corn, and many others too numerous to itemize.

The United States, in cooperation with the Government of Thailand, has also embarked upon a program of livestock improvement and disease control, including the implementation of a regional eradication program of rinderpest.

In earlier reports, attention was directed to the so-called fisheries project, under which the United States had built 4,000 additional private fishponds, to say nothing of fish hatcheries. One of our fishery experts has been in Thailand for 5 years. The bulk of his time is spent in attempting to increase the production of a certain species of fish which matures in 4 months. During my discussion with him, he admitted that Thailand has enough fish and shrimp in the southern part to supply its needs but that he is attempting to increase fish production in the northern areas where fish have never been produced heretofore, because of a lack of water. Since the United States has, to some extent, remedied the water deficiency, it must now develop the fish. This program should be ended immediately.

Our efforts in the public-works and industrial areas have included the following projects:

(1) The expenditure of * * * for construction equipment and spare parts, * * * for the repair- and maintenance-shop machinery, and * * * for laboratory and testing equipment in connection with the Thai highway programs. In this connection, the Northeast Highway project alone involves three major services contracts. The first of these covers the purchase of $2,500,000 of construction machinery, title to which goes to the Thai Government upon completion of the project. The second covers a contract for $1 million in engineering services for the first 63 kilometers of a 172-kilometer highway. The third involves a contract amounting to $4 million for construction services and the 63-kilometer link just mentioned.

According to my information, negotiations for extensions to the above contracts are presently underway. These will include an additional $2 million in construction equipment which also will become the property of the Thai Government. Thus, a total of $4.5 million in construction equipment will become the property of the Government of Thailand upon completion of the highway.

Information in my files also indicates that under the expanded aid highways project USOM and the Thai Highway Department have formulated a program for undertaking additional construction aggregating approximately $6 million. This will be done under a contract which will provide for complete construction of another highway located in some other portion of the country. This project contemplates the purchase of $1,600,000 in construction equipment which will become Thai Government property.

We have not aided the Thailand highway system, at the expense of the railroads. The following commodities and equipment have been purchased and furnished to the State railways: (1) two diesel-electric generating sets at a total cost of $108,000; (2) $1 million of railway materials and supplies such as wheels, couplers, air brakes, castings, etc.; (3) $350,000 of equipment and machinery; and (4) $34,000 of test equipment and laboratory equipment for installation at various locations throughout the system.

Reference to my files also discloses the following:

"Construction of the Udorn-Nong-Khai line was performed largely by State railway forces utilizing United States furnished equipment. Services of a local contractor were used to some extent in this work. The line is presently 95 percent complete and consists of 54 kilometers of single-track line with all necessary sidings, bridges, and yards. The total cost of this new line, including construction costs, materials, and equipment is $4 million. In addition, $1,100,000 of rolling stock and communications equipment have been procured and are in the pipeline.

"A ferry landing and railway spur which will form the extreme terminus of the northeast system have been planned and approved. Foundation investigations are under way and construction will begin shortly. This will provide facilities to accommodate the movement of traffic and goods across the Mekong (River) to Laos."

In the area of air transport, the United States has participated in projects pertaining to three major fields—traffic control, meteorological services, and technical assistance to the Thai Airways Co. In addition approximately $9.2 million of economic aid funds including counterpart funds have been provided for airfield construction. The International Airport at Bangkok is one of the finest in all of Asia. It does much business and is more than self-sustaining, I was informed.

I was advised that on March 8, 1956, a contract was signed providing for Pan American Airways to furnish technical assistance to the Thai Airways Co. for developing a program to improve and expand its air transport service. This 3-year contract has a total value of $2,800,000. It is my view that the Thai Government is well able to provide such technicians.

Our aid program has placed considerable emphasis on water resources. USOM has assisted in projects for tank and pump irrigation and ground water research. Under the tank irrigation project, 73 irrigation tanks and dams have been completed and 56 are presently under construction. Those completed provide a volume capacity of 118 million cubic meters and cover an irrigable area of 60,000 acres. We have furnished 28 truck-mounted and 2 barge-mounted pumps. We have begun the water research program by drilling 5 wells of an estimated total of 150 to 250 to be ultimately drilled. We have also furnished a number of other items of supplies and equipment, warehouses, repair shops, laboratories, rainfall gaging apparatus, motor vehicles, and testing equipment.

In the area of power and communications, USOM has provided assistance in three specific areas. These are power facilities improvement, power exploratory survey, and telecommunications engineering.

In the field of mining and geology, we have also undertaken three projects—geological survey, experimental metal mining, and minerals experimental center. The minerals experimental center at Bangkok was recently dedicated. It consists of a modern laboratory where studies of minerals, ore dressing methods, and other research projects are performed.

We have also established mining centers for instruction throughout the three mining areas of the country. Instruction and training courses are conducted in modern mechanized mining methods and in the location of ore-bearing bodies. Approximately $160,000 in equipment has been furnished for this program.

Other ventures into the public works and industrial areas include the following: (1) Provided training facilities in the United States for Thai technicians in the small industries field. Services of an industrial adviser have been made available to examine overall industrial development needs and possibilities in Thailand, and to advise on methods to stimulate the growth of industrial enterprises.

(2) Established an automotive maintenance training center. This year a contract is proposed which will provide for a technical survey by American engineers to determine requirements and establish procedures for properly maintaining and repairing the 10,000 vehicles owned by the Thai Government exclusive of those which are the property of the various defense agencies.

(3) The hydrographic study, which was begun in 1951, continues unabated. Thirteen participants have received training in the United States in fields of hydrography, port operations, and allied subjects. Four more were scheduled for training in fiscal year 1956. The Committee will recall that, in my previous reports, I noted that not only would the United States provide the dredge *Manhattan* for work on the Chao Phraya River, but that it would be necessary to do maintenance dredging with United States technicians until such time as we had trained a sufficient number of Thais for this operation.

(4) Thailand, through the American aid program, has also participated in a project described as the Mekong River reconnaissance. This is a regional effort and involves the four countries of Thailand, Laos, Vietnam, and Cambodia. In December 1955, and January and February 1956, the team of United States experts aided by local USOM and Thai Government consultants reconnoitered the Mekong River from upper Laos to its mouth on the South China Sea. On February 8, a final regional conference was held at Saigon, following which the team members returned to the United States, where they are now preparing a final report. This report will contain recommendations for specific surveys to accomplish long-range development of the river for irrigation, flood control, navigation, and hydroelectric power generation.

The committee will recall that in 1955 when the President first requested funds to implement his so-called Asian aid program, the Mekong River project was cited as a possible project. Now nearly 2 years later, the project has at last reached the point where, if everything goes well, a preconstruction survey will be undertaken. As yet there is no hint what projects will be undertaken, where they will be located, what they will comprise or what they will cost. Thus again, we have a concrete example of Congress being forced to legislate in the dark.

Earlier in this report I referred to our labor and welfare program. It was indicated in the data provided me during my visit in Thailand, that within a few months significant developments would occur, namely, the passage of basic labor legislation. It is my understanding that our mission's labor adviser, upon request of the Government of Thailand has analyzed 5 bills, submitted opinions on their applicability to Thailand, suggested and discussed proposed revisions, and actually assisted in formulation of policy for (1) settlement of labor disputes including the right to organize labor unions and to bargain collectively and the establishment of an advisory labor board; (2) a regulation of labor unions including registration; (3) limiting daily and weekly hours of work, and establishing rules for paying wages; (4) protection of women and child labor including prescribing conditions of work, forbidding work in specified occupations, and setting up age and health standards for hiring; and (5) weekly holidays.

In addition to this USOM is helping to train personnel to administer these labor laws and to provide sound trade union training to labor officials and workers. Also there are plans for improving the economic and social welfare of the people of Thailand which includes a survey of workers' housing, recommendation of a program for future development, and a so-called self-help program. This self-help program is built around active cooperation in the field of community development and is described as a way of building democracy from the bottom up. It is my understanding that future work will be integrated with the self-help settlement work initiated by the Prime Minister and with other experiments in operation in several places in Thailand.

In the field of education, we have endeavored to provide more teachers. We have also expanded our program of vocational education, and have built a new technical institute, comprising 38 new buildings and offering instructions to Thai students in 15 vocational areas. The lands and buildings of the institute were purchased with local funds generated for the most part under our aid program, while approximately 95 percent of the equipment was supplied directly by the United States. Assistance has also been extended to secondary education.

We have provided some $11 million in United States assistance to 16 health projects. Under this program, we have accomplished much good and it is interesting to note that the USOM assistance project aims toward phasing out its dollar assistance in 1957 and its counterpart fund assistance in 1959. By that time malaria should largely be eliminated and health protection can be maintained out of the local government's budget.

The public health effort was well worth the money it involved. It has produced concrete results in a comparatively short time. It has done what our mutual-security aid should do, that is, improve the way of life of present citizens, not future generations.

We have done much to assist in the area of medical education. Twenty-eight United States technical advisers have been here for periods of time up to 2 years.

Hospitals have been built in all but 1 of the 71 provinces by the Thai Government from its own funds and funds contributed by us by way of counterpart funds and direct United States dollar aid for hospital equipment and to train Thai doctors and nurses.

In the field of environmental sanitation, major accomplishments include the construction of 6 municipal water systems in the northeast area, the establishment of a regional headquarters, the provision of $400,000 worth of commodities for the program, construction and/or rehabilitation of 364 wells and small reservoirs, plus the construction and installation of privies with the aid of mobile sanitation teams.

Our aid program has also embraced the actual administrative operations of the Government of Thailand. In May of 1955, a contract was signed with Indiana University under which it is cooperating with Thammasat University in a program to strengthen training facilities in the area of public administration. It is my understanding that in March of 1956, another agreement was concluded under which the public administration service, a nonprofit United States organization, is to assist the Government of Thailand in modernizing its budgetary procedures and its accounting programs. Our aid program is making available some $400,000 to cover the dollar cost of this contract and the Government of Thailand has agreed to provide the equivalent of $210,000 in its local currency. Under this latter contract, a resident staff of 6 advisers will be sent to Thailand for a 26-month period with other advisers coming in for consultation for shorter periods of time. These experts are to work with the government officials as consulters and advisers. They will collaborate with and use the training facilities of the Public Administration Institute at Thammasat University. As I noted in my report last, it is interesting, to say the least, that the United States of America, with its huge debt and almost chronic deficit, has now undertaken to advise foreign governments on budgetary practices and procedures.

The above outline, lengthy though it may be, is submitted as indicative of the programs presently operating, and what can be expected for the future. The huge amounts of funds on hand, plus the budget request for additional appropriations in fiscal year 1957, make it obvious that our aid planners contemplate remaining in Thailand for many more years. The multitudes of programs begun by us will require our continued support for a long time because the local government will not possibly be able to raise funds necessary to maintain and operate these programs once the United States terminates the existence of the mission. Our eager beavers are still most active and always try to overdo the job. These many programs point up the second weakness in our programs that I have complained about, namely, "That our planners promote programs far beyond the financial capacity of a host country to maintain out of its own economy."

I also want to call the committee's attention to the fact that the yardstick for measuring the magnitude of programs is apparently no longer need, but, rather, how much Thailand demands as its rightful share of our aid as compared with that extended to neighboring states. There appeared to be dissatisfaction with the amount of assistance we have provided. Apparently, host government officials take the stand that, if they were not as cooperative as they have been, the United States would be more liberal with its aid. They cite India and other neutrals as examples of those who obtain more money by extending less cooperation. I noted that some of the newspapers were editorializing along this line.

Unfortunately, the military assistance program, since it is classified, cannot be opened for public scrutiny. However, at this time I wish to inform the committee that some of the Thai military officials appear to be dissatisfied with the secondhand hardware and materials of war which have been furnished by us. In a nutshell, they expect the United States to provide for the soldiers of Thailand the same kind and variety of equipment that we provide for our forces. This attitude is unreasonable to say the least. Perhaps our entire military assistance program should be reviewed and reevaluated. For further information on this phase of aid, I refer you to the attached classified material on the military assistance program. Complaints are now being made that the local government will not be able to carry its share of the military program, that it is too costly and beyond the capability of the host government to support. That means that the forces may be reduced or else we may have to carry some of the load.

Exhibit B appended indicates the use of funds for information services during the 1957 fiscal year as compared with fiscal year 1956. As indicated there is an increase of $81,070 for 1957 over 1956. Here, as in other countries, I found a determined effort to make the information service a permanent institution. It appears that the information service label is automatically regarded as propaganda in Thailand as in many other countries of Southeast Asia. Needless to say, the information program needs an increase in direction, but not in funds.

I visited our library in Bangkok. It is ornate and spacious, indeed a beautiful showplace. However, it is not visited by the Thailand ordinary citizen, for two reasons. First, most of them do not know it exists and second, those who know of its existence are frightened away by the swank look.

Of this $81,000 increase for fiscal year 1957 over fiscal year 1956, $37,800 will be used to increase local salaries and to hire three additional local employees; $11,587 will go to

increase USIS American employees' allowances; $12,571 will be used to increase the radio and TV programs; $22,036 will expand the press and publications branch, with additional funds to finance the cost of increasing the circulation of Free World to 50,000 copies per month and for increasing the circulation of a weekly newspaper from 15,000 to 20,000 copies. It is also proposed to print some pamphlets in Chinese for distribution among the some 3 million Chinese now residing in Thailand.

Ten thousand five hundred and twenty-six dollars has been cut from the motion-picture budget, however, along with $200 from the funds available for representation allowances.

Twenty-eight thousand one hundred and seven dollars additional will be devoted to the information center and cultural activities, including $22,000 to translate American books into the Thai language.

Among other reductions which will be effective during fiscal year 1957 is a $22,513 cut in program direction and $18,837 cut in administrative expenses resulting from more efficient management.

Equipment available for USIA here along with an outline of the publications, press, and film programs is included in exhibit B.

Here as in other countries I visited no new elements have been added to the programs. We are simply expanding the existing program.

Mr. HOLLAND. Mr. President, will the Senator from Louisiana yield?

The PRESIDING OFFICER (Mr. MORSE in the chair). Does the Senator from Louisiana yield to the Senator from Florida?

Mr. ELLENDER. I yield.

Mr. HOLLAND. I am very sorry that I was called out of the chamber when the Senator from Louisiana discussed Thailand, and as a result I did not hear his remarks about it. I am interested in two activities about which I wish to inquire. I am not sure whether they came under the Senator's observation, because, of course, he could not see everything our representatives were doing there.

Did the Senator from Louisiana have occasion to attend the Trade Fair in Thailand?

Mr. ELLENDER. It was not operating when I visited there. I did attend a trade fair at Kabul.

Mr. HOLLAND. The Senator from Louisiana will recall that in the Appropriations Committee last year, he and I and various other Senators were of the feeling that the participation of the United States in such trade fairs had been particularly helpful in previous years, and we urged continued participation along certain lines.

From the observations the Senator from Louisiana made at Kabul, would he be able to give us information as to the worthwhileness of our participation, in his opinion?

Mr. ELLENDER. I would say it is most worthwhile. I think that money is well spent. As I pointed out in committee, I thought it was better to spend the money for trade fairs than to send to those countries jazz artists, as we have done. I had a colloquy with the Senator on the subject. I think it is inexcusable to spend our taxpayers' money on some of the useless programs that our planners have engaged in. On the other hand, I was very much impressed with the trade fair that was being conducted in Kabul. Our country had quite a nice exhibit there, and it brought about much favorable comment. The Russians had an exhibit, too. In that connection, I talked to Mr. Khrushchev while I was in Moscow, and he told me that, insofar as his government was concerned, he had the hope that more and more fairs could be held in Russia. That is one thing I should like to see our Government encourage also, not only in Afghanistan and in Thailand, but even more so in countries behind the Iron Curtain to whose people we are trying to sell our way of life.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. ELLENDER. I yield.

Mr. HOLLAND. Does the Senator mean he believes Russia will welcome our exhibiting at trade fairs?

Mr. ELLENDER. I received that understanding from Mr. Khrushchev, yes.

Mr. HOLLAND. Exhibiting behind the Iron Curtain?

Mr. ELLENDER. Yes.

Mr. HOLLAND. I certainly join with the distinguished Senator in saying I think we should participate, because I believe we have nothing to fear by contrasting our production with Russian production.

I should like to ask the Senator from Louisiana another question. There are in my State branches of a dairy concern which maintains in Bangkok, Thailand, an agency for the reconstituting of dried milk so as to sell it in liquid form for native currency or for money we take for native currency, so that the people there will participate in the use of milk, butter, and similar products, much more fully than they have heretofore. Can the Senator give us any information as to the operation of that activity?

Mr. ELLENDER. Yes, sir. I visited several of them. I do not recall at the moment the specific cities, but I can assure the Senator they were very popular. These programs were more or less handled not by our Government, but by those interested in the disposition of their products. Dairy interests, for instance, had a lot to do with their administration, in trying to popularize milk drinking, the eating of ice cream, and so forth. They are very good programs. I believe the money spent on such programs is well spent.

Mr. HOLLAND. The Senator then feels, as I do, does he not, that instead of giving technical assistance to those who may know more about a particular subject than we do, and who could dispense with things that have been mentioned, we could do more in the line of practical things, by the use, for example, of products of which we have an ample supply, and by such things as bringing the production of our wonderful industries to the attention of the world, as we do in the trade fairs. Those are two distinctly worthwhile activities, are they not?

Mr. ELLENDER. Such activities are something the people in those areas can see and enjoy and from which they can learn. That was the burden of my remarks a while ago, I may say to my good friend from Florida. These programs ought to be developed to fit present conditions, and geared to the ability of the people we are working with to absorb the benefits. Secondly, our efforts ought to be in keeping with the ability of the country to carry on after we leave.

That was the burden of my earlier remarks, with reference to Indochina and Thailand, as well as Formosa and Korea.

Mr. HOLLAND. If the Senator from Louisiana will yield long enough to let me say so, I think, by his series of travels year after year, at very great physical expense and at an expenditure of great energy, he has done magnificent work for the United States and for the Senate. I want to have that statement appear in the RECORD because that is the way I feel about it, as I am sure many other persons do. The Senator brings back firsthand information of activities in which we participate that are worth while, and of other activities which he thinks are not worth while, but are extravagant and wasteful. Such information is of inestimable importance to us in the United States in the reshaping of our program so as to do more good and to be less offensive in meddling with other people's business. I thank the Senator.

Mr. ELLENDER. I wish to thank the Senator from Florida. Let me say that I discovered an interesting situation in Thailand, which is on the Gulf of Siam. Fish, shrimp, and oysters are in abundance there.

Mr. HOLLAND. The Senator from Louisiana could be highly appreciative of that kind of production, could he not?

Mr. ELLENDER. Yes. Notwithstanding the fact that the natural supplies of fish and other seafood in Thailand are sufficient to meet the population's needs our planners have had built in northern Thailand some 4,000 fishponds. We have had a fish expert in that area for 5 years, whose job has been to teach the people in northern Thailand what they have plenty of in the southern part of the same country. If, instead of spending money to build fishponds, we had spent it on things which the people in that country could see and enjoy and which would enable them to aid themselves, I think they would respect us more. It is true that some of the water in the fishponds was used to irrigate, but most of it was used for the purpose of growing a small fish called the tilopie, which grows in about 4 months to about 7 or 8 inches in length. I' is undertakings of that kind, and there are many of them, which have caused me to question the good judgment of some of our foreign aid administrators.

BURMA

Mr. President, I shall not dwell at any length on my findings in Burma, a country that has not received very much help from us. The Burmese leaders are most anxious to develop their country, not with handouts from the United States, but from borrowed funds, and I hope that attitude remains with them.

(The statement concerning Burma, which was ordered to be printed in the RECORD, is as follows:)

BURMA

The United States has had no technical or economic programs here since 1953. The

Burmese Government on its own initiative requested that the program originally instituted in 1950 be terminated. That was done in order to show strict neutrality by Burma, as between the East and the West, I was informed.

In 1956, the United States commenced to aid Burma through a loan arrangement rather than by outright grants. Under this arrangement, the United States agreed to sell to Burma $21.7 million of United States agricultural products, principally cotton, under Public Law 480. Burma agreed to pay the United States in Burmese currency. $17.3 million of this currency will be loaned, through the Export-Import Bank, to the Government of Burma for economic development (or "mutually agreeable projects in accordance with standard International Cooperation Administration procedures". Why that procedure was followed, I could not learn at the local level.

In addition, at the request of Burma, we are offering a $25 million line of credit through the Export-Import Bank. These funds are provided from International Cooperation Administration appropriations and they will be required to be utilized in Burma in accordance with standard ICA procedures. Why the ICA is in the picture I could not learn at the local level. Burma can draw upon this credit only for those projects and purposes which are included in an agreement consummated between the United States and the Government of Burma. This dollar loan, as well as the loan of proceeds derived from the sale of surplus agricultural commodities herein referred to are repayable in 40 years. Interest will be charged at the rate of 3 percent per annum on dollar repayments and at 4 percent per annum on repayments made in Burmese currency.

I discussed these two financial arrangements with various Burmese Government officials and was deeply impressed by their thinking on the matter of aid. They want no gifts, but merely want credits to permit the Government of Burma to help itself. In the light of this circumstance, I express the hope that the United States will not force aid upon Burma. I might also express the hope that other countries presently receiving aid make an endeavor to follow the example of the Burmese.

Burma is giving widespread publicity to the fact that it is desirous of developing its natural resources through the cooperation of private enterprise, and it is inviting American investments. The officials with whom I spoke seemed to realize the difficulties and to understand the problems facing Burma in this endeavor. The people of Burma are genuinely independent and desire above all other things to remain that way. They do not condone the policies followed by Russia. If there is one predominant fear here, it is the fear that Burma may fall under foreign domination in its effort to develop its natural resources. There is a stronge sense of nationalism in Burma and I am certain that if treated fairly Burmese development can proceed rapidly. Basically, I would say that Burma is pro-western in its philosophy and its beliefs. However, because of local political considerations, Burma desires no firm ties to either the East or the West.

During my visit I had an opportunity to call upon and discuss Burmese problems with a number of high officials in the Government of Burma.

My first call was upon the Honorable U Ba Swe, Prime Minister of Burma and Minister for Defense and Minister for National Planning. This official, a member of the Socialist Party, succeeded U Nu as Premier. Our discussion dealt with the many problems facing Burma. He believes that the assistance which will soon be forthcoming from the United States will be of great benefit to Burma. He took pains to express pleasure that the assistance being rendered was on a loan basis.

I also conferred with the Honorable Sao Khum Hkio, foreign minister. This official seems most able. At this point I quote from my verbatim notes:

"It is officials such as the foreign minister who spark a feeling of confidence in the ability of most of the officials of the present Burmese Government. During our conversation I stressed private enterprise and it was my impression that there is a widespread feeling in Burma that cooperative arrangements between private enterprise and the government of Burma will result in the most rapid development of the Burmese economy. This is true despite the fact that at least two basic Burmese industries—lumber and oil—have been nationalized. It was my understanding that the Burma Oil Company and the present Government had entered into a partnership agreement for the construction of a large refinery in Rangoon. This refinery, which is about to be completed, will be owned in the ratio of 60 percent company that is British and 40 percent Government of Burma.

"The Foreign Minister, who is also head of the Shan State, is of the belief that the boundary dispute between Burma and China will be settled amicably. As a matter of fact his feeling seems to be the general feeling throughout the country.

"The Foreign Minister was very enthusiastic about progress made in his country since I was here last year. The rice crop is good and a better market is in the offing."

My next visit was to the Minister of Agriculture, the Honorable Thakin Tin Maung. Our discussion revolved primarily around the Minister's claim that the United States should not invade the Burmese rice market. I assured him most emphatically that we were not doing so. I emphasized that the sale of rice in the Far East, in what he regards as principally Burmese marketing areas, were made by the United States to relieve distress in areas where people were unable to buy from their regular sources.

In this connection, as the committee knows, on June 30, 1956, an agreement was reached to provide Burma with $1.1 million in technical services in return for 10,000 tons of Burmese rice to be used to meet a critical food shortage in East Pakistan. It is my impression that this sale created much good will in Burma for the United States Government.

Our information program in Burma has a budget for fiscal year 1957 of $446,050, compared with $304,294 in fiscal year 1956, or an increase of $141,756.

This increase is made up of the following:

(1) Salaries of $29,796, which includes $9,000 for nine additional local employees; $15,286 for a 15-percent across-the-board increase to implement a new wage scale for local employees based on higher costs of living in Rangoon; and $5,510 for annual ingrade promotions.

(2) Foreign service allowances, an increase of $8,863, resulting primarily from the reclassification of Rangoon by the Department of State from a class 3 post to a class 5 post, causing a higher cost-of-living allowance of $7,200 per year.

(3) Radio activities of $2,823.

(4) For a stepped-up program of press activities, an increase of $1,975.

(5) Publications activities, an increase of $8,673, due to increased handling cost for wider circulation of Free World, the Burmese edition, from 27,500 copies to 40,000 copies per issue, the local production of 4 additional pamphlets, and a 35-percent increase in the number of pamphlets produced by the Far Eastern Reproduction Center.

(6) Motion picture activities, an increase of $9,840, due to increased mobile unit tours inland and the initiation of a monthly 16-millimeter 400-foot newsreel for distribution through mass educational teams and Burmese Government Public Relations Office in the interior.

(7) Cultural affairs and related operations, an increase of $79,266 due to the following:

(a) Four thousand dollars for additional library shelving, desks, and equipment for the new information center in Moulmein;

(b) Twenty-one thousand dollars for an increased book translation program, including books by indigenous authors;

(c) One thousand six hundred dollars for three English-teaching seminars in Moulmein, Mandalay, and Rangoon;

(d) Fifty-two thousand seven hundred and sixty-six dollars for the nonrecurring costs of initiating an exhibits unit in Rangoon, affording materials and workshop space for setting up large agency exhibits, and including the cost of construction and materials of a book pavilion exhibit on the campus of Rangoon University.

These increases may be justified. However, in view of the strong sense of nationalism in Burma, we should use our information program in such a manner as not to offend the Burmese people.

There has been no increase in the staffing of our Embassy during the past year.

It is my understanding that there will be no separate ICA mission in connection with the administration of the Burmese loan and similar funds, but that a very small ICA staff will be added to the Embassy to service these programs. The United States should not undertake a large-scale, bureaucrat-dominated aid program in this land.

PAKISTAN

Mr. ELLENDER. Mr. President, from Burma I went to Pakistan. I shall not burden the Senate with any lengthy remarks about that country. I merely wish to say I did notice there a great change for the better from what I saw on my visit 3 years ago. Pakistan has been very fortunate in that gas was found within her borders. I think Pakistan will make good use of it in producing electricity and thereby overcome its fuel shortage. I think the people of Pakistan will be able to use this wonderful resource to great advantage.

We have several programs in operation which will inure to the benefit of the farmers of Pakistan; one of these is providing facilities for testing waters for irrigation purposes.

We also have built in that country grain-storage facilities in abundance. I was quite happy to learn that the storage facilities were built by the people of Pakistan mostly from materials they themselves had on hand. It may be recalled that 2 or 3 years ago there was some criticism on the Senate floor about a contract for steel bins, because there was some chicanery attached to it, or so the story went. The persons who opposed the construction of the storage facility felt it was foolish to use steel or corrugated iron because the bins would rust quickly and would not last any time. I personally inspected the facilities that were finally constructed and can vouch for their stability and utility. The changeover from steel bins to concrete bins was most beneficial.

Mr. HOLLAND. Mr. President, will the Senator yield for a comment?

Mr. ELLENDER. Yes.

Mr. HOLLAND. I recall that in one of his earlier reports the distinguished Senator from Louisiana, commenting about the Pakistani, stated it was his

feeling that they were very sturdy, dependable allies of ours, who were quite prepared to stand and fight if they had to, and proposed to do so, along with us, in defending freedom, in the event there was occasion for them to take a stand. Is that still the Senator's opinion?

Mr. ELLENDER. Oh, yes. I would say that is one area in the world in which Americans are well liked. I was happy to note their strong pro-American sentiment.

Of course, a great deal of work remains to be done, as the Senator knows. Many refugees are there who came from India. When the partition was made, most of the Moslems from India moved to Pakistan, and some Hindus moved from Pakistan to India. The same holds true for East as well as West Pakistan. The biggest problem in Pakistan seems to be that of producing enough food to sustain life.

(The statement concerning Pakistan, which was ordered to be printed in the RECORD, is as follows:)

PAKISTAN

United States assistance to Pakistan began in fiscal year 1952. During the period 1952–56, projects costing $221,800,000 have been undertaken, with United States contributions fixed at $110,100,000 or 49 percent of the total. The Government of Pakistan contributed the remainder.

During the last 3 fiscal years, that is fiscal year 1954 through fiscal year 1956, expenditures by the United States in dollars in Pakistan have totaled $166,400,000. The proposed program, as outlined at the time of my visit, for fiscal year 1957, will approximate, in dollars, * * *. This figure compares with $57,900,000 actually spent in fiscal year 1956, $67,500,000 in fiscal 1955, and $41 million in fiscal 1954.

Unexpended balances as of June 30, 1956, aggregated $130,300,000, with roughly $2 million of this amount unobligated. If the proposed allocation of * * * for fiscal year 1957 is added to this amount, there will be available for expenditure in Pakistan during the 1957 fiscal year a total of * * * an amount roughly four times the expenditures listed for fiscal 1956.

The ICA staff in Pakistan consists of 1,064 persons, including 226 Americans. Of this 226, 110 are government employed and 116 are contract employees. Local employees number 838, all of whom are employed by the United States Government.

It appeared to me that Pakistan's primary problem is a shortage of food. As a matter of fact, a large proportion of our assistance actually rendered to date has been in the form of foodstuffs. During the 1956 fiscal year, project aid aggregated $39 million. An additional $58.7 million was used for the purchase of commodities, $3.7 million for the purchase of sugar, and an additional $2.4 million was made available under Public Law 480. Under the heading of relief and emergency, an additional $42 million was spent. Of this amount $1.6 million was for flood relief, $1.2 million was for the purchase of Burmese rice (see report on Burma) and $39.2 million consisted of foodstuffs sent under title II of Public Law 480, including the cost of transportation.

Many refugees are temporarily housed in Karachi and the vast majority of them must struggle to merely exist. The market places here were filthy. It was a common sight to see poor people picking over garbage for food and fighting off crows and vultures for whatever tidbits might be present. The refugee problem is caused by displaced Moslems moving into Pakistan from India. Unfortunately, the converse is true since many Hindus are leaving Pakistan for India.

The situation reemphasizes, in my opinion, that the partitioning of India was a tragic mistake. The partition has disrupted the economy of both Pakistan and India and caused almost insurmountable problems with respect to displaced persons. The United States is suffering directly from the results of the partition, since our aid program is attempting to restore the economies of both India and Pakistan.

Unfortunately, too, the upper classes appear unwilling to help Pakistan pull itself up by the boot straps. Wages are so low that I do not see how people can hope to exist, much less live. It is my feeling that much of the assistance we are giving in almost all forms tends to make the rich richer and the poor poorer. I noted that hundreds of people live and sleep on the streets and in the open. This, of course, is tragic, and I fear that unless the program here is reviewed, we shall find that our assistance effort has created ill will instead of gratitude and friendship, no matter how worthy many of the projects may be.

During my stay in Pakistan I had occasion tc visit a number of our projects. My first inspection was of a fish harbor project near Karachi. Much dredging has been done in the harbor and more is planned. According to my information, expenditures so far have totaled $250,000. I was told that the United States has obligated itself to spend a total of $1.25 million as its share of completing this project. I am pleased to report to the committee that the project seems to be progressing nicely. Already more fish are being caught and this of course will result in an increase in the amount of protein available in the local diet. I saw several small refrigerating plants and discovered that one of the Pakistan firms freezes a great deal of fish and shrimp for export to the United States. I was not able to ascertain the exact amount, but the export of seafood is apparently on the increase.

Besides deepening the harbor, this project includes construction of levees. Further, the spoil obtained from the harbor dredging will be used to raise riparian lands. We are also teaching the local fishermen how to build better and more efficient fishing boats.

My next visit was to the grain storage facilities. I was told that existing storage facilities aggregate less than 450,000 tons. A capacity of at least two million tons is needed.

The committee will recall that an attempt was made in the Congress recently to obtain full details about proposals to build steel grain storage bins here. The advisability of constructing such bins was questioned since steel bins would perhaps corrode quickly. In the meantime, a number of concrete bins have been built here to store sacked grain. It was my understanding that the United States did not furnish any funds for this purpose except proceeds derived from the sale in the local economy of wheat which the United States donated to Pakistan in 1953 and 1954. A total of 750,000 tons of wheat were donated to Pakistan, of which 613,000 tons were actually used. The grain was sold in Pakistan for local currencies and the proceeds were set aside for use in developing Pakistan's economy, including the construction of some of the grain bins.

It was interesting to note that in constructing these bins only local products were used, with one exception, reinforcing steel. These bins are built along railroad tracks and are accessible to motor vehicles as well as trains. The entire programs seems to be well planned. It is my belief that we did well to discontinue the steel bin program. It would have cost much more in dollars. The present program utilizes local material, as I previously stated, and gives work to local people.

A problem still to be solved is the construction of two grain elevators, one at the Karachi seaport and another at Chittagong on the Bay of Bengal, in East Pakistan. It was originally proposed to build steel bins there but I understand now that since attention has been directed to the corrosion factor the construction is being restudied with a view toward using reinforced steel and concrete. It is my recommendation that any such facility be constructed of concrete. I repeat again, this type of construction will cost much less and will provide employment for Pakistan citizens by making possible the use of local materials. Of course, it will be necessary to furnish some reinforcing steel; however, the cost of this material should be comparatively small. I would, of course, insist that the Government make contribution to the extent of its ability.

A proposal is now under review by which bulk grains may be stored in bins designed for sack grain. According to my information, sacked grain would be placed around these bins, 16 sacks high, with bulk grain stored in the middle. I strongly urge that the proposed new plan be adopted. It will be in keeping with the country's need, and can be effected for the most part by the effort of the local people.

While in this area, I flew to Lahore to visit some of the projects in progress. One of the large efforts is a dam built across the Indus River a few miles outside of Hyderabad. This project has been under construction for 8 years. It will provide water to irrigate 2.5 million acres of land. According to my information, the United States did not contribute to this project. The government of Pakistan is undertaking to construct this facility without United States aid.

Not far from the dam, an agricultural college is being established. The campus consists of about 800 acres of land. The bricks for this construction were made and fired on the school grounds. Construction is being financed by the local government, but the United States has furnished some equipment—principally for laboratories, etc. The United States has also furnished technical advice on construction and curriculum. A technical assistance contract with the University of New Mexico involving the placing of seven education experts to exercise general supervisory duties over the college has been negotiated. It is also proposed to send from 8 to 10 Pakistani educators from various schools in Pakistan to the United States to study American educational methods.

The committee will recall that at one time there was a proposal advanced to build a second plant for fertilizer production here. I was told that this program has been abandoned. The local government has been planning to build two new plants and to utilize natural gas recently discovered in this area.

One most worthwhile project is designed to teach the local people how to get the best use out of available raw materials. It provides the establishment of an industrial research development center in Lahore which will carry on research in the use of raw materials, develop processes best suited to the production of consumer goods of common use, and establish a nucleus for a tool and die industry. The project is aimed at encouraging and assisting private enterprise in the improvement of existing small industry and the sound development of additional small industry. The total cost of this project will aggregate approximately $1.3 million, with the United States contribution fixed at the sum of $876,000.

Another worthwhile project established here is a laboratory for testing soil and water. It will make it possible to test in the Punjab area about half of a total of 13 million acres of land. The United Nations, I understand, began a similar project and after spending about $150,000 terminated its work. I was informed that the project—which is now being pushed to completion

by the United States and the Government of Pakistan on a cooperative basis—will cost about $10 million—with the United States contribution aggregating about $3 million. I was told that expenditures to date have totaled roughly $2.5 million.

We are also extending technical assistance and defense support assistance to Pakistan railroads. One technician advises the local government in the operation of the roads and how to obtain the best service from existing equipment. Also in this area is a car depot where several thousand people are employed. A diesel project is to be erected in East Pakistan, similar to one in Karachi, where local employees are schooled in diesel mechanics. An assembly line has been built to manufacture boxcars and to repair existing rolling stock. It is my understanding that rolling stock can be built in Pakistan at approximately two-thirds the cost of purchase abroad.

Besides the agricultural college to which I referred earlier, our program involves assistance to five other colleges. There are five separate contracts for this assistance, and in addition, some money is being spent for laboratories.

One of the most encouraging projects here is the village training program. The United States proposes to contribute 10 percent of the cost, the Ford Foundation 10 percent and the local government 80 percent. Two years ago I was told our contribution amounted to approximately $2.7 million. As of the time of my visit it was $1.2 million.

Our aid consists primarily of technical assistance plus the provision of some basic equipment. I was not able to visit this project but from the information I obtained its purpose is to establish and operate village training centers in order to train local people in basic self-help programs, such as simple health remedies, sanitation, etc.

We are also involved in a project of plant protection here under which we have provided insecticides, etc. I was informed that many acres of rice were saved from destruction by the use of insecticides. This work has been of great benefit not only to the farmers, but also to the great masses of Pakistani who depend to a large extent upon rice in their diet.

I did not have an opportunity to visit the fertilizer plant which is being constructed by a Belgian contractor at Wanwali. According to my information, the United States has contributed approximately $12 million for machinery, much of which was purchased from sources other than the United States. This plant, when completed, will produce fertilizer at the rate of 50 million tons annually. At the time of my visit the plant was due to begin operations in January of 1957.

Besides the economic and emergency relief assistance now being rendered to Pakistan, millions of dollars per year are required in order to support the armed forces of this country.

We must clothe, quarter, and equip soldiers necessary to man * * * divisions.

In this connection, I requested a briefing from our military mission and conferred for some time with Col. Scott M. Case. Frankly, he was of little help. He could only tell me that * * * divisions had to be maintained, but he was unable to tell me what the military budget was or what had been requested for military assistance during the 1957 fiscal year. He told me he understood I would be furnished the full details by Washington. I did my utmost to obtain from him information about the method used to compute the local country's mutual military budget. He stated that he personally did not know. Later, Mr. Arthur Gardiner, Chargé d'Affaires in the absence of the Ambassador, attempted to assist me in this regard but he was also unable to give the details.

With respect to our information program, I conferred at length with Allan L. Swim, country public-affairs officer. He provided me with the attached information headed "Cumulative Obligations Fiscal Year 1957–58." Cumulative obligations in the period 1956–57 fiscal years aggregated $588,954 as against estimated obligations for fiscal year 1956–57 of $1,159,431. He told me that USIS Pakistan had requested $1,288,000 for fiscal year 1957 and were offered $1,680,000, predicated upon the approval of a total USIA budget of $135 million. In other words, as at other posts, it seems Washington calls the shots and simply fixes arbitrarily the amounts to be used in each post. The country Director here said he could not effectively use the full sum he was offered by Washington.

In conclusion, I wish to emphasize to the committee that it was impossible for me to study in great detail the program now underway in this country. However, I recommend to the committee staff a careful scrutiny of the attached list of nonmilitary projects in Pakistan covering the period 1952–56. Some discrepancies will be noted between the figures provided me in conferences with USOM/Pakistan officials and estimates indicated on the attachment. It is my understanding that these apparent discrepancies are attributable to consolidation under one heading in my report of several related projects, and with recent revisions in program costs. However, the most important thing to be noted, is that despite the expenditure of over $100 million to date, the plight of the masses of the people has not been noticeably improved. Therefore, I most emphatically recommend that the Pakistan program be restudied with a view toward extending assistance which will result in the immediate betterment of living conditions. I further recommend that adjustment be made in the program's operational aspects to eliminate the frequent complaint I found among local citizens that American aid makes the rich richer and the poor poorer.

Mr. ELLENDER. Mr. President, from Pakistan I went on to the Middle East. I wish now to read in full my report on the countries of the Middle East:

MIDDLE EAST

This section of my report, for convenience and ready reference, will embrace our Government's operation in Lebanon, Syria, Jordan and Israel. I have grouped these four nations together primarily because of the current Israeli-Arab controversy and the impact of attitudes and political positions in this area upon the destinies of the free world.

LEBANON

In this tiny land, as in the other Arab States I visited, I found an increasing volume of resentment directed against the United States because of our initial recognition of and subsequent assistance to Israel. Almost every Arab leader with whom I spoke blamed the United States for much if not all of the trouble that now exists in this area.

We have maintained a technical cooperation program here for 6 years. Primary achievement of this effort has been the completion of a detailed survey of the Litani River Basin. In August 1955, the Government of Lebanon signed a $27 million loan agreement with the International Bank for Reconstruction and Development, to implement the first phase of this major water-resources project.

In June of 1954, an economic-aid agreement was signed with Lebanon, under which projects have been undertaken in the fields of agricultural production, village water supply, and road construction. The United States contributed $6 million to these projects. In April of 1956 the United States granted Lebanon $2 million to assist in repairing damage caused by the March 16, 1956 earthquakes.

In 1955, Lebanon and the United States signed an agreement for cooperation and research in the peaceful uses of atomic energy.

Assuming the expenditure of * * * during fiscal year 1957, total United States expenditure during the period fiscal year 1954–fiscal year 1957 will have aggregated * * *. As of June 30, 1956, unexpended balances totaled $10.3 million, with $56,000 of this amount unobligated. Allocations to Lebanon from the budget for fiscal 1957 mutual security totaled * * *. When this amount is added to the unexpended balances, there will be available in Lebanon for expenditure in fiscal 1957 roughly * * * with * * * of this amount available for obligation.

Attached to this report is a summary of operations of the International Cooperation Administration in Lebanon, which lists the various nonmilitary foreign-aid projects including technical assistance which we have undertaken or are presently pursuing in Lebanon. Unfortunately, my schedule did not permit me to visit these projects. I visited most of them in 1954 and again in 1955. The list, however, is self-explanatory. It indicates that of the programs presently in effect, the majority deal with the development of educational facilities, and the provision of an adequate transportation network. I traveled over many miles of improved highways along the west coast of the country through its capital, Beirut.

We maintain a sizable information program here. In fiscal year 1956, the USIS budget totaled $115,452. For fiscal year 1957, a $44,184 increase was approved, raising the total operating budget to $159,636.

Also attached is a classified discussion of the mission of the Information Service in Lebanon, the methods used, and some of the problems faced.

SYRIA

The United States has no economic assistance, technical assistance, or military agreements with Syria. However, we do maintain an information program here. Our activities are centered in Damascus, the principal post, where we maintain libraries. Last year, the budget for this country was $372,912. Of this amount $255,692 consists of operating costs, $66,272 American salaries, and $50,948 represents reimbursement to the State Department for shared administrative costs.

Primary objective of the information program here is to expose Soviet strategy and the dangers of Communist subversion and to create confidence in United States policies and programs with respect to Syria and the Near East. It should be noted, however, that the Syrian Government is most unsympathetic to our information program, and I fear that the Soviet Union and Red China are making great headway in their propaganda activities in this country. For example, a group of Syrian lawyers recently visited Red China, and the Syrian exchange of persons program with both Russia and Red China is on the increase. Again here, the Syrian "man on the street" displays an intensive distrust of Americans. Perhaps the only country in greater disrepute than the United States is the United Kingdom. It was my impression that the people of Syria are extremely aroused and dislike the British to the point where they would not hesitate to stone them. Unfortunately, the United States is gradually falling into that same position. We are being blamed first and foremost for our assistance to Israel.

I am attaching a verbatim transcript of my conversation with the President of Syria, the Honorable Shukri Quwwatli, on October 11, 1956. He did not offer any plan by which the Arab-Israeli problem could be settled. To the contrary, there seems no hope of settlement if I am to judge from from what he stated to me.

Of course, Mr. President, our standing in the Arab countries is somewhat improved over that which prevailed when I was there last October. During the Suez Canal crisis, the fact that the United States Government sided in the United Nations against England and France caused our stock to rise in all the Arab countries to which I am now referring.

Mr. President, I ask unanimous consent that the portion of my report relating to Jordan be included in the RECORD at this point as a part of my remarks.

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

JORDAN

It was in Jordan that I had the most free and open discussion of prevailing Arab attitudes toward the United States. It was my privilege to be present at a dinner given by the Honorable Lester D. Mallory, our Ambassador, at which, were also present former high officials of the Government of Jordan. I quote now from my verbatim notes:

"I suggested that the persons meet with me in an adjoining room where we could confer in private. I was most anxious to obtain a full picture of the situation here and find out if there were perhaps a way by which the Israeli-Arab dispute could be resolved. I had been hopeful that I would be able to confer with King Hussein whom I met 2 years ago but unfortunately he was at the front where activity was taking place due to a recent raid by Israel guerrillas. I was informed that the attack was made in retaliation by the Israelis after they found two of their people dead in fields located near the boundary between Israel and Syria.

"Our discussion revolved around the solution of this dispute. Unfortunately, the prevailing view among Jordanian leadership seems to be that there will be no settlement since the Israeli will probably not accept the proposal to confine their territory to boundaries outlined in the United Nations Resolution of 1947. The Arabs feel that they are bound to the 1947 resolution, particularly that portion which calls for repatriation of Arab refugees. The contention advanced was there could not and would not be any immediate settlement and that even if Israel accepted the terms of the 1947 resolution, that acceptance would not be satisfactory to the Arab world and would not mean peace.

"We pressed as to why not, it was indicated that the only solution was to restore the entire area which is now Israel to Arab control, permitting the Jewish population to remain there but denying them their independence. My impression was that here, as in other portions of the Arab world, the objective is to advance a settlement which the Israeli will refuse in order to place the Arab world in a position of having offered to settle differences but being blocked by Israel.

"If such a proposal is advanced, then I feel that the Arab leadership will probably seek to force the Government of Israel to accept it. Should Israel still refuse, then an effort will be made to deny Israel further aid. This, of course, would mean a complete collapse of the State of Israel. It was my impression that the Arab leadership is determined to bide their time until assistance to Israel tapers off, in which case the time would be ripe to completely destroy the Israeli state.

"Again the argument was advanced that it was legally and morally wrong for the United States to recognize Israel as an independent state in the first place and that by extending economic and similar assistance subsequent to this recognition, the United States merely compounded its felony in the eyes of the Arab world."

During my stay in Jordan I visited hospitals to which I referred in my report of last year. I noted that a maternity clinic was complete as was a tubercular clinic. A third building, designed as a nurses' training school, was also complete and in actual operation. Yet, as I indicated would be the case, there is already a cry for more buildings. We are being told that space is available for greater expansion, and a great need exists.

I also visited the vocational training school where young men are being trained in auto mechanics, etc. This facility was undertaken under the former technical-assistance program. As the committee will recall, prior to the introduction of restrictions on technical-assistance legislation technical aid was frequently used for capital developments. It appears that the school is now making progress, since at the time of my visit only 1 of the 8 rooms was not in use.

In the economic-assistance field our emphasis is upon the construction of highways, particularly roads linking important sectors in the country.

The committee will note from the attached data (exhibit E) that, assuming an expenditure in dollars of * * * in fiscal year 1957, total United States dollar expenditures in Jordan during the period fiscal year 1954 to fiscal year 1957 will have aggregated * * *. Unexpended balances on hand as of June 30, 1956, aggregated $9.4 million, of which amount $223,221 was unobligated. There will be available for expenditure during fiscal year 1957 a total of * * *, of which * * * will be available for obligation.

As of the time of my visit, there were 155 International Cooperation Administration (ICA) employees on the job here. Of this number, 80 were Americans—57 employed by the Government, 9 under contract, and 14 others. In addition, there were 75 local technicians in our employ.

The United States maintains no military-assistance programs in Jordan.

The information program here during fiscal year 1957 has received a total allotment of $83,213, compared with $43,592 in 1956. The big reason for the increase can be attributed to high rentals. Late in 1956 information centers in Amman and Jerusalem were moved to new locations. Prior to that time the information center in Jerusalem had occupied space rent free at the consulate. After rather severe riots in January, it was the Department of State's decision that this arrangement could not be continued and new quarters were acquired. In Amman the center had been temporarily located in the Embassy building following the burning and looting in 1954. These two moves account for about $6,000 of the increase.

It is also planned to expand the information program in a number of ways. These will include exhibits, book centers, film production, cultural activities, a wireless file, and book translations. Prior to the 1957 fiscal year these programs were either nonexistent or were maintained at a very low level of activity.

Book centers are planned near the refugee camps, with one now located at Nablus. Establishment of the others depends upon the political climate.

For further details I refer the committee to the attached exhibit E, entitled "USIS/Amman." It will be noted that while there are no new programs, the existing programs have been broadened.

As an indication of the prevailing attitude toward Americans, the following excerpt from my diary, made while in Amman, Jordan, may prove enlightening:

"We are not well liked here; for example, I was prevented from taking pictures. The local police had to intervene. It was suggested by the officer with whom I spoke that I proceed to his office for a picture-taking permit. I told him that if there were the least objections to my taking pictures, I would certainly stop.

"The people are definitely on edge. All the men seem to be trigger minded, even the younger generation. The English are hated and we are beginning to be despised. The United States is blamed for all the evils that have befallen these people—first and foremost because of our assistance to Israel."

Mr. ELLENDER. It was my privilege, while in Syria, to confer with the President of Syria for some time, and in my visit to Jordan I conferred with most of the Cabinet members of King Hussein—the King was then at the front. While in Israel it was my privilege to talk to Mrs. Golda Meir, the Israeli Foreign Minister. I also had the pleasure of conferring with Mr. David Ben-Gurion, the Israeli Prime Minister.

I ask unanimous consent that the portion of my report dealing with Israel be printed in the RECORD at this point as a part of my remarks.

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

ISRAEL

A considerable amount of the data that I obtained while in Israel is classified. I regret that, because of the confidential nature of this material, I am not at liberty to go into much detail in this report. However, it should be noted that during the period fiscal years 1954–57, assuming an estimated expenditure in the latter year of $37 million, a total of * * * will have been spent in connection with our aid to Israel. This is exclusive of Public Law 480 sales, which totaled $38.5 million in fiscal year 1956 alone.

Balances as of June 30, 1956, aggregated $20.4 million in unexpended funds, of which amount $53,000 was unobligated. A tentative allocation of * * * from the fiscal year 1957 appropriation will make a total of * * * available for expenditure here in the 1957 fiscal year, of which some * * * million will be available for obligation.

During fiscal year 1957 it is proposed to spend * * * on a grant basis. This includes * * * for petroleum and other lubricants, * * * for tin plate, * * * for skins and hides,* * * for chemicals, * * * for kraft liner for exports, and * * * for deep drawing iron sheets. In addition, * * * will be used to import foodstuffs—* * * for wheat, * * * for fodder, and * * * for cotton.

An additional * * * will be used in so-called triangular trade, specifically. * * * to finance the import of ferrous metals (round bars, iron bars for construction, flat iron, etc.) from Germany, and * * * to import logs for plywood, artificial yarns, and cold rolled iron sheets from France.

An additional * * * will be used to finance the fiscal year 1957 technical assistance program.

I had a most enlightening visit in Israel. My initial act was to confer with the Honorable Theodore Kalleck, Director General of the Prime Minister's office. According to Mr. Kalleck, Israel is faced with three serious problems.

The first is immigration. Mr. Kalleck still is of the opinion that Israel can maintain a population of at least 2½ million, and perhaps up to 4 million. He does not believe, however, that the 4 million figure will be reached, because many of the nations which formerly engaged in activities which more or less forced the Jewish populations to migrate are now displaying conciliatory attitudes.

The next problem facing Israel is the tight economic situation. Israel is finding it increasingly difficult to make both ends meet. Her trade deficit last year was about $250

million, and in 1957 it may reach $285 million. The reason cited for the additional deficit is that more and more capital investments are underway. It should be noted that the dollar gap was somewhat reduced last year due to contributions by the United States of $53 million, plus $85 million in German reparations, with the balance of the dollar deficit derived through loans and donations from world Jewry. It is hoped that in 1957 * * * will be contributed by the United States, and $90 million derived from German reparations, with whatever balance required being supplied from loans and by contributions from world Jewry.

In connection with this assistance to Israel from Jewish people throughout the world, I was surprised to learn that funds from the United Jewish Appeal, an American institution which is tax exempt, and to which contributions by American taxpayers are deductible, spends much if not all of its funds to rehabilitate Jews who settle in Israel. Money is advanced to immigrants to provide day-to-day living expenses, and then grants are made to permit them to build homes and prepare the land for tilling. Actually, the United Jewish Appeal makes a part of its funds available to the United Israel Appeal, an American Jewish agency, which finances the immigration of refugees to Palestine.

It should be noted that this money is not used as the Red Cross uses its funds—for disaster purposes—or as other tax-exempt organizations operate. On the contrary, United Jewish Appeal funds are used to rehabilitate and settle foreign Jews who immigrate to Israel.

It should also be noted that the land on which the Jewish immigrants settle is owned by the State, and settlers hold under a lease arrangement only.

I recommend that the question of tax exemption for these organizations be thoroughly studied in order to determine if such exemptions are legal. On several occasions in the past 3 years while traveling in Arab countries I heard much complaint from Arab leaders as to our efforts to assist Israelis to the Arabs' detriment. They pointed up to the abuses of the tax-exemption provision.

In addition to these contributions by the United Jewish Appeal and similar agencies, the local government contributes about two-thirds of the sum required to rehabilitate immigrants.

The third major problem facing Israel is its relationship with neighboring Arab States. This relationship seems to be deteriorating rapidly, and no one knows what will be required to settle this dispute or how long it may require to reach a settlement, if at all.

While in Israel I conferrred with Mrs. Golda Meir, Foreign Minister. Mrs. Meir appears to be a very capable person, but she does not seem to be disposed to give an inch in her views. She expressed the hope that the United States would furnish the necessary weapons to properly arm Israel so that, in her words, war can be averted. She is of the belief that unless Israel is adequately armed, preferably by the United States, war is bound to result because she feels that Israeli weakness invites armed aggression from the neighboring states. This was the gist of her viewpoint, and it is a viewpoint which is not only apparently unchangeable but which is diametrically opposed to the views expressed by representatives of the Arab States.

I also had occasion to confer with the Israeli Prime Minister, The Honorable David Ben-Gurion. He also feels that if war is to be averted, Israel must receive arms in large quantities from America. Mr. Ben-Gurion declared most emphatically that under no conditions would Israel return to the boundaries established in the 1947 United Nations resolution.

With such a divergency in views between the Israelis and Arabs, I frankly can see no hope for an immediate settlement of this pressing problem. The Arab world seems to be united in not desiring to give an inch in an effort to settle any of the questions involved. The same situation obtains with respect to the Israeli leadership. As a matter of fact, the Arabs are not willing to meet with Israel to merely discuss the problems involved. On the other hand, I am certain that Israel does not have the same attitude.

Tension is high on both sides, but there is apparently no fear on the part of Israel. All of the Israeli leaders with whom I spoke seem to think that the question will settle itself if only given enough time. I also noted much more enthusiasm on the part of the people of Israel than among the Arabs. The people of Israel and their leaders feel that they have powerful friends in the world and that assistance will continue to flow their way. They also feel that the United States will not let them down.

Following my conferences in Israel with Israeli leaders, I left for the field to inspect some of the technical and economic aid projects which are presently underway in Israel. One of the most interesting, and incidentally one of the most expensive, consists of piping water from springs located in an area which was once an almost impenetrable bog, to new land developments. At this point I quote from my verbatim notes:

"What we planned and did was to locate all the springs and box them in with concrete pipes so as to control their flow. A fairly large pool was created into which all the spring water was channeled. Part of that water now flows into a nearby river but much of it is piped over a distance of 66 miles to the south in a pipeline measuring 66 inches in diameter. At the far end, the pipe is reduced to 48 inches in diameter for a few kilometers. There are several pumps located along the way that lifts the water to its ultimate destination. The rise in terrain is gradual until it reaches almost 400 feet. I followed the course of the pipeline. At points all along the way, this huge pipe is tapped and the water it carries is combined with water obtained from springs at nearby points and fed into smaller pipelines and thence into a sprinkler system. This sprinkler system is similar to systems frequently seen in private gardens. One can get a good understanding of this operation by picturing the lands now irrigated as a huge garden with pipes running underground through which water is fed and subsequently sprinkled by overhead systems."

I was told that the total cost of this installation, including the pumps, was $40 million. Of this amount the United States provided one-half.

Frankly, it appeared to me that this method of irrigation is most uneconomical. There is, however, another program already underway to build a second pipeline of roughly the same dimensions running in almost the same general direction. This project, too, will cost about $40 million, with the United States contributing about one-half.

Adjoining the existing pipeline are a number of farming projects. Located about 48 miles south of the main source of water and 10 kilometers from the main pipeline is the development which I visited. Villages are being established in order to take care of the immigrants. These people are taught to farm, they are paid to work, and homes are built for them through a government agency which is supported by the Israeli Treasury and the Israeli charitable institution referred to earlier. Some of the land has been in cultivation with only a scant supply of water available. The supplemental water will help considerably but I was not told how much this water will cost. I did learn that of the total expenditure, including additions proposed to be made, only 25,000 new acres of land will be brought into cultivation.

A city will be built at this development, with its surrounding villages, and a cotton textile mill is now under construction, using capital from private sources in the United States. Water for this city will be supplied by the pipeline. In addition to the textile mill, a cotton gin will also be constructed. There were 2 other cotton gins already in operation at the development, 1 of which is privately owned and another established cooperatively by 6 local agencies. A fourth cotton gin is scheduled to be built in the immediate future.

At present there are 15,000 acres planted to cotton where only 3 years ago no cotton at all was being produced. In 3 years cotton production has increased from an initial yield of 5,000 bales to 60,000 bales, and it is contemplated that this expansion will increase even further. It was my understanding that an American cotton producer residing in California was the first to finance cotton production here and that he is deeply interested in increasing this production.

In addition to cotton, some of the new land will be planted to peanuts and sugar beets.

It should be noted that the money to erect the cotton gins and some other proposed industrial plants is provided by six different groups, all of which are in existence here. These are as follows: (1) Kibbutzim (plural) (one of the lowest forms of collectivism where the married workers live in boarding houses, their children being raised in nurseries and educated by the organization with little or no family life). In a Kibbutz (singular) all work for their board, lodging, and clothes, and should the family leave it gets nothing but the clothing on the backs of the husband and wife. (2) Moshavinn (plural), Moshav (singular), another form of collectivism where people lease land from the government or own it and work it on a collective basis, with the exception of a small part retained by a cooperator for his own use for gardening and a homesite. The Moshavinn are somewhat similar to the Russian type of collectivism, except, of course, they have more say as to the disposal of the commodities produced. Unlike in Russia, they sell on a competitive market. (3) Private owners. (Some farms are privately owned and operated.) (4) Communities, that is, people living in communities that will benefit from the agricultural development. (5) The Jewish Agency referred to above that obtains its money from loans or tax-exempt money from the United States; and (6) Histadrut, a huge marketing and labor control organization that owns transportation facilities, cement plants, etc., and controls about 75 to 85 percent of the labor force of the country. In addition, a substantial proportion of the overall cost of the whole project is being financed with American dollars provided under the Mutual Security Program. I question the advisability of fostering in Israel the production of crops which are already in surplus the world over and particularly in the United States. The program director indicated to me that he did all he could to discourage the production of sugar, peanuts, and cotton, but to no avail. It appears that the local government is determined to plant and produce crops at a price which will permit their exportation and thus earn dollars in world markets.

Although this development is small, others are underway and when their productions are totaled together, I fear that the impact on our own world markets may be substantial. Especially is that true when we total the production of other countries that have increased production of surplus crops with funds furnished by us. It is neither right nor just; in fact, it is immoral for American dollars to be used to produce crops abroad

that are already in surplus in the United States. I wish that every producer of cotton, peanuts, and sugar could have been with me when I visited this area. I can well understand how they would feel to learn that their hard-earned money, much of which goes to the United States Government in taxes, is used at least in part to foster competition for them here and in other parts of the world. In particular, the cotton producers of our country would be interested to learn that cotton production here averages about 4 bales per acre.

In considering these development programs, it should be borne in mind that they are not short-term endeavors. In the one I visited, I noted specific areas marked off where from 80 to 100 families, each assigned 10 acres of land, will live. As I indicated earlier in this report, this land is leased from the government for 49 years with an option in the lessee to extend the lease for another 50 years. In each of these areas, a village will be established where hospitals, stores, and other facilities for the nearby residents will be available.

Farming is conducted in much the same manner as I saw collective farms in operation in Russia. A machinery pool is established, and the land is worked collectively. The members of the working group are paid daily wages, and the proceeds of the sale of commodities produced are used to pay operating expenses. If profits are made over and above operating expenses, they are divided among the cooperators. The commodities are sold on a free market here instead of to the State as in Russia.

A number of these developments are proposed, but no one could give me the exact area that will ultimately produce crops under irrigation or dry-land farming. The only answer I received was "it will all depend on the water." I fear that an attempt will be made to reclaim too much land, with the result that the available water supply will be insufficient to irrigate these areas properly. Accent seems to be on rehabilitating people and not more production on less acres with the water available.

It should not be difficult to limit the land area to be placed under cultivation since the supply of water is controlled by a Government agency. It is estimated that the cost of this water is $60 per acre per year in rural areas and $72 per acre per year in urban areas. Much of the cost is subsidized by the Government, but I was unable to determine the precise percentage.

On my inspection of the interior of Israel I also visited a vocational school, built under our foreign-aid program, to teach trades to immigrant youths.

I also visited a flourishing ceramic factory. This factory produces bathroom fixtures, such as wash basins, toilets, etc., for export trade. I was told that many of its products are shipped to Southeast Asia, the Middle East, and Africa.

Turning now to the United States information program in Israel, the fiscal year 1956 budget, including both operating and administrative costs, totalled $76,181. This amount will be increased to $114,743 in fiscal year 1957, and it is proposed to further raise the amount to $141,847 in fiscal year 1958. There is attached to this report a comprehensive breakdown of the purposes for which this money is to be spent. The committee will note that the greatest increase is found in the field of press publications and administrative expenses. In the press field, the monthly Hebrew language publication "The Worker in America" is to be further developed. Circulation is to be expanded from 10,000 to 50,000.

There was also a substantial increase in the representation allowances although the gross sum is smaller. Expenditures for this in fiscal year 1956 was $271. The figure will rise to $800 in fiscal year 1957, and $1,000 in fiscal year 1958. I was informed that a large proportion of this increase is due to rising prices.

A bookmobile is also proposed to be placed into operation in fiscal year 1957 in order to "enable USIS to make more effective its work in rural areas." In particular, it is felt that this vehicle will "enable USIS to form and maintain a wider range of contacts in the labor-agrarian segment of the population." I recommend that this proposal be restudied.

The committee will recall that last year during our committee hearings, we sought out some of the details of the International Media Guarantee Fund balance which has built up in Israel. Under this program as operated here, the United States publishers may sell books to Israeli distributors and be guaranteed payment in United States dollars at the rate of approximately one American dollar to one Israeli pound. When the Israeli agent deposits a pound in an Israeli bank to the credit of the United States Government, the United States Government then pays the publisher one American dollar. As of the time of my visit, our Government had accumulated to its credit approximately $8,350,000 Israeli pounds—worth at today's exchange rate about $4 million in United States dollars. In other words, it seems that the official exchange rate under the International Media Guarantee program in Israel is 1 to 1, whereas the actual exchange rate is somewhat less than 1 to one-half.

As to this $4 million (United States equivalent) in Israeli currency on deposit to the United States Government, it will be used for "educational, scientific and cultural projects" in Israeli. I feel that this is unconscionable. This money should never have been earmarked for these projects; it should, instead, have remained credited to the account of the United States Government in order to assist in defraying some of the local currency expenses which our normal Government operations incur.

Mr. ELLENDER. Mr. President, I left this troubled area convinced of one thing and that is, that it will be impossible to establish a self-sustaining State of Israel. Particularly is that true, if the minimum goal of not less than 2.5 million inhabitants is to be reached. Should the population remain at 1.5 million to 1.6 million as is now the case, then this tiny little land might eventually become self-supporting. Even with that alternative, however, it would require an investment of many, many millions of dollars to build a sound economic base. As for sustaining a population of 2.5 to 4 million without foreign subsidies, this is seeking the impossible. If Israel's population ever reaches that point, world Jewry must be made to understand that it must continue to subsidize Israel heavily and indefinitely.

It is heartwarming to note the progress being made in Israel, although at high costs. Because of an inadequate background in technology, the populations in the neighboring Arab countries are not as well developed for survival in today's atomic age as are the Israeli. What the Middle East needs is the promotion of a political climate under which the Arab and Jewish population could cooperate to raise living standards and develop the economy of the area. If, as I contend, Israel cannot become a self-sustaining state to take care of displaced Jews, it might be well to explore the possibility of reducing the area of the present State to the size proposed in the 1947 United Nations Resolution. To this end, fixed boundaries should be promulgated, and any additional Jewish immigration should be channeled into Arab lands, conditioned, of course, upon their being permitted to live in peace there. I feel that if only this could be achieved, the Arab and Jewish populations by working together could achieve an unprecedented economic development. In other words, the technological training of the Jewish immigrants should be used as a nucleus around which to build a highly developed Jewish-Arab economic sphere of influence.

I cannot overemphasize the necessity for some early solution to the present difficulties in the Middle East. As I warned in 1954, the Middle East is the most volatile place on earth—it and it alone offers the greatest likelihood as the source of world war III.

There is no possibility of lessening the dissension by extending assistance to both the Arabs and Israelis. We are beginning to be hated by the Arabs, and will undoubtedly be despised by the Jews if we refuse to further help them economically and militarily. It is time for the Jewish people of America and of the world to realize the complexities of the problems involved and the difficulties inherent in achieving a solution. It must be borne in mind, too, that comparatively few people of Jewish faith are involved in contrast to the vast numbers of Arab people. A solution built around the continued existence of the State of Israel—but a state required to remain in fixed boundaries—and designed to promote cooperation between the Jews and peoples of the neighboring Arab countries, must be achieved. What the Arab leaders fear most of all is that Israel will expand and eventually take them over.

TURKEY

Mr. President, the next country I visited was Turkey. I shall not take the time of the Senate to speak in detail of that country. Instead, I ask unanimous consent that my report on Turkey be printed in the RECORD at this point.

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

TURKEY

My visit to Turkey was an eye opening experience. While most of my time was spent at Ankara, since information with respect to our operations in this country was more readily available there, I entered Turkey through Istanbul. This latter city appears most prosperous. Many of its streets are being widened, and everywhere there is an air of confidence and good will.

The magnitude of our assistance to Turkey has been substantial. Since the inception of the aid program in 1948, through June 30, 1956, dollar expenditures for economic aid have totaled $470 million, of which $324 million were represented by outright grants, and the remainder by loans. Of the dollars spent, about 30 percent was used to improve agriculture, 25 percent for public works, 30 percent for industry and capital investments, and the remaining 15 percent for consumer goods and ocean freight.

Agricultural production has increased to 160 percent of prewar and industrial production to roughly 200 percent of prewar.

Of the counterpart funds generated to date under the mutual security program, 85 percent has been used to support the Turkish defense budget, an additional 5 percent

was channeled into agriculture, and the remaining 10 percent into the area of public works. In this connection, it might be noted that the Government of Turkey has devoted the following percentages of its total budget for defense purposes during the indicated periods:

	Percent
1948	35.5
1949	37.3
1950	29.3
1951	28.4
1952	27.4
1953	26.6
1954	27.7
1955	23.9
1956	22.8

These percentages compare with between 60 and 65 percent of the United States budget which is earmarked for defense.

In addition to the $470 million expenditure for economic aid, the United States has advanced $82 million to Turkey for direct forces support, of which $19 million was spent under the direction of the joint military mission here during the 1956 fiscal year. That entire sum was used to purchase oil, gasoline, food, clothing and similar items for the Turkish military forces.

During the fiscal years 1954, 1955 and 1956, dollar expenditures totaled $183.6 million. Proposed expenditures for fiscal year 1957 will aggregate * * * with * * * of this amount earmarked for defense support and * * * for technical assistance.

Unexpended dollar balances as of June 30, 1956 totaled $142.8 million. Tentative allocations from the fiscal year 1957 mutual security budget total * * *. Thus, there will be available for expenditure here during the 1957 fiscal year a total of * * *.

The Committee will note, by reference to exhibit A, that note 4 indicates an economic technical aid pipeline of only $93.8 million as of June 30, 1956. However, this figure is obtained by subtracting from the actual unexpended balance of $142.8 million as of that date, the following amounts:

1. First slice fiscal year 1957 aid obligated June 29, 1956	$25,000,000
2. Ocean freight for Public Law 480	892,000
3. Emergency relief	635,000
4. Direct forces support reallotments	567,000
5. Direct forces support fiscal year 1955 and prior years	13,293
6. Technical cooperation fiscal year 1956	3,549,000

Thus, the total pipeline as of June 30, 1956, our planners insist, is really $93.8 million instead of $142.8 million. I frankly think the position taken by ICA in this matter is misleading, since $142.8 million represents the actual amount carried over from prior fiscal years which is available for expenditure, without taking into account allocations from the fiscal year 1957 mutual-security budget.

I also want to point out to the committee that in addition to the * * * available for obligation from the fiscal year 1957 budget, the ICA mission here would have had an additional $25 million available for obligation during the fiscal year 1957, if it had not obligated on June 29, 1956, that amount as the first slice of the fiscal year 1957 program. Practices such as this are unconscionable, and the committee should take pains to warn ICA that it will not continue to tolerate last minute obligations such as this, which are apparently directed at keeping unobligated balances as low as possible. Practices such as these lend themselves to waste and are certainly not consistent with good management or fiscal procedures.

At the time of my visit, there were 202 technicians employed by the United States in Turkey. Of this number 135 were directly employed by the Federal Government, and the remainder were contract employees. I fear that if the staff is kept as large as it was at the time of my visit, this factor coupled with huge unexpended and unobligated balances will result in the undertaking of constantly expanding programs for this country. I realize full well that Turkey is a large country, and that it is willing to fight, and will fight well for its freedom. It is deserving of United States assistance. However, Turkey is endowed with abundant natural resources and, its leaders have a genuine, progressive, and constructive desire to raise the population's living standards. I recommend that increasing attention be given to fostering Turkish economic development by private enterprises and foreign investments, and a consequent reduction in our economic aid program. An early switch to a program of this kind would make possible the return of considerable amounts of unobligated and unexpended funds to our Treasury.

In the section of this report dealing with military assistance, I will refer in detail to the Turkish program. I conferred with Maj. Gen. Lawrence R. Dewey, Chief of the Joint American Military Mission for military aid to Turkey. I was not able to obtain specific information from him since he had been ordered by Washington not to provide me with any data. He did give me a briefing on the assistance provided over the last few years and it was his judgment that much progress had been made. However, he indicated that there is still much to be done, particularly for the Air Force and the Army. He said that more modern equipment is an urgent necessity, particularly in the field of airpower.

Under our military aid program, shops are maintained to repair damaged equipment. These shops were equipped by the United States. I was unable to visit them due to lack of time, but I understand that much is being done to train Turkish military personnel in the repair and maintenance of advanced-type military equipment. I am sorry I am unable to give figures on our military assistance program. They are quite large. With all the assistance made available by us to Turkey and her great advance in industrial and agricultural expansion, I am surprised to note that her defense budget has been steadily declining to the point where it is now 22.8 percent of her expenditures. It will keep on decreasing if we continue to pile in United States borrowed dollars.

The information program here is large and growing larger. The budget for the 1956 fiscal year was $180,197; for fiscal year 1957 this amount was increased to $354,762. It should be noted by the committee that the USIS mission here originally requested only $307,199 for fiscal year 1957. This request was prepared July 8, 1955, prior to the raising of the priority of the USIS Turkish program. It is indicated to me that "the raising of the priority undoubtedly induced USIA Washington to increase that figure in its submission to the Congress."

This is a grade A example of how the information budget is determined—that is, it is not based upon recommendations sent from the field, but, rather, is promulgated in Washington, submitted to Congress, approved in almost rubber-stamp manner, and then the increased funds are sent down to the field for whatever use the missions can find for them. Of course, it is needless to point out that this is a most wasteful procedure. Steps should be taken to eliminate this type of budgetary programing.

I referred to the fact that higher priority has been given to the USIS program in Turkey. It was indicated to me that the reason for this increase is that during fiscal year 1956 Turkish-American relations were considered to be free of serious psychological problems. * * *

I doubt that, in view of the traditional Turkish hatred of things Russian and, more recently, things both Russian and communistic, that a doubling of the information program here is either necessary or desirable.

For the information of the committee I attach hereto a detailed outline of the proposed fiscal year 1957 technical cooperation program for Turkey and a similar outline of the proposed fiscal year 1957 defense support program.

Also attached is a list of all nonmilitary projects undertaken from the beginning of the program here through fiscal year 1956, indicating the total cost of the various projects, United States contributions, local government contributions (both from country budgets and counterpart funds), and the percent the United States contribution represents of the whole. As an annex to this, I am including a mimeograph list of all nonmilitary aid projects, which supplements the fiscal data referred to previously, and which describes in general terms the scope and purpose of these expenditures.

Both the military and economic aid programs should be reevaluated in the light of the great progress made here, both industrially and agriculturally. Business seems to be flourishing, with taxes at a very low rate. I was surprised to learn that no taxpayer, no matter his size, pays more than one-third of his income for all manner and form of taxes.

Mr. ELLENDER. From Turkey I proceeded to Italy. Then I went to France, Belgium, Holland, England, and then home. I ask unanimous consent that my report on those countries be printed in the RECORD at this point.

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

WESTERN EUROPE

ITALY

This is a most prosperous country. Nevertheless, the United States still grants a considerable amount of aid. Assistance continues to flow from direct military aid, offshore procurement balances remaining in foreign-aid accounts of appropriations for prior years, and from funds derived from the proceeds of Public Law 480 sales.

Despite the fact that Italy is a wealthy country, the great bulk of the wealth is concentrated in the hands of the few. The poor, and there are many, appear to either grow poorer, or at best, maintain their status quo, while the rich appear to get richer. The working classes in their endeavor to find a better way of life move into the Communist camp. It appears that selfish big-business interests dominate the government and have little regard for the laboring class. This attitude prevails notwithstanding it is in the interest of big business to maintain a stable government.

An example of this selfishness may be found in the prevailing tax structure. Much property is not subject to tax. The property belongs for the most part to the wealthy class. On the other hand, the poor pay high excise taxes despite their low wages.

With respect to assistance, I conferred with James Fry, head of our Military Assistance Advisory Group, and Charles Rogers, our Ambassador's representative on military matters. Unfortunately, the great bulk of information given me is classified. However, the situation in Italy as well as in Western Europe involves the promulgation of force goals by the North Atlantic Treaty Organization. These are then submitted to the ministers of the various NATO countries. Following this submission, the participating countries determine what proportion of the forced goals they can attain. * * *

There is apparently no effort made to force the other NATO countries to make a few sacrifices in order to contribute more to their own defense. As a matter of fact, instead of

reducing local expenditures or increasing taxes to raise more revenue, any future increase in NATO strength will find the United States being obligated to furnish the additional support. I expressed the hope that at perhaps some future time our own officials will become as solicitous of the American economy as they apparently are for the economies of some of our allies.

* * * * *

With respect to economic assistance, we still maintain here a mission of 27 persons. There is absolutely no necessity for this size staff in Italy in connection with what remains of an economic program which, until its flow was curtailed, poured approximately $1.6 billion into the Italian economy.

Some counterpart funds are still being collected from various investments made here, and some triangular transactions are being engineered through the purchase of surplus food under Public Law 480,. Additional moneys are being generated on this basis for loans to Italy. It strikes me that there is no need for an American ICA staff to administer these funds. Certainly, the Public Law 480 transactions could be supervised by our agricultural attaché or at least through his office. The other programs could be administered adequately by two or three persons since mere supervision is all that is required.

Attached to this report are two comprehensive exhibits. The first of these, Exhibit A, deals with current programs in Italy for which the United States Operations Mission is wholly or partially responsible. The committee will note that these programs fall within five basic categories. These are: (1) Local currency loan programs; (2) Productivity and technical assistance programs; (3) Triangular trade programs; (4) Public Law 480 programs, and (5) The civil aeronautics mission, which is presently winding up a technical-aid project concerning aviation safety and traffic controls.

The Information Service mission received a healthy increase in funds for fiscal year 1957 over and above fiscal year 1956. The fiscal year 1956 budget was $1,908,284. Of this amount, $1,906,311 was actually spent. Yet, an increase in funds is proposed for fiscal year 1957. At this point I quote from memorandums prepared for me by Charles F. Blackman, Acting Public Affairs Officer for Italy:

"Prior to the submission of our budget plan for fiscal year 1957 and fiscal year 1958 we were advised by telegram from the United States Information Agency that our annual allotment for fiscal year 1957 would be $2,121,170. Our budget for fiscal year 1957 was therefore prepared using this figure of $2,121,170. This amount represented an increase of $214,858.06 over the amount actually obligated by USIS, Italy, in fiscal year 1956. It is expected that this increased allotment will be spent as follows: Salaries, $72,317; local film production, $111,330; direct administrative expenses, $29,517."

The committee will also be interested in an attached memorandum dealing with the Information Service. Part of this memorandum consists of a telegram from Theodore Streibert, Director of the United States Information Agency, which indicates far better than any words I could use that budgets for grassroots information activities are not programed by the local missions but are determined on the Washington level, with the local missions, in effect, told to find ways and means to spend considerable increases allotted by USIA. I also attach to this report a comprehensive summary of balances in counterpart productivity funds. This exhibit is marked exhibit "B".

FRANCE

I was shocked by the fiscal situation which prevails in this country. Almost all of French revenues are derived from excise taxes, which bear the same rate for poor as well as the rich. This generates much resentment among the people of France, since a system of this type works a severe hardship upon the poor, while having no comparative effect on the wealthy.

With respect to military assistance, I shall deal with this in the attached portion of this report concerned with this subject, since the information I obtained was classified. I conferred at length with General Norstaad with respect to forces actually available for the defense of Western Europe and the extent to which the United States supports the total NATO defense effort. It should be noted that the French withdrew practically all of their troops after notification to the North Atlantic Council for use in North Africa and subsequently in the Suez area.

I also had a most informative conference with Mr. Frederick Payne, American representative to the Organization for European Economic Cooperation. The United States is merely an observer with respect to this agency, although we contribute $1,500,000 out of a total OEEC budget of $4 million. At this point I quote from a letter written me subsequent to my visit by Mr. Payne:

"You may remember that I told you that the United States is contributing $1,500,000 to the European Productivity Agency of the OEEC. Formerly, EPA projects, when they were of considerable size, had been handled by the United States. This is the first year that a lump sum has been siphoned through the Secretariat of the OEEC who, in consultation with us and other member countries, plans to direct its activities. Your question was: 'What are the other countries contributing?' The answer is that there is approximately $4 million being contributed in all, of which $1,500,000 is from the United States. The other $2,500,000 is contributed by each member country of the OEEC in relationship to its respective size. We, as associate member, do not make any other contribution to the OEEC, such as any contribution to the administration of the OEEC. This incidently is a considerable item inasmuch as the Secretariat of the OEEC numbers over 700 people of which I believe only 1 or 2 are Americans, for whom, as I said above, we make no monetary contribution."

Although we may not contribute to the cost of administering the office of OEEC, we spend a considerable sum to pay those representing us.

The EPA referred to in Mr. Payne's letter is the European Productivity Administration, which is attempting to show these highly advanced Western European countries how to make more and better use of the productive facilities which they have on hand.

I was told that one of the main problems regarding the economic development of Western Europe is the problem of convertibility. This problem however is well on the road to solution and Mr. Payne indicated to me that if the participating countries could only increase productivity, eliminate trade and tariff barriers, and otherwise form an integrated economy, they would be much better off.

With respect to economic assistance, the material available is classified and is attached to this report. At this time the great proportion consists of offshore procurement and related programs. However, there is one small program—$150,000 in scope—which is used to finance the transportation of French labor leaders to the United States in order to acquaint them with the business operations of American labor organizations. This program should certainly be discontinued for obvious reasons.

At the time of my visit there were only 9 Americans and 10 locals in the ICA Mission. The budget of $126,000 is expected to be completely exhausted by March 31, 1957.

While in France I conferred with Mr. Morrill Cody, Public Affairs Officer for the United States Information Service in France. As of the time of my visit there were 52 authorized American positions and a local employee ceiling of 233. We maintain information centers including libraries at Paris, Lille, Lyon, Strasbourg, Marseille, Bordeaux, Tours, and Algiers.

The USIS budget for fiscal year 1957 shows a startling increase over fiscal 1956—$511,800 to be exact. Part of this increase ($121,000) resulted from an 11-percent wage increase granted by the Embassy to local employees of the United States Government, higher cost of living and increased wages outside, and increases and allowances. The budget for fiscal 1956 was $1,610,500. For fiscal 1957, a total of $2,368,723 was requested. An allocation of $2,122,300 was approved.

The remaining $390,800 provided in the fiscal year 1957 budget over the fiscal year 1956 budget will be used as follows:

1. Increase in circulation of biweekly publication "Informations et Documents" from 30,000 to 100,000, $50,000.

2. Production of three locally made documentary films on American musicians performing abroad, on European integration and on Lafayette, $75,000.

3. More prints of documentary films for wider distribution and more adaptations of films now available from Washington, $21,800.

4. Increased rent for new central downtown offices for USIS, Algiers, Bordeaux, Lyon, and Strasbourg, $90,000.

(It should be noted that USIS, France, informed me that the initial cost for these new offices is high because the United States is being required in most cases to pay 2 years' rent in advance. Before leaving this particular topic, it is my fervent recommendation that the scope of these programs be reduced. Certainly, it is unreasonable for France—supposedly an ally of our—to require the United States to carry the whole burden alone.)

5. Establishment of a new office in the Saar, $18,000.

6. New information center, 2 years' rent in Saar, $18,000.

(This center will be used for lectures and motion pictures. This would appear to be a highly unnecessary expense.)

7. Increase in subsidy for translations of American books into French, $30,000.

8. Increase in materials (books principally) to be presented to institutions and influential persons, $13,000.

9. Television and radio programs increase, $25,000.

The entire information program here should be drastically reduced. I find that our information agency planners are using the Suez crisis as an excuse for increasing the information efforts in countries such as France and Britain. On the contrary, this crisis points out the fact that our information program must have been an abysmal failure, since it has obviously produced no increase in respect or understanding for America or its policies in these two countries. I therefore recommend that unless the French Government is willing to assist the United States in its effort to inform the people of France of the necessity for free world strength, the program be reduced in scope and size. Under no circumstances, even if reductions are not imposed, should fiscal year 1958 bring any increase in the information agency budget for this country or, for that matter, any other Western European nation.

BELGIUM

The ICA office was closed here as of June 30, 1956. At the time of my visit there was only one employee connected with the mutual-security program still on the job. He was checking on the delivery of goods, amounting to $200,000, made quite some time ago. This employee is under the immediate supervision of the Paris office.

I was well pleased with the development, but I was astounded to note that the Eco-

nomic Counselor of the Embassy, Mr. Charles Adair, is of the opinion that the United States should undertake further work in Belgium by way of increasing the productivity of Belgian industry. In view of the existence of the European Production Administration (EPA—see my report on France) I recommend that any increase in productivity techniques be undertaken through the EPA, without any additional American assistance. I fear, despite the existence of EPA, that ICA, Washington, will no doubt send an additional expert or experts here in order to perform similar tasks.

I was informed that there are no commodity programs presently under study for Belgium, either under section 402 or Public Law 480. By no means should any such programs be considered, for Belgium is most prosperous. As a matter of fact, Belgium should be contributing to the worldwide mutual security program instead of being considered for further United States assistance.

I do wish to call to the committee's attention that the facilities-assistance program, under which the United States furnished dollar assistance for the tooling of new plants, could well be terminated. Here, as in other countries of Western Europe, the local economies are well able to undertake these programs without any United States assistance. It is my distinct impression that our own people, stimulated by self-seeking local officials, see these programs as a means of continuing economic aid to countries which are essentially healthy.

I am attaching to this report an exhibit indicating the status of counterpart funds in Belgium and Luxembourg. The amounts remaining in counterpart accounts are considerable, but it is my understanding that they are all programed and there should be no further necessity for ICA's supervision except through present existing missions in other lands whose personnel are well able to scrutinize the expenditure of these funds.

With respect to the Information Service, the budget request for 1956 was $123,650 and $149,343 was actually allotted. The funds over and above the original request were used for an atomic energy exhibit and related exhibit materials. For fiscal year 1957, a budget request of $184,820 was submitted; the allotment was $162,000 an increase of almost $40,000 over the regular 1956 budget. The staffing pattern for 1957 fiscal year remains the same as during fiscal 1956—5 Americans and 32 locals.

Despite the growing reasons cited for the necessity of an information program here, I am far from convinced the need exists. Everyone with whom I spoke declared most emphatically that the Belgians are definitely pro-American. Nevertheless, they are of the opinion that there are areas of misunderstanding on such matters as tariffs, colonialism, and east-west trade, which irritate our relationship and the information program is necessary in order to minimize these differences. Whether or not this be true, there is certainly no need for a program of $162,000 for this country. Certainly one man, or at least one section, in the Embassy would be sufficient to do the job.

I recommend a complete reevaluation of the USIA program not only here but in all Western European countries. There is a basic inconsistency in the continuous proclamations emanating from the Department of State that the Western European countries are firm and stanch allies of the United States and the continued appropriation and expenditure of huge sums of money in order to win friends and influence people in these lands. The two cannot be reconciled.

UNITED KINGDOM

Since April 3, 1948, a total of nearly $5 billion has been obligated for economic and military, along with quasi-military aid, to the United Kingdom. This amount is broken down as follows:

Economic recovery program, 1948–49 through 1950–51, $2.714 billion.

Mutual defense assistance, $2,172,000,000. This amount was spent as follows:

Defense support: $874 million.

* * * * *

Direct forces support (special aircraft), $120 million.

Military assistance, $1,178,000,000.

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Agricultural trade development and assistance under Public Law 480, $27 million.

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It should also be noted that under the mutual-weapons-development program, the United States of America finances at least a part of British research and development designed to produce advanced weapons of useful design. It should be recalled that in addition to this program, the United States through the Department of Defense spends * * * dollars for research and development here in this country.

At the time of my visit, there was no separate ICA mission as such here, but the chief assistant to the head of the economic section in the Embassy was charged with overseeing the expenditure of ICA funds. In addition to this officer, there were 5 additional officers, 3 secretaries and 5 local employees engaged in this same work. Their necessity was sought to be justified on the basis that there remain about $2 million in funds to be allocated under prior year programs and about $33 million of Public Law 480 funds. I recommend that this mission be closed out promptly. I understand that it is proposed to be terminated as of June 30, 1957, but there appears to be no valid reason why the ICA section should not be terminated immediately.

While in Britain, I visited the so-called "tobacco houses"—housing for military dependents financed from the proceeds of tobacco sold under Public Law 480. Each unit has its own heating system which is gas fired. All utilities are being installed, and the United States will pay for water, gas and/or other fuel. There were 110 of these houses under construction at the time of my visit. The cost is $20,000 per building, which contains two dwelling units. These structures are of course built upon British soil and title to them will vest in the British Government if and when the United States forces housed in them are no longer needed here. In the meantime, military personnel housed in these dwellings do not receive housing allowances but instead receive housing rent free. The allowances which would usually be paid to these personnel will be used to liquidate the cost as long as our Armed Forces remain here. The unpaid balance will, in effect, be our loss.

Construction of the "tobacco houses" is being performed by a British contractor. It is specified that British material must be exclusively used. The outside walls of these buildings are constructed of cement blocks, oblong in shape and of various colors. The roofs are tile. The entire subdivision is located in a flat area complete with paved streets, a sewer system, and storm cellars. In other words, the general policy of providing nothing but the best for our servicemen is being followed. Unfortunately, there is little consideration given to the expense of these structures, particularly in view of the fact that they will eventually belong to the Government of the United Kingdom, not the Government of the United States.

I was informed that additional housing programs such as this are contemplated, using proceeds from surplus sales under Public Law 480. It should be noted that the British are apparently not over anxious to purchase surplus American agricultural commodities under this authority of law, but our planners are using every device known in order to persuade the British that more and better use should be made of this program. I recommend most emphatically that our transactions with the United Kingdom with respect to military preparedness, sale of surplus agricultural commodities, and housing of military personnel be placed upon a strictly businesslike basis and that the authority of Title I of Public Law 480 not be used to subsidize the British economy.

I regret very much that I am not able to discuss in detail at this point the various aspects of our military assistance program here. I do want the American people to know however that many unnecessary and purely punitive road blocks are being placed in our path. For example, under an agreement consummated between the United States of America and the Government of Great Britain concerning the construction of air bases here, a sharing of the construction expenses was provided. I am not at liberty to say in what respect this agreement has been breached by the British, but it was breached. In addition, the British are still holding 250,000 pounds of funds which they originally agreed to contribute to the construction of these bases. It is the British claim that this amount is necessary to reimburse the Government of the United Kingdom for damages to British highways which the British maintain were caused by American construction and other vehicles. In view of the assistance which we have rendered and are still rendering to the United Kingdom, the withholding of this amount of money is a gesture which calls for stern censure on the part of our Government. The United Kingdom should be forced to live up to its agreements, or be notified that further assistance from the United States of America will be withheld.

I had a most informative conversation with Mr. W. Bradley Connors concerning our information program here. The information program for the United Kingdom shows an increase of $250,000 for 1957 over fiscal year 1956. I understand, however, that no increase is proposed for fiscal year 1958. Of this additional $250,000, $50,000 will be used to produce and distribute pamphlets, leaflets, and posters to explain President Eisenhower's so-called open sky disarmament proposal. In addition, a large school poster campaign is being undertaken to highlight American history, geography, and government for the major secondary schools in Britain.

An additional expenditure of $120,000 is proposed to be spent for two major exhibits to be shown in a dozen or more cities throughout the United Kingdom dealing with (1) the open sky disarmament program and (2) the American economy.

The balance—approximately $80,000—will be devoted to increasing the study of American history, government, institutions, and geography in the British schools. As a matter of fact, the Information Service here has launched a long-range program designed to get American textbooks on the United States introduced into British schools, but this program has shown little effect. Now, it is proposed to subsidize the publication of American textbooks in order to make them more readily available to the schools of Great Britain.

I recommend most emphatically that this increase be rescinded and that it be returned to the Treasury. The programs upon which it is proposed to be spent demonstrate a bankruptcy of imagination and a complete disregard for the purpose of the information program. Certainly, it was not the intent of Congress to authorize under the United States information program an expenditure of considerable sums of money to propagandize a so-called friendly country.

I found in the United Kingdom, that because the British insist on being a full partner with America, our information agency

planners feel it necessary to maintain a program of ridiculous size. It is obvious, that while the British desire full partnership in free world planning, they are not willing to accept the burdens which this full partnership brings. If, after the expenditure of nearly $5 billion in American aid since the initiation of the Marshall plan, the British Government and the British people have no basic understanding or appreciation of American policies and efforts, the expenditure of further large sums for propaganda will serve no useful purpose.

According to a memorandum I received from Mr. Connors' office, "Our most difficult task in the United Kingdom is to convince the British that we have an identity of interest and feeling in the political, economic, social, and cultural spheres. Whether Britain accepts the lead of the United States in international affairs and retains the United States as a permanent partner in world affairs must depend greatly on the depth of the British people's understanding and approval of what may be called the American way of life."

In other words, a gigantic information effort is necessary in the United Kingdom to convince the people of Great Britain that the Government which has so generously lavished its treasure upon them in years past and which has spent its blood in a combined effort to rid the world of totalitarian rule, contains sufficient cultural and social depth in order to be regarded as a worthwhile British associate. I believe this argument answers itself. As indicated above, if our past assistance has not convinced the British of our capacity for leadership and the necessity for a strong United States-British alliance, then the expenditure of further sums under the information program will certainly prove abortive.

NETHERLANDS

I visited missions at The Hague and at Amsterdam. At the time of my visit, there was a considerable amount of money still in the counterpart fund; if fact, more than can be spent. 372,464,904 guilders ($97,503,902) remain to be released. 115 million guilders ($30,104,712) programed in 1950–51 must be reprogramed. In other words, based upon a guilder value of 3.82 guilders equals 1 American dollar, the total of $127,608,613—American dollars—is available in local currencies for expenditure here.

Notwithstanding these facts, intensive efforts were being made to negotiate Public Law 480 sales. The claim advanced is that these sales will produce needed additional local currencies. As a matter of fact, I understand that an agreement was recently completed under which $275,000 worth of surplus cotton would be sold to the Government of the Netherlands under Public Law 480. Of the local currency generated under that sale, 10 percent, or the equivalent of $27,500, will be made available to the United States Government for whatever use it may desire in the Netherlands. The equivalent of $200,000 in local currency will be used to finance market research and sales promotion projects in the Netherlands designed to further stimulate the consumption of cotton. This research and promotion will be undertaken by the National Cotton Council of America and its Netherlands counterpart. The equivalent of a maximum of $47,500 will be used to pay the local expenses of the Cotton Council of America. In addition, the agreement provides that $25,000 in equivalent will be converted into other currencies by the Government of Netherlands as required.

I am in full accord with any program designed to dispose of our surpluses, however, I feel confident that it was never the intent of Congress to use title I of Public Law 480 purely as a means of generating local currencies in areas where for one reason or another it might be felt that the local currencies would be beneficial to have on hand. If there is indeed a necessity for market research and promotion with respect to cotton in the Netherlands, it would seem to me that the remaining local currency in the counterpart fund could be well spent for that purpose instead of further increasing the local currency accounts by generating the same under the Surplus Disposal Act. There should be actually no necessity for promoting this sale if, as indicated to me, its sole purpose is the generation of additional local currency funds.

Of course, the Government of the Netherlands, which has a major voice in the use to which unspent counterpart funds may be put, no doubt would object to the expenditure of these funds for purposes such as those proposed under the Public Law 480 sale because in effect it would enable us to reduce our economic assistance. I recommend most emphatically that the Department of State undertake to overcome these objections to the end that the interest of the American taxpayer will be better served. The day is long past when the fiscal welfare of our country is to be subservient to purely local desires of those receiving aid.

Turning now to the information program, I discussed The Hague installation with Mr. Robert Donhauser, chief of the information program there. As usual, fiscal year 1957 will show an increase in expenditures for information over fiscal year 1956. It should be further noted that whereas in fiscal year 1956 the budget request was for $141,842, the actual allotment was $142,000. The budget request for fiscal year 1957 was $199,055 and the actual allotment was $171,350.

The increase in the fiscal year 1957 allotment over fiscal year 1956 will be spent as follows: $5,000 additional television work; $1,000 employment of qualified journalists to write human interest stories regarding life in the United States and, the largest item, $17,000 for increases in local salaries. In this connection this increase is made necessary by virtue of a Dutch Government decree, which was expected, at the time of my visit, to be issued January 1, raising wages by 10 percent.

Mr. ELLENDER. Mr. President, during the course of my remarks I have advocated a new look, a new approach with respect to our foreign policy. Here is one of the reasons why I feel this new look is necessary:

Since 1945 the record shows we have spent in excess of $36 billion in Western Europe alone. In that period, in other areas of the world, we have spent an additional $11 billion or $12 billion for both economic and military aid.

When I voted for the Marshall plan, in 1948, it was with the conviction that by spending reasonable amounts of money in the war-torn countries of Western Europe we could raise the living standards of their people, rehabilitate them, and, by so doing, those countries would be placed in a position to be of assistance to us and could help us carry the load, not only in Europe, but also in Asia and Africa and other parts of the world.

When Mr. Hoffman was testifying before the Committee on Appropriations in 1950 he was asked how long the program would have to be continued, how much money would be spent, and what the goal was. Mr. Hoffman said that if we could increase the industrial production of the countries of Western Europe to 125 percent of prewar we could cease our aid. With respect to agriculture, he put the goal at 110 percent of prewar.

We reached those goals before the end of the third year.

Today the average of industrial output of Western Europe is 165 percent of prewar. In other words, it is 40 percent over the goal set by Mr. Hoffman in 1950. Nevertheless, we are still there, still spending money by the billions of dollars in that area.

Mr. President, I ask unanimous consent that 3 extracts from Mr. Hoffman's testimony in 1950 on this subject be printed in the RECORD at this point.

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

ECA PRODUCTION OBJECTIVE IN EUROPE

Senator CORDON. Now, Mr. Hoffman, let us assume success at the end of 1952. Let us assume that your target, which I believe is 130 percent of prewar production, has been achieved at that time.

Mr. HOFFMAN. I think it goes a little less than that; I think it is about 125 percent, Senator.

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Mr. HOFFMAN. I would hope that we could wind this program up for $13 billion as against the $17 billion that was discussed originally as the cost of the program. I would be disappointed if that could not be cut by at least $4 billion.

Senator FERGUSON. So, it would be $3 billion the last year?

Mr. HOFFMAN. No. I think we could go down to $3 billion in 1951, and I think you could go down substantially under that for the last year.

Senator RUSSELL. That is a material reduction from the $17 billion that was discussed when we started. That does not include the Greek and Turkish items; nor the German items?

Mr. HOFFMAN. Yes.

Senator RUSSELL. It does include Germany?

Mr. HOFFMAN. It does not include the German GARIOA.

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Mr. HOFFMAN.* * *

The Second World War cost us $341 billion. There are still deadly dangers in the world which could result in a third world war and which would destroy the fabric of our civilization. If we are able through our aid under the European recovery program to make a substantial contribution to the building of peace and prosperity in the world, then the European recovery program is the best bargain the American people ever bought.

I would like to make one final point. It may at first glance seem paradoxical, but I look upon the European recovery program as our best hope for bringing Government spending down to a point where taxes will not be so oppressive—to a level at which our free economy is not in danger.

I say this because I see no way in which our tax burden can be reduced substantially unless the threat of war and the consequent necessity for maintaining an abnormal Military Establishment is reduced. This economy cannot go on indefinitely spending $15 billion or more a year for military defense. The surest way I know of to reduce the danger of war so that we may reduce our Military Establishment is to carry on the recovery program, to the point where a free and self-sustaining and unified Europe is able to pay its full role in cooperation with the United States and other free countries in maintaining the peace and prosperity of the world.

Mr. ELLENDER. Mr. President, first it was ECA; then came the MSA; now it is ICA—but the money keeps going to Europe. Since 1952, we have spent al-

most $3 billion in that area for offshore procurement.

In other words, we have been giving economic aid under the guise of offshore procurement right along—and we are still giving it. Offshore procurement contracts under the mutual assistance program have totaled in value $2.6 billion since 1952. These contracts go to Western European companies which, under the contracts, produce materials of war for European armies. In addition to this amount, our own forces have purchased $1.2 billion in goods from the European economy during that same period. This, too, is economic aid.

Under other programs, we are building new plants to produce arms for Western European countries; this is called facilities assistance—but it is economic aid, neverthless. Over and above this, we are spending large sums to help Western European countries finance programs of research and development designed to produce new weapons—this, of course, is over and above our own multi-billion-dollar expenditures at home for research.

Yet, Mr. Hoffman said when industrial production in Western Europe reached 125 percent of prewar, we could end our aid; today, it is 165 percent of prewar and the aid goes on. It has changed its name, but it is there nevertheless.

All of that is done, notwithstanding the fact that in Asia, Formosa, Korea, South Vietnam, Laos, Cambodia, and Thailand we are carrying the whole load. No one is helping us on Formosa. All the people whom we have assisted so nobly in Western Europe are not in any way assisting us in that area. We are carrying the whole load there. Even worse, we are having to carry a huge share of Western Europe's own defense budget.

Let us take, for example, the NATO obligations of our friends in Western Europe. Recently I read an article dealing with an interview with General Norstad, the supreme commander of NATO. He said when NATO first began, the number of divisions initially agreed upon was from 65 to 90. Now, NATO is down to 30 divisions. He said, in effect, he does not know what will happen if the British carry out their threat to remove the few divisions still assigned to NATO in Europe. Under the NATO agreement, a nation need not ask permission to remove its divisions; it may simply say, "Well, we will pull them out." That is what France did, when it sent its divisions to north Africa.

Notwithstanding all the money we have spent in those areas, we are still being called upon to help sustain the economies of those countries.

As I pointed out a while ago, this is being done with the full backing and frequent instigation of our own representatives in those countries.

I was very much disappointed when I visited England, for example, to find that England is not as cooperative as she should be. Several years ago we had agreements to build a certain number of airbases in England. They were to be built on a 50–50 basis. Later the plans were changed somewhat, and we asked for a continuation of the contribution on a 50–50 basis. What did the British do? They said, "No, we won't do that. We cannot do it. Our economy cannot sustain it. If you want to go ahead on your own, do so." So we did. Since 1953, out of our own pocket, we have spent more than $320 million on such airbases without one copper cent being put up by the British.

I am not saying that in derogation of our allies. The English are one of the finest people on earth; they are good people; but we cannot keep sustaining them and hope to remain solvent. The same is true of France, Belgium, Holland and other European countries who look to us first and their own resources last, or not at all.

Ten years ago I was ridiculed by the press of the United States and of the United Kingdom for taking the position that the United Kingdom, as such, was on the road down. It will be recalled that a request was made for us to lend the United Kingdom some three and three-quarter billion dollars. I took the position that it would be impossible to revive the British economy with dollars alone.

Years ago the British could go to their colonies and get all the raw materials they desired. They could even prevent their colonies from establishing manufacturing facilities which would compete with the mother country. The mother country had markets all over the world for its finished products. However, during the last two cruel wars those markets have dried up, as it were, insofar as the British are concerned. Most of the colonies are now wearing long pants. They are looking out for themselves. As a matter of fact, Canada today has perhaps as much business in South America as has the United Kingdom. Australia has almost as much business in the Far East as the British have in that area. Ten years ago, as I recall at the moment, the population of the United Kingdom was about 42 or 43 million. Now, ten years later, it is 50 or 51 million.

The United Kingdom has absolutely no natural resources, except some coal, which is very expensive to mine. It produces only a small part of its iron ore requirements. It can produce less than half of the food it consumes. The rest of what the British need must be imported. They must obtain these vital products in other countries; they must bring them to the United Kingdom. These raw products must then be sent to the factories, to be manufactured into finished products, and then sent into world markets for sale.

The profits which are made from the sale of finished products are the only source of Britain's funds. The British no longer have the investments they formerly had in large corporations in America and in other countries of the world. They must, more or less, depend on the profits which they themselves make from the sale of finished products and from their maritime fleet.

It saddens me to do so, but I will repeat what I said 10 years ago, and what I said again in 1951. I ask unanimous consent to have printed at this point in the RECORD the statements I made in those 2 years, namely, that there is no more chance of reviving the United Kingdom with United States dollars than there is of reviving a dead horse.

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

Mr. President, it is my considered judgment that in normal times, the sooner we stop this aid, the better it will be for Britain. I say "normal times"; I do not mean during a war. In passing, I may say that in the last several months the British treasury has benefited because of the Korean war. A great deal of tin, rubber, and other products which are obtained from British-controlled Malaya have been needed. This war-produced demand brought income to the British. However, I say now, as I said in 1946, that in the long pull there is no more chance of revitalizing the economy of the United Kingdom than there would be of reviving a dead horse. When I made that statement in 1946—and it appears in the CONGRESSIONAL RECORD—I was ridiculed. Many sarcastic editorials were written about that statement. However, if the speech I made at that time and the conclusions I reached then, were read again today it would be seen that I was not far wrong. That speech was made in connection with $3,750 million loan for which Britain applied in 1946. At that time it was stated on the floor of the Senate that this loan, if made, would revive the British, and that they could revitalize themselves in 3 years. Yet in less than 18 months, all that money was gone, and the British were in as bad shape as they had been before we made the money available to them.

Mr. President, I repeat that I think we are doing the British a grave injustice from a long-range viewpoint. We should not encourage them to believe that our "shots in the arm" now and then may be able to revive and to develop their industry to a point where they can again compete with the rest of the world.

No, Mr. President, the plight of the present British economy is hopeless, I am sorry to say; and the prescription I gave in 1946 holds true today. I said then, and I repeat now: If Britain would depopulate the British Isles and send her know-how and some of her factories to the places where the raw products are located, she could be of assistance to all of us; if she needs financial assistance in order to do that, then such assistance would be justified.

[From the CONGRESSIONAL RECORD of January 21, 1951]

Mr. President, I do not believe that Great Britain will be able to carry on the trade which she maintained in the old days. It is going to take many more billions of dollars to keep her up. As I shall point out in a few moments, this $3,750,000,000 is but a shot in the arm, and if it does not suffice, Britain will be coming back here for more funds. Then what will we do? (79th Cong., 2d sess., vol. 92, pt. 4, p. 4186–4187, April 29, 1946.)

* * * * *

We are trying to revive a dead horse, which is impossible. I am very sympathetic to the British. In days gone by, as I shall point out, the British were able almost to force their colonies to buy manufactured goods from Great Britain. They prevented the development of manufactures in many of their colonies. But today the picture has changed. Her colonies are freeing themselves from the apron strings of the mother country and they are out for themselves.

I say to the Senator from Arkansas [Mr. FULBRIGHT] that with the loss which I know now exists and will exist to an even greater extent as time passes, the British Government cannot force its colonies to trade

with England. So, in order to give the British the dominant position which they occupied in the past, as was described by the distinguished Senator from Utah, it will be necessary to keep on pouring money into London, just like pouring water into a rat hole, and expecting it to reach the rats. I simply cannot see it otherwise. (79th Cong., 2d sess., vol. 92, pt. 4, p. 4187, April 29, 1946.)

* * * * *

One of the suggestions which I propose to make during the course of my remarks is that the United Kingdom should remove a great volume of her population from the islands and send some of it to Canada, some to Australia, and some to New Zealand for the purpose of developing natural resources in those countries, and carrying on manufacture within close range of raw materials. (79th Cong., 2d sess., vol. 92, pt. 4, p. 4188, April 29, 1946.)

* * * * *

I will say, Mr. President, that the only solution I can see is for Britain, that is, England, Scotland, and Wales, to have a population just of sufficient size to maintain her economy, and move out many of the industrial plants which are there and locate them nearer the raw products. (79th Cong., 2d sess., vol. 92, pt. 4, p. 4190, April 29, 1946.)

* * * * *

Mr. ELLENDER. I will not say that the proposed loan will not be of any help whatsoever to the United Kingdom, but it is going to be a mere shot in the arm. In other words, I can visualize that in the near future this money will be absorbed by the British in order to maintain her population in the British Isles. In other words, the money will be used to replace revenues which she formerly received from shipping and from the profits she derived from various ventures throughout the world. I cannot foresee that those ventures, from which she derived so much in the way of funds with which to maintain herself in the past, will be sufficiently great in the future to maintain her. I really do not see any hope for her to maintain her economy. (79th Cong., 2d sess., vol. 92, pt. 4, p. 4194, April 29, 1946.)

The following is in answer to a question propounded by Senator LUCAS: "I take it the Senator from Louisiana is tremendously interested in seeing England go on rather than fall; is he not?

"Mr. ELLENDER. Oh, yes; certainly; but I do not want England to drag us down with her. That is one thing I am against, and I am offering suggestions, during the course of my remarks, which I believe, if followed, will help. But I want to be frank in saying to the Senator that I do not really think that Great Britain can maintain her present economy and successfully take care of the population now in the British Isles. There is bound to be a migration, as it were, of quite a few British subjects, let us say to South Africa, to Canada, to Australia. In that way the British Empire can be maintained." (79th Cong., 2d sess., vol. 92, pt. 4, p. 419, April 29, 1946.)

Mr. ELLENDER. Mr. President, I was ridiculed when I first made that statement, but today, 10 years later, the conditions in that great country are even worse in some respects than they were 10 years ago. It is high time for us to take steps whereby we shall not continue to sustain an area which, if we continue to sustain it, may reduce us to the same level as itself. Frankly, Mr. President, I would prefer to forego both principle and interest on the money now owed us by the United Kingdom; provided this money were used by Britain to send her excess population to underdeveloped areas—to Australia, Canada, South Africa or others—where this stalwart people might have a chance to use their great skills and great talents to bring greater benefits to themselves and to the world.

Mr. President, if the time ever comes when our great country fails economically, then the whole world may be in darkness. Today we owe more money than we can ever expect to repay. I say most sincerely that rather than burden ourselves and unborn generations with a rising debt and weakened economy we should, in all good faith, take that new look I discussed during my remarks on Russia.

We now have a golden opportunity to foster an exchange between our people and the people of Russia. I say this: Let us learn about each other—let us make every effort to dispel the fears on both sides of the Iron Curtain, fears which now cause us to continue to arm ourselves to the teeth—fears which compel us to burden our economy and pile debt upon staggering debt.

Let there be no misunderstanding, Mr. President. Until we are certain that the Russian people intend to make the exchange of which I speak, until we are convinced that they are acting in good faith, until it is possible for us, without ulterior motives, to learn about each other and to meet each other on equal terms, so that fears can be dispelled, we should never let our guard down.

But the time shall surely come—if, indeed, it has not already—when we cannot afford to continue spending as we are and still hope to survive economically.

I have been in Congress 20 years. The amount of the first appropriation bill for which I voted, to operate every department of Government, was about what is now required merely to pay the interest on our debt. We cannot continue that rate of spending and hope to survive.

Destroy initiative in our country, make the tax burden so great that industry cannot continue, strangle the free enterprise system by draining away capital and overtaxing labor, and the end is only a matter of time. We must act now. Unless our representatives abroad and our officials at home take note today, tomorrow may be too late.

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

Mr. ELLENDER. I am glad to yield.

Mr. DWORSHAK. I had the unusual opportunity of traveling for 3 weeks last fall with the senior Senator from Louisiana. Consequently, I should give voice to the fact that he displays exceptional zeal, sincerity, and thoroughness in undertaking his inspection trips abroad.

I recall that in one of the areas we visited in the far Pacific, because of the misinterpretation by newsmen of some remarks which the Senator from Louisiana had made, the Senator was subjected to considerable criticism and, in one case, to a public demonstration of protest.

I commend my colleague for his devotion, and his extracurricular efforts, I might say, to undertake some of these thankless tasks of compiling the data and information which are so essential not only to the Committee on Foreign Relations, but especially to the Committee on Appropriations, of which committee the Senator and I are both members.

I feel certain that when the history of the activities and extensive travels abroad of the Senator from Louisiana is written, he will receive the profound thanks of the taxpayers of this country for his efforts to preserve the security and safeguard the financial structure of this great Republic.

Mr. ELLENDER. I thank my good friend from Idaho.

MEETINGS HELD BY STATE DEPARTMENT OFFICIALS WITH BIPARTISAN CONGRESSIONAL GROUPS

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed at this point in the body of the RECORD a letter I have received from the Assistant Secretary of State, Mr. Robert C. Hill, in response to a request from me. With his letter Mr. Hill transmits material relative to bipartisan meetings held by the Secretary of State and other principal officers of the State Department with Members of both the House of Representatives and the Senate during the period of time this administration has been in office.

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

FEBRUARY 6, 1957.

The Honorable WILLIAM F. KNOWLAND,
United States Senate.

DEAR SENATOR KNOWLAND: In response to your request I am transmitting a compilation showing the number of times the Secretary of State and principal officers of the Department have met with committees of Congress, or with bipartisan groups, either in consultation or on pending legislation.

This compilation is presented in four parts:

1. Meeting and appearances of the Secretary with bipartisan congressional groups, which lists accurately as our records permit all of the group meetings in which the Secretary has participated. The term "congressional leadership" is used here in a broad sense, referring to high-ranking committee members as well as to the majority and minority officers of the Senate and House.

2. Meetings held by the Secretary or the Under Secretary with congressional leaders and other Members of both Houses of Congress to consult in foreign-policy matters.

3. Meetings held by the Secretary or other principal officers of the Department with the Senate Foreign Relations Committee or subcommittees to consult on foreign-policy matters.

4. Meetings held by the Secretary or other principal officers of the Department with the House Foreign Affairs Committee or subcommittees an consult on foreign-policy matters.

Sincerely yours,

ROBERT C. HILL.

MEETINGS AND APPEARANCES OF THE SECRETARY OF STATE WITH BIPARTISAN CONGRESSIONAL GROUPS, 1953 THROUGH FEBRUARY 1, 1957

1953: 40 MEETINGS AND APPEARANCES

January 22, 1953: House Foreign Affairs.
January 29, 1953: Congressional leadership.
February 10, 1953: Senate Foreign Relations.
February 13, 1953: Senate Far East Subcommittee.
February 17, 1953: House Foreign Affairs.
February 18, 1953: Senate Appropriations.
February 24, 1953: Senate Banking and Currency.
February 26, 1953: House Foreign Affairs.
February 26, 1953: Senate Foreign Relations.

March 18, 1953: Senate Foreign Relations.
March 18, 1953: House Appropriations.
March 24, 1953: Senate Foreign Relations Subcommittee.
March 25, 1953: Congressional leadership.
April 6, 1953: Senate Judiciary.
April 7, 1953: Senate Far East Subcommittee.
April 17, 1953: House Foreign Affairs.
April 17, 1953: Senate Foreign Relations.
April 28, 1953: House Foreign Affairs.
April 29, 1953: Senate Foreign Relations.
April 30, 1953: Senate Appropriations.
May 2, 1953: Senate Far East Subcommittee.
May 4, 1953: House Ways and Means.
May 5, 1953: Senate Foreign Relations and House Foreign Affairs (joint meeting).
May 6, 1953: House Foreign Affairs.
May 6, 1953: Senate Foreign Relations.
May 9, 1953: House Foreign Affairs and Senate Foreign Relations members.
June 2, 1953: House Foreign Affairs.
June 3, 1953: Senate Foreign Relations.
June 8, 1953: Senate Far East Subcommittee.
June 12, 1953: Senate Agriculture.
June 15, 1953: House Agriculture.
June 19, 1953: Congressional leadership.
June 29, 1953: Senate leadership.
June 30, 1953: House Foreign Affairs and Senate Foreign Relations (Far East Subcommittee).
July 7, 1953: Senate Far East Subcommittee.
July 7, 1953: House Appropriations.
July 9, 1953: Congressional leadership.
July 9, 1953: Senate Appropriations.
July 25, 1953: House Foreign Affairs and Senate Foreign Relations (Far East Subcommittee).
October 14, 1953: House Foreign Affairs and Senate Foreign Relations.

1954: 43 MEETINGS AND APPEARANCES

January 5, 1954: Congressional leadership.
January 7, 1954: Senate Foreign Relations.
January 13, 1954: Senate Foreign Relations.
January 18, 1954: Senate U. N. Subcommittee.
January 19, 1954: House Foreign Affairs.
February 22, 1954: Congressional leadership.
February 23, 1954: House Foreign Affairs.
February 24, 1954: Senate Foreign Relations.
March 19, 1954: Senate Foreign Relations.
March 23, 1954: House Foreign Affairs.
April 3, 1954: Congressional leadership.
April 5, 1954: House Foreign Affairs.
April 6, 1954: Senate Minerals Subcommittee.
April 20, 1954: Congressional leadership.
May 5, 1954: Congressional leadership.
May 11, 1954: House Foreign Affairs.
May 12, 1954: Senate Foreign Relations.
May 17, 1954: Senate Appropriations.
May 21, 1954: Senate Appropriations.
May 21, 1954: House judiciary leadership.
May 24, 1954: House leadership.
May 25, 1954: Senate Foreign Relations.
June 3, 1954: Joint Committee on Atomic Energy.
June 4, 1954: Senate Foreign Relations.
June 17, 1954: Senate Far East Subcommittee.
June 23, 1954: Congressional leadership.
June 24, 1954: House Appropriations Subcommittee.
July 2, 1954: Senate Foreign Relations.
July 2, 1954: Senate Judiciary.
July 12, 1954: Senate Foreign Relations.
July 16, 1954: Senate Foreign Relations.
July 17, 1954: House Appropriations.
July 19, 1954: Senate Appropriations.
July 21, 1954: House Appropriations.
July 21, 1954: House Foreign Affairs.
July 22, 1954: Senate Appropriations.
July 22, 1954: Senate Foreign Relations.
July 27, 1954: Senate Foreign Relations.
August 20, 1954: Congressional leadership.
November 10, 1954: Senate Far East Subcommittee.
November 11, 1954: Senate Foreign Relations.
November 17, 1954: Congressional leadership.
December 14, 1954: Congressional leadership.

1955: 33 MEETINGS AND APPEARANCES

January 13, 1955: Senate Foreign Relations.
January 17, 1955: House Ways and Means.
January 20, 1955: Congressional leadership.
January 24, 1955: Senate Foreign Relations and Armed Services (joint meeting).
January 24, 1955: House Foreign Affairs.
February 7, 1955: Senate Foreign Relations.
February 8, 1955: House Appropriations.
March 8, 1955: Senate Foreign Relations.
March 8, 1955: House Foreign Affairs.
March 14, 1955: Senate Finance.
March 23, 1955: Senate Finance.
March 29, 1955: Senate Foreign Relations.
March 29, 1955: 82d and 83d Clubs.
March 30, 1955: House leadership.
March 31, 1955: Senate leadership.
April 18, 1955: Joint Committee on Atomic Energy.
April 19, 1955: Senate Foreign Relations.
April 26, 1955: Senate Appropriations.
May 2, 1955: Senate Judiciary.
May 3, 1955: Congressional leadership.
May 5, 1955: Senate Foreign Relations.
May 16, 1955: House Foreign Affairs.
May 17, 1955: Senate Foreign Relations.
May 25, 1955: House Foreign Affairs.
June 10, 1955: Senate Foreign Relations.
June 10, 1955: House Appropriations.
July 12, 1955: Senate Appropriations.
July 12, 1955: Congressional leadership.
July 25, 1955: Congressional leadership.
July 25, 1955: House Foreign Affairs.
July 25, 1955: Senate Foreign Relations.
October 20, 1955: Congressional leadership.
December 13, 1955: Congressional leadership.

1956: 30 MEETINGS AND APPEARANCES

January 5, 1956: House Foreign Affairs.
January 6, 1956: Senate Foreign Relations.
January 10, 1956: House Appropriations.
January 23, 1956: Senate Foreign Relations (Technical Assistance Subcommittee).
February 24, 1956: Senate Foreign Relations.
February 29, 1956: Senate Foreign Relations.
March 1, 1956: House Ways and Means.
March 22, 1956: House Foreign Affairs.
March 22, 1956: Congressional leadership.
March 23, 1956: Senate Foreign Relations.
April 10, 1956: Congressional leadership.
April 25, 1956: Senate Judiciary Committee.
April 30, 1956: Senate Foreign Relations.
April 30, 1956: Ranking members, Senate Foreign Relations and House Foreign Affairs.
May 10, 1956: House Foreign Affairs.
May 15, 1956: Senate Appropriations.
May 24, 1956: House Appropriations.
June 5, 1956: Congressional leadership.
June 7, 1956: House Agriculture.
June 12, 1956: Congressional leadership.
June 13, 1956: House Appropriations.
June 19, 1956: Senate Appropriations.
June 20, 1956: Senate leadership.
June 26, 1956: Senate Foreign Relations.
July 12, 1956: Senate Appropriations.
August 12, 1956: Congressional leadership.
September 6, 1956: Members, Foreign Relations and Foreign Affairs.
September 27, 1956: Members, Senate Foreign Relations.
October 15, 1956: Members, Senate Foreign Relations and House Foreign Affairs.
October 29, 1956: Members, Senate Foreign Relations.

1957 (AS OF FEBRUARY 1): 14 MEETINGS AND APPEARANCES

January 1, 1957: Congressional leadership.
January 1, 1957: Congressional leadership.
January 2, 1957: Congressional leadership.
January 2, 1957: Members, Senate Foreign Relations and Armed Services Committees.
January 7, 1957: House Foreign Affairs.
January 8, 1957: House Foreign Affairs.
January 9, 1957: House Foreign Affairs.
January 14, 1957: Senate Foreign Relations and Armed Services Committees (joint meeting).
January 15, 1957: Senate Foreign Relations and Armed Services Committees (joint meeting).
January 24, 1957: Senate Foreign Relations and Armed Services Committees (joint meeting).
January 25, 1957: Senate Foreign Relations and Armed Services Committees (joint meeting).
January 28, 1957: Senate Foreign Relations and Armed Services Committees (joint meeting).
January 29, 1957: House Appropriations Subcommittee.
February 1, 1957: Senate Foreign Relations and Armed Services Committees (joint meeting).

1953	40
1954	43
1955	33
1956	30
1957 (Feb. 1)	14
Total as of Feb. 1, 1957	160

Meetings held by the Secretary or the Under Secretary of State with congressional leaders and other Members of both Houses of Congress to consult on current foreign policy matters

Date	Subject	Members	Department
1953			
Jan. 29	Ambassadorial nomination	Senators Sparkman and Taft	The Secretary.
Mar. 25	Foreign policy discussion	Senators Green, Hickenlooper, H. A. Smith, Sparkman, Wiley; Representatives Chiperfield, Lanham, Richards, Vorys.	Do.
May 9 (at Department of State).	Communist proposal on prisoners of war not desiring repatriation.	Senators George, Hickenlooper, Knowland, H. A. Smith, Sparkman; Representatives Chiperfield, Richards.	Do.
May 22 (at Department of State).	Far East	Senators Ferguson, George, Hickenlooper, Knowland, H. A. Smith, Sparkman, Wiley; Representatives Chiperfield, Judd, Lanham, Richards, Vorys.	The Under Secretary.
June 19 (at Department of State).	Korea	Senators George, L. B. Johnson, Knowland, H. A. Smith, Sparkman; Representatives Chiperfield, Judd, Lanham, J. W. Martin, Richards, Vorys.	The Secretary.
June 29 (at Department of State).	Proposed constitutional amendment on treaties.	Senators Cooper, George, Millikin	Do.

Meetings held by the Secretary or the Under Secretary of State with congressional leaders and other Members of both Houses of Congress to consult on current foreign policy matters—Continued

Date	Subject	Members	Department
1953—Continued			
June 30 (at Department of State).	Korea	Senators Hickenlooper, Knowland, H. A. Smith, Sparkman, Wiley; Representatives Chiperfield, Judd, Lanham, Vorys.	The Secretary
July 9 (at Department of State)	Proposed Foreign Ministers meeting	Senators Bridges, George, L. B. Johnson, Knowland, Millikin, Russell, Saltonstall, Wiley; Representatives Chiperfield, Halleck, McCormack, J. W. Martin.	Do.
July 25 (at Department of State)	Korea	Senators Knowland, H. A. Smith, Sparkman, Wiley; Representatives Chiperfield, Judd, Lanham, Richards, Vorys.	Do.
Oct. 14 (at Department of State)	London trip; special problems	Senators Ferguson, Green, Sparkman, Wiley; Representatives Burleson, Judd, Vorys, Zablocki.	Do.
1954			
Jan. 5 (at White House)	Congressional leadership meeting	Senators Bridges, Clements, Ferguson, George, L. B. Johnson, Millikin, Russell, Saltonstall, Wiley; Representatives Leo Allen, Arends, Chiperfield, Halleck, McCormack, J. W. Martin, Rayburn, Richards, Short, Vinson.	Do.
Jan. 22 (at Department of State)	Iran	Senators George, L. B. Johnson, Knowland, Saltonstall, Wiley; Representatives Halleck, J. W. Martin, Priest, Rayburn, Short.	The Under Secretary.
Feb. 8 (at Department of State)	Hoover Commission recommendations on Foreign Service.	Senators Ferguson, George, Mansfield, Wiley; Representatives Bentley, Chatham, Richards, Vorys.	Do.
Feb. 22 (at Department of State)	Berlin Conference	Senators Clements, Ferguson, George, L. B. Johnson, Knowland, Russell, Saltonstall, Wiley; Representatives Arends, Chiperfield, McCormack, J. W. Martin, Rayburn, Richards.	The Secretary.
Apr. 3 (at Department of State)	International security problems; Indochina.	Senators Clements, L. B. Johnson, Knowland, Millikin, Russell; Representatives McCormack, J. W. Martin, Priest.	The Secretary, Deputy Secretary of Defense Kyes, Secretary Anderson, Admiral Radford.
Apr. 20 (at Department of State)	Recent discussions in Europe and plans for Geneva Conference.	Senators Bridges, Clements, Ferguson, Fulbright, Green, Hickenlooper, L. B. Johnson, Knowland, Millikin, Russell, Saltonstall, Wiley; Representatives Arends, Chiperfield, Fisher, Brooks Hays.	The Secretary.
Apr. 26 (at Department of State)	Indochina	Senators Fulbright, Gillette, Hickenlooper, Langer, Mansfield, H. A. Smith; Representatives Carnahan, Chiperfield, Fulton, L. H. Smith, Zablocki.	The Acting Secretary.
May 5 (at Department of State)	Report on Geneva Conference	Senators Bridges, Clements, Ferguson, George, Green, L. B. Johnson, Knowland, Millikin, Russell, Saltonstall, H. A. Smith, Wiley; Representatives Arends, Chiperfield, Gordon, Halleck, Judd, Lanham, McCormack, J. W. Martin, Rayburn, Short, Vinson, Vorys.	The Secretary.
May 21	Refugees	House judiciary leadership	Do.
May 24	Foreign policy discussion	Representatives Arends, Cannon, Carnahan, Gordon, Judd, Lanham, McCormack, Martin, Rayburn, Taber, Vorys, Wigglesworth.	Do.
June 23 (at White House)	Congressional leadership meeting	Senators Bridges, Byrd, Clements, Ferguson, George, Green, Hayden, L. B. Johnson, Knowland, Russell, Saltonstall, H. A. Smith, Wiley; Representatives Leo Allen, O. Brooks, Cannon, Chiperfield, Halleck, Judd, McCormack, Mahon, J. W. Martin, Rayburn, Richards, Short, Taber, Vinson, Vorys, Wigglesworth.	Do.
Aug. 20 (at Department of State).	Egypt	Senators Ives, Lehman, Saltonstall; Representatives Bray, Celler, Javits.	Do.
Nov. 17 (at White House)	Congressional leadership meeting	Senators Bridges, Clements, Ferugson, George Hayden, L. B. Johnson, Knowland, Millikin, Russell, Saltonstall, Wiley; Representatives Leo Allen, Arends, Cannon, Chiperfield, Halleck, McCormack, J. W. Martin, Rayburn, Richards, Short, Taber, Vinson.	Do.
Dec. 14 (at White House)	do	Senators Clements, George, Hayden, L. B. Johnson, Russell, Wiley; Representatives Cannon, Chiperfield, McCormack, Priest, Rayburn, Richards, Short, Taber, Vinson.	Do.
1955			
Jan. 20	Far East	Senators Byrd, Clements, George, Knowland, Saltonstall, Wiley; Representatives Arends, Chiperfield, McCormack, J. W. Martin, Richards, Vinson.	The Secretary, Under Secretary, Assistant Secretary Robertson; Admiral Radford.
Mar. 29	Foreign policy discussion	82d and 83d Clubs	The Secretary.
Mar. 30 (at White House)	House leadership meeting	Representatives Albert, Arends, Cannon, Chiperfield, Gordon, J. W. Martin, McCormack, Rayburn, Richards, Short, Taber, Vinson, Vorys.	Do.
Mar. 31 (at White House)	Senate leadership meeting	Senators Bridges, Clements, George, Green, Hayden, Hennings, L. B. Johnson, Knowland, Millikin, Russell, Saltonstall, H. A. Smith, Wiley.	Do.
Apr. 15	Foreign policy discussion	Members of Senate Appropriations Committee	The Under Secretary.
May 3 (at White House)	Mutual security program	Senators Bridges, George, Green, Hayden, L. B. Johnson, Knowland, Millikin, Russell, Saltonstall, H. A. Smith, Wiley; Representatives Albert, Leo Allen, Arends, Cannon, Chiperfield, McCormack, J. W. Martin, Rayburn, Richards, Short, Taber, Vinson, Vorys.	The Secretary.
July 12 (at White House)	Geneva summit meeting	Senators Bridges, Clements, George, Green, Hayden, Hennings, Knowland, Millikin, Russell, Saltonstall, H. A. Smith, Wiley; Representatives Albert, Leo Allen, Arends, Cannon, Chiperfield, Gordon, Halleck, McCormack, Martin, Rayburn, Richards, Taber, Vinson, Vorys.	The Secretary and Under Secretary.
July 25 (at White House)	Report on Geneva summit meeting	Senators Bridges, Clements, George, Green, Hayden, Hennings, Knowland, Millikin, Russell, Saltonstall, H. A. Smith, Wiley; Representatives Leo Allen, Arends, Albert, Cannon, Halleck, McCormack, Rayburn, Richards, Taber, Vinson, Vorys.	The Secretary.
Oct. 20 (at Department of State)	Forthcoming Geneva meeting of foreign ministers.	Senators Bridges, Clements, George, Hennings, Mansfield, H. A. Smith; Representatives Cannon, Chiperfield, Halleck, J. W. Martin, Short, Taber, Vinson, Vorys.	The Secretary, Under Secretary, Counselor, Assistant Secretaries Merchant and Wilcox.
Dec. 13 (at White House)	Congressional leadership meeting	Senators Bridges, Byrd, George, Hayden, Hennings, L. B. Johnson, Knowland, Russell, Saltonstall, Wiley; Representatives Albert, Leo Allen, Arends, Cannon, Chiperfield, Halleck, McCormack, J. W. Martin, Rayburn, Daniel Reed, Richards, Short, Taber, Vinson, Cooper.	The Secretary, Under Secretary.
1956			
Mar. 22 (at White House)	do	Senators Bridges, George, Green, Hayden, L. B. Johnson, Knowland, Russell, Saltonstall, H. A. Smith, Wiley; Representatives Albert, Leo Allen, Arends, Halleck, McCormack, Martin, Rayburn, Richards, Short, Taber, Vinson, Vorys.	Do.
Apr. 10	Middle East	Senators Bridges, George, Johnson, Knowland, Saltonstall, H. A. Smith; Representatives Albert, Arends, Halleck, McCormack, J. W. Martin, Rayburn, Richards, Vorys.	The Secretary, Counselor, Assistant Secretaries Allen and Rountree.
Apr. 30 (at White House)	Foreign policy discussion	Senators George, H. A. Smith; Representatives Chiperfield, Richards.	The Secretary.
June 5 (at White House)	Mutual-security program	Representatives Albert, Arends, Chiperfield, Gordon, Halleck, McCormack, J. W. Martin, Rayburn, Richards, Vorys.	Do.
June 12 (at White House)	do	Senators Bridges, Byrd, George, Green, L. B. Johnson, Knowland, Russell, Saltonstall, H. A. Smith.	Do.

Meetings held by the Secretary or the Under Secretary of State with congressional leaders and other Members of both Houses of Congress to consult on current foreign policy matters—Continued

Date	Subject	Members	Department
1956—Continued			
June 20 (at Department of State)	Foreign policy discussion	Senators L. B. Johnson and Knowland	The Secretary
Aug. 12 (at White House)	Suez Canal	Senators Bridges, Clements, George, Green, Johnson, Knowland, Millikin, Russell, Saltonstall, H. A. Smith, Wiley; Representatives Albert, Leo Allen, Arends, Carnahan, Chiperfield, Halleck, J. W. Martin, Morgan, Rayburn, Short, Vorys.	Do.
Sept. 6 (at Department of State)	do	Senators Humphrey, Langer, Mansfield; Representatives Carnahan, Richards.	Do.
Sept. 27 (at Department of State)	do	Senators Fulbright, Langer, Mansfield, H. A. Smith	Do.
Oct. 15 (at Department of State)	United Nations Security Council	Senators Langer, Mansfield, H. A. Smith; Representative Richards.	Do.
Oct. 29 (at Department of State)	Middle East and eastern European developments.	Senators Fulbright, George, Langer	Do.
Nov. 9 (at White House)	do	Senators Bridges, Byrd, Clements, George, Green, Johnson, Knowland, Saltonstall, H. A. Smith, Wiley; Representatives Albert, Leo Allen, Cannon, Chiperfield, Halleck, McCormack, Martin, Rayburn, Richards, Short, Taber, Vinson, Vorys.	Acting Secretary.
1957			
Jan. 1 (at White House)	Middle East proposal	Senators Bridges, Byrd, George, Green, Hayden, Hennings, Hill, Knowland, L. B. Johnson, Edward Martin, Russell, Saltonstall, H. A. Smith, Wiley; Representatives Albert, Leo Allen, Arends, Cannon, Chiperfield, Cooper, Gordon, Halleck, McCormack, J. W. Martin, Rayburn, Short, Taber, Vinson, Vorys.	The Secretary.
Jan. 1	Congressional leadership meeting	Senators Johnson, Knowland; Representatives Martin, Rayburn	Do.
Jan. 2	Middle East	Members of Foreign Affairs Committee and Representatives Albert, Arends, Cannon, Halleck, McCormack, J. W. Martin, Taber, Vinson.	Do.
Do	do	Members of Foreign Relations Committee and Senators Bridges, Russell, Saltonstall.	Do.

Meetings held by the Secretary or other principal officers of the Department with the Senate Foreign Relations Committee or subcommittees of that committee to consult on current foreign policy matters

Date	Subject	Committee	Department
1953			
Feb. 10	Recent European trip with Mr. Stassen	Foreign Relations Committee	The Secretary; Mr. Stassen.
13	Far Eastern policy	Subcommittee, Far Eastern Affairs	The Secretary.
18	Near East	Subcommittee, Near Eastern and African Affairs	Assistant Secretary Byroade.
26	German debt settlement agreements	Subcommittee, Economic and Social Policy Affairs	The Secretary; Legal Adviser Phleger; Mr. Riddleberger.
Mar. 5	World review	Foreign Relations Committee	Under Secretary Smith.
13	Latin America	Subcommittee, American Republics Affairs	Assistant Secretary Cabot.
24	Korea	Subcommittee, Far Eastern Affairs	The Secretary.
Apr. 2	Proposed German cultural convention and revival of Treaty of Friendship, Commerce, and Consular Rights of 1923 with Germany.	Subcommittee, European Affairs	Mr. Riddleberger.
7	Soviet proposals	Subcommittee, Far Eastern Affairs	The Secretary.
10	Palestine refugees	Subcommittee, Near Eastern and African Affairs	Assistant Secretary Byroade.
13	Problems before United Nations; Korea; security, United States employees.	Subcommittee, United Nations Affairs	Assistant Secretary Hickerson.
17	Forthcoming North Atlantic Council meeting, Paris.	Foreign Relations Committee	The Secretary.
24	Reactivation of Treaty of Friendship, Commerce, and Consular Rights of 1923 with Germany.	Subcommittee, European Affairs	Mr. Riddleberger.
29	Recent North Atlantic Council meeting, Paris.	Foreign Relations Committee	The Secretary.
May 2	Far East	Subcommittee, Far Eastern Affairs	Do.
20	Arab refugees	Subcommittee, Near East and African Affairs	Acting Secretary Smith.
26	North Atlantic Council	Subcommittee, State Department Organization	Assistant Secretary Merchant.
27	Latin America	Subcommittee, American Republics Affairs	Assistant Secretary Cabot.
June 3	Recent trip in Middle East and South Asia.	Foreign Relations Committee	The Secretary.
4	European Coal and Steel Community	Subcommittee, Economic and Social Policy Affairs	Mr. Moore with Mr. Jean Monnet, President, High Authority of the European Coal and Steel Community.
5	do	Foreign Relations Committee	Miss Camp with Mr. Monnet.
8	Korea	Subcommittee, Far Eastern Affairs	The Secretary.
9	Spanish base agreement	Subcommittee, European Affairs	Assistant Secretary Merchant.
July 7	Korea	Subcommittee, Far Eastern Affairs	The Secretary.
16	Recent trip to Korea	Foreign Relations Committee	Assistant Secretary Robertson.
23	United Nations	do	Ambassador Henry Cabot Lodge, Jr.
28	International Tin Conference	Subcommittee, Economic and Social Policy Affairs	Assistant Secretary Waugh.
1954			
Jan. 7	Review of world developments	Foreign Relations Committee	The Secretary.
Feb. 3	Guatemala	do	Mr. Fisher.
16	Indochina	do	Acting Secretary Smith.
18	Pakistan	Subcommittee, Near Eastern and African Affairs	Assistant Secretary Byroade.
19	Panama	Subcommittee, American Republics Affairs	Mr. Muccio.
24	Recent Berlin Conference	Foreign Relations Committee	The Secretary.
Mar. 19	Foreign policy review	do	Do.
26	The Saar	Subcommittee, European Affairs	Assistant Secretary Merchant.
Apr. 28	Germany	Foreign Relations Committee	Ambassador Conant, United States High Commissioner for Germany.
May 7	Latin America	Subcommittee, American Republics Affairs	Assistant Secretary Holland.
12	Indochina	Foreign Relations Committee	The Secretary.
12	India	do	Assistant Secretary Allen.
17	Latin America	Subcommittee, Latin American Affairs	Assistant Secretary Holland.
21	do	do	Do.
25	Far East	Foreign Relations Committee	The Secretary.
June 11	Near East	Subcommittee, Near Eastern and African Affairs	Assistant Secretary Byroade.
11	Guatemala	Subcommittee, American Republics Affairs	Assistant Secretary Holland.
17	Indochina	Subcommittee, Far Eastern Affairs	The Secretary.
22	Germany	Subcommittee, European Affairs	Assistant Secretary Merchant.
25	Guatemala	Subcommittee, American Republics Affairs	Assistant Secretary Holland.
July 12	Foreign policy discussion	Foreign Relations Committee	The Secretary.
16	Recent Paris meeting; Geneva Conference	do	Do.
22	Restoration of German sovereignty	do	Do.
27	do	do	Do.
28	Panama Treaty	Subcommittee, American Republics Affairs	Assistant Secretary Holland.

Meetings held by the Secretary or other principal officers of the Department with the Senate Foreign Relations Committee or subcommittees of that committee to consult on current foreign policy matters—Continued

Date	Subject	Committee	Department
1954			
Nov. 10	Southeast Asia Collective Defense Treaty.	Subcommittee, Far Eastern Affairs	The Secretary; Assistant Secretary Robertson; counselor.
11	do	Foreign Relations Committee	The Secretary.
1955			
Jan. 13	World review; Southeast Asia Collective Defense Treaty.	do	Do.
19	France	do	Ambassador Dillon.
Feb. 17	Germany	do	Ambassador Conant, United States High Commissioner for Germany.
Mar. 8	Recent trip to Far East, including Southeast Asia treaty meeting.	do	The Secretary.
Apr. 14	Ecuador	Subcommittee, American Republics Affairs	Ambassador Mills.
15	Implementation of Wriston report	Subcommittee, State Department—Public Affairs	Deputy Under Secretary Henderson.
May 2	Latin America	Subcommittee, American Republics Affairs	Assistant Secretary Holland.
3	Europe	Subcommittee, European Affairs	Assistant Secretary Merchant.
17	NATO Ministers' meeting; Vienna meeting on Austrian Treaty.	Foreign Relations Committee	The Secretary.
19	Guatemala	Subcommittee, American Republics Affairs	Assistant Secretary Holland.
June 21	Geneva Conference	Foreign Relations Committee	Under Secretary Hoover.
July 12	Tangier	Subcommittee, Near Eastern, and African Affairs	Assistant Secretary Allen.
25	Recent Geneva summit meeting	Foreign Relations Committee	The Secretary.
1956			
Jan. 6	World review	do	Do.
11	Middle East	Subcommittee, Near Eastern, and African Affairs	Assistant Secretary Allen, Ambassador Byroade.
17	Aswan Dam; mutual security program	Foreign Relations Committee	Under Secretary Hoover.
18	Indonesia; the Far East	Subcommittee, Far Eastern Affairs	Assistant Secretary Robertson, Ambassador Cumming.
31	India	Foreign Relations Committee	Ambassador Cooper.
Feb. 1	State Department organization	Subcommittee, State Department—Public Affairs	Deputy Under Secretary Henderson, Assistant Secretary Carpenter.
24	Middle East	Foreign Relations Committee	The Secretary; Under Secretary Hoover.
27	do	do	Under Secretary Hoover.
Mar. 6	Territorial waters	do	Assistant Secretary Holland, Ambassador Dreier.
13	United Nations	do	Assistant Secretary Wilcox.
23	Recent trip to South Asia and the Far East, including 2d Annual Ministerial Council of SEATO.	do	The Secretary.
Apr. 10	Morocco	do	Assistant Secretary Allen.
Nov. 12	Middle East	do	Acting Secretary Hoover; Deputy Under Secretaries Murphy and Henderson; Assistant Secretaries Rountree and Wilcox; Legal Adviser Phleger.

Meetings held by the Secretary or other principal officers of the Department with the House Foreign Affairs Committee or subcommittees of that committee to consult on current foreign policy matters

Date	Subject	Committee	Department
1953			
Jan. 22	World review	Foreign Affairs Committee	The Secretary.
Feb. 17	Recent trip to Europe; Far Eastern matters	do	Do.
24	Inter-American treaties	Subcommittee, Inter-American Affairs	Acting Assistant Secretary Mann.
25	Europe	Subcommittee, Europe	Acting Assistant Secretary Bonbright.
Mar. 2	Inter-American affairs	Subcommittee, Inter-American Affairs	Acting Assistant Secretary Mann.
5	Near East	Subcommittee, Near East and Africa	Mr. Gardiner.
10	do	do	Assistant Secretary Byroade.
11	Germany	Subcommittee, Europe	Mr. Riddleberger, Director of Office of German Affairs.
12	Foreign economic policy	Subcommittee, Foreign Economic Policy	Assistant Secretary Linder.
18	United Nations	Subcommittee, International Organizations and Movements	Assistant Secretary Hickerson.
19	International security matters	do	Under Secretary Smith.
25	European organization	Foreign Affairs Committee	Assistant Secretary Merchant.
25	Forthcoming rubber study meeting, Copenhagen.	Subcommittee, Foreign Economic Policy	Mr. Armstrong.
27	International organizations	Subcommittee, International Organizations and Movements	Ambassador Dreier, Assistant Secretary Hickerson.
Apr. 17	Forthcoming NATO meeting with foreign ministers, Paris.	Foreign Affairs Committee	The Secretary.
24	Indochina	Subcommittee, Far East and the Pacific	Mr. Bonsal.
28	Recent NATO Paris meeting	Foreign Affairs Committee	The Secretary.
May 7	Spain	Subcommittee, Europe	Ambassador Dunn.
20	International organizations; Palestine refugees.	Subcommittee, International Organizations and Movements	Ambassador Dreier, Mr. Ingram.
22	Recent Latin American trip	Subcommittee, Inter-American Affairs	Assistant Secretary Cabot.
26	North Atlantic Council	Subcommittee, State Department Organization and Personnel	Assistant Secretary Merchant.
June 2	Recent trip to Middle East and South Asia.	Foreign Affairs Committee	The Secretary.
4	Spanish Base Agreement	Subcommittee, Europe	Assistant Secretary Merchant.
July 2	Panama	Subcommittee, Inter-American Affairs	Ambassador Wiley.
8	United Nations; Korea	Subcommittee, International Organizations and Movements	Ambassador Henry Cabot Lodge, Jr.
16	Korea	Foreign Affairs Committee	Assistant Secretary Robertson.
16	Foreign economic policy	Subcommittees, Foreign Economic Policy and Inter-American Affairs.	Assistant Secretaries Waugh and Woodward.
28	International Tin Conference	Subcommittee, Foreign Economic Policy	Assistant Secretary Waugh.
30	East Germany	Subcommittee, Europe	Mr. Lewis.
1954			
Jan. 19	World review	Foreign Affairs Committee	The Secretary.
19	GATT meeting, east-west trade	Subcommittee, Foreign Economic Policy	Assistant Secretary Waugh.
26	Guatemala	Foreign Affairs Committee	Ambassadors Peurifoy and Hill; Assistant Secretary Cabot.
27	Lima Conference	do	Mr. Nolting.
28	Italy	Subcommittee, Europe	Deputy Assistant Secretary Elbrick.

Meetings held by the Secretary or other principal officers of the Department with the House Foreign Affairs Committee or subcommittees of that committee to consult on current foreign policy matters—Continued

Date	Subject	Committee	Department
1954			
Feb. 2	Security of American employees of the United Nations.	Subcommittee, International Organizations and Movements	Ambassador Henry Cabot Lodge, Jr.
5	Near East	Subcommittee, Near East and Africa	Assistant Secretary Byroade.
8	International travel and exchange of persons.	Subcommittee, Foreign Economic Policy	Deputy Assistant Secretary Kalijarvi.
16	Foreign economic policy	do	Do.
17	Japan	Subcommittee, Far East and the Pacific	Ambassador Allison.
18	Indochina	Foreign Affairs Committee	Acting Secretary Smith.
19	Panama	Subcommittee, Inter-American Affairs	Mr. Muccio.
23	Berlin Conference	Foreign Affairs Committee	The Secretary.
Mar. 11	Claims against U. S. S. R	Subcommittee, Europe	Deputy Assistant Secretary Brown.
23	Recent Inter-American meeting, Caracas	Foreign Affairs Committee	The Secretary.
24	Near East	Subcommittee, Near East and Africa	Mr. Gardiner.
25	Europe Defense Community	Subcommittee, Europe	Assistant Secretary Merchant.
Apr. 1	Near East	Subcommittee, Near East and Africa	Mr. Gardiner.
9	Recent Caracas Conference	Subcommittee, Inter-American Affairs	Assistant Secretary Holland.
May 11	Geneva Conference	Foreign Affairs Committee	The Secretary.
19	Latin America	Subcommittee, Inter-American Affairs	Assistant Secretary Holland.
19	Guatemala	Foreign Affairs Committee	Do.
June 9	do	Subcommittee, Inter-American Affairs	Do.
20	Rio Economic Conference	Subcommittees, Inter-American Affairs and Foreign Economic Policy.	Assistant Secretaries Holland and Waugh.
July 21	Geneva Conference	Foreign Affairs Committee	The Secretary.
1955			
Feb. 18	Germany	Subcommittee, Europe	Ambassador Conant.
Mar. 1	Agricultural surpluses	Subcommittee, Foreign Economic Policy	Assistant Secretary Waugh, Deputy Assistant Secretary Kalijarvi.
3	Far East	Subcommittee, Far East and the Pacific	Deputy Assistant Secretary Sebald.
8	Recent Southeast Asia Treaty Conference	Foreign Affairs Committee	The Secretary.
17	Far East	Subcommittee, Far East and the Pacific	Deputy Assistant Secretary Sebald.
21	Mutual security program	Subcommittee, Europe	Assistant Secretary Merchant.
25	Geneva negotiations on General Agreement on Tariffs and Trade; International Finance Corporation.	Subcommittee, Foreign Economic Policy	Deputy Assistant Secretary Kalijarvi.
Apr. 14	Ecuador	Subcommittee, Inter-American Affairs	Ambassador Mills.
May 16	NATO ministers' meeting; Vienna meeting on Austrian Treaty.	Foreign Affairs Committee	The Secretary.
June 21	Argentina	Subcommittee, Inter-American Affairs	Assistant Secretary Holland.
July 25	Geneva summit meeting	Foreign Affairs Committee	The Secretary.
1956			
Jan. 5	World review	do	Do.
10	Spain	do	Ambassador John Davis Lodge.
19	Aswan Dam; mutual security program	do	Under Secretary Hoover.
26	Middle East	do	Ambassador Byroade.
Feb. 1	Indonesia; Far East	do	Ambassador Cumming.
9	Latin America	Subcommittee, Inter-American Affairs	Assistant Secretary Holland.
20	International organizations	Subcommittee, International Organizations and Movements	Assistant Secretary Wilcox.
21	do	do	Do.
22	Middle East	Foreign Affairs Committee	Assistant Secretary Allen.
29	Indochina	Subcommittee, Far East and the Pacific	Lt. Gen. John O'Daniel, former Chief, Saigon.
29	Latin America	Subcommittee, Inter-American Affairs	Assistant Secretary Holland, Ambassador Dreier.
Mar. 1	Middle East	Foreign Affairs Committee	Assistant Secretary Morton.
9	Burma	Subcommittee, Far East and the Pacific	Deputy Assistant Secretary Sebald.
14	United Nations	Foreign Affairs Committee	Assistant Secretary Wilcox.
22	Recent SEATO trip	do	The Secretary.
June 25	International organizations	Subcommittee, International Organizations and Movements	Assistant Secretary Wilcox.
Nov. 26	Middle East	Foreign Affairs Committee	Acting Secretary Hoover, Deputy Under Secretary Murphy, the Counselor, Assistant Secretaries Wilcox and Rountree, the Legal Adviser.

1956 CAMPAIGN EXPENDITURES

Mr. CURTIS. Mr. President, I rise to discuss a publication which I hold in my hand, but before proceeding to do so, I ask unanimous consent that without losing the floor I may suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BENNETT in the chair). Is there objection? The Chair hears none, and it is so ordered. 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. CURTIS. Mr. President, I invite attention to what appears to be a committee print which is entitled "1956 General Election Campaign Report of the Subcommittee on Privileges and Elections, Together With Minority Views, Submitted to the Committee on Rules and Administration."

This publication is not officially before the Senate. To my knowledge, it has not been presented to any meeting of the Committee on Rules and Administration. Whether it will be so presented and transmitted to the Senate is something I cannot predict. I do know that the investigations to which it relates had as their authority Senate Resolution 176. Section 3 of that resolution provides:

> The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practical date, but not later than January 31, 1957.

It is not my purpose to raise a technical point about this publication. I rise rather to disclaim any part in the majority report. It purports to give a picture of the spending to elect the candidates of the two major parties in the election last fall.

I cannot accept the report, because it is neither complete, nor in accord with the known facts, and it attempts to make a showing that one political party—the Republican Party—obtained funds from corporate sources and outspent the Democrat Party many times.

The report fails to make a full and complete tabulation of the expenditures made to elect the Democrat candidates, it ignores vast areas of expenditures entirely, and it can be given no credence as a tabulation to inform either the Senate or the country.

Early in the hearings in September, Chairman Paul Butler, of the Democratic National Committee, appeared before our committee. Among other things, he said:

> It has been reported in the press that the Republican Party plans to spend $50 million throughout the country in the coming campaign. If so, it will be the largest expenditure ever made in a political campaign, and many times what the Democratic Party will have available.
>
> I believe that analysis would show that the bulk of the money for the Republican campaign has been coming from representatives of one interest group; by large corporations. Corporations themselves, of course, cannot lawfully make political contributions. The prohibition, however, is often circumvented.

It was after the Democratic chairman set the pattern that these figures were tabulated and given to the public, totally

disregarding the one big major item in the Democratic expenditures, namely, a full tabulation of the expenditures by the unions. Only a partial tabulation of that is given.

Mr. President, the majority report uses the term "net expenditures by the major political parties." It points out that that is a more realistic figure than the receipts, because receipts are passed from one organization to another, and thus there is some duplication.

In referring to the "net expenditures," on page 2 of the committee print, we find the following:

> The subcommittee found that the net expenditures by major political parties or political action committees, based upon information received, were as follows:
> Republican, $20,685,387.
> Democratic, $10,977,790.
> Labor, $941,271.
> Miscellaneous, $581,277.

The figure I wish to challenge at this particular time is the labor figure of $941,271, nationwide.

Mr. GOLDWATER. Mr. President, at this point, will the Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. GOLDWATER. Before the Senator from Nebraska discusses the lack of information in regard to labor expenditures, I wonder whether he will answer a question for me. During the course of the hearings before the committee, was the Committee for an Effective Congress called before it, to the Senator's memory?

Mr. CURTIS. To the best of my recollection, it was not.

Mr. GOLDWATER. That emphasizes a fact that I rather dislike to bring out, namely, the general disappointment at the report. In my opinion, the committee was faced with a real challenge. I think the challenge was one which the American people wanted it to face. But I must agree with my colleague, the Senator from Nebraska, that the report leaves much to be desired. In fact, to be perfectly honest about it, I think the report could well have been written by Paul Butler in the Democratic national headquarters. For instance, whether we like to admit it or not, the Committee for an Effective Congress is a most effective tool in the hands of a small number of persons who are attempting to elect to this body a so-called liberal Congress. I do not dispute their right to do so. I only warn the conservative element that that group is attempting to elect a so-called liberal Congress of the United States. That group does not back conservatives. Again, that is a prerogative of the group. However, I would hate to think that had anything to do with the failure to call representatives of the group before the committee; I would hate to assume that it was for that reason that representatives of the group were not called before it.

Mr. President, in connection with this matter, I ask unanimous consent to have printed at this point in the RECORD a list of contributions to the Committee for an Effective Congress from January 1, 1956, through the period of the election.

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

Contributions to Committee for an Effective Congress

REPORT FOR PERIOD JAN. 1 THROUGH MARCH 9, 1956

The following is a list of contributors of $100 or more during this period:

Jan. 13, 1956, Mrs. Eilen Holtgman, NYC	$100
Jan. 13, 1956, Charles Rose, NYC	500
Jan. 13, 1956, James P. Warburg, NYC	100
Feb. 2, 1956, Moses D. Blitzer, NYC	100
Feb. 2, 1956, Herbert Rothschild, NYC	500
Feb. 7, 1956, Susan M. Lee, NYC	1,000
Feb. 8, 1956, Harry L. Seldon, NYC	350
Feb. 17, 1956, Mrs. Aline Weiss, NYC	100
Feb. 29, 1956, Dr. Viola W. Bernard, NYC	300
Mar. 8, 1956, John Wolf, NYC	250

REPORT FOR PERIOD MARCH 10, 1956, THROUGH JUNE 7, 1956

(Report submitted by Sidney H. Scheuer, Agent, suite 1001–E, 30 East 48th Street, New York 17, N. Y.)

Contributions in amounts of less than $100, $3,604.05.

Total contributions, $10,904.05.

Total expenditures, $9,449.39.

One political contribution was made during this period, as follows:

April 19, 1956, to William D. MacMillan, treasurer, Tydings campaign committee, Baltimore, Md., $500.

The following is a list of contributors of $1,000 or more during this period:

March 13, 1956, Sidney H. Scheuer, NYC, $1,000.

April 2, 1956, Geo. D. Pratt, Jr., Bridgeport, $1,000.

April 13, 1956, the Mayer Family, NYC, $1,000.

April 26, 1956, Charles Gutwirth and Isidore Lipschultz, NYC, $1,000.

REPORT FOR PERIOD JUNE 8, 1956, THROUGH SEPTEMBER 6, 1956

(Report submitted by George E. Agree, agent, Suite 1001–E, 30 E. 48th Street, New York 17, N. Y.)

Contributions in amounts of less than $100, $3,823.00.

Total contributions, $22,003.39.

Total expenditures, $16,093.43.

Included in the expenditures for this period were the following individuals in addition to those already mentioned as salaried employees: Rosalind Salant, Rye, N. Y.; Doris R. Williams, Mary D. Grimes, Erni S. Berkley, New York City; Ralph Busch, W. Kerr Scott, Washington, D. C.; Jill B. Jakes, New York City.

The following is a list of contributors of $500 or more during this period:

June 12, 1956, Isidore Lipschutz, New York City	$500
June 14, 1956, Marshall Field, New York City	1,000
June 15, 1956, Sidney H. Scheuer, New York City	500
June 19, 1956, Richard Salomon, New York City	500
June 27, 1956, The Mayer Family, New York City	1,000
August 1, 1956, The Mayer Family, New York City	1,000
August 9, 1956, Laird Bell, Chicago	500
August 13, 1956, Joseph D. Shane, Beverly Hills	1,000
August 24, 1956, John Stahl, Los Angeles	500
August 31, 1956, Yoland D. Markson, Los Angeles	1,000
August 31, 1956, Ben Zukor, Beverly Hills	500
September 6, 1956, Geo. D. Pratt, Jr., Bridgeport	4,000
	12,000

Under expenditures, the following campaign contributions were noted:

June 12, 1956, Stengel for Senator committee, Chicago, $500.

June 19, 1956, Iowans for Evans committee, Washington, D. C., $500.

June 19, 1956, Indianans for Wickard committee, Washington, D. C., $500.

August 31, 1956, Morse campaign fund, Portland, $1,550.

REPORT FOR PERIOD JUNE 25, THROUGH SEPTEMBER 6, 1956, FILED BY A CLEAN POLITICS APPEAL (NATIONAL COMMITTEE FOR AN EFFECTIVE CONGRESS)

(Report submitted by George E. Agree, agent suite 101–E, 30 East 48th Street, New York 17, N. Y.)

Contributions in amounts of less than $100, $22,439.02.

Total contributions, $26,109.02.

Total expenditures, $19,614.16.

A review of the attachment to this report known as supplement A, listed the names of 25 individuals who contributed $100 or more. The largest amount noted was $300 contributed by Mrs. Thomas Fleming of Pasadena, Calif., on July 2, 1956.

Campaign contributions made during this period:

June 30, 1956, Stengel for Senate Committee, Chicago, $500.

June 30, 1956, Morse campaign fund, Portland, $500.

June 30, 1956, Wm. D. MacMillan, treasurer, (Tydings Campaign Committee), Baltimore, $500.

July 16, 1956, Stengel for Senate Committee, Chicago, $1,000.

July 16, 1956, Morse campaign fund, Portland, $1,000.

July 24, 1956, Stengel for Senate Committee, Chicago, $500.

August 13, 1956, Morse campaign fund, Portland, $1,733.

August 13, 1956, Stengel for Senate Committee, Chicago, $758.40.

August 15, 1956, Stengel for Senate Committee, Chicago, $1,000.

August 21, 1956, Morse campaign fund, Portland, $1,750.

August 21, 1956, Stengel for Senator Committee, Chicago, $1,750.

August 22, 1956, Stengel for Senator Committee, Chicago, $1,000.

August 28, 1956, Morse campaign fund, Portland, $2,000.

August 30, 1956, Stengel for Senator Committee, Chicago, $1,000.

August 30, 1956, Morse campaign fund, Portland, $1,000.

REPORT FOR PERIOD SEPTEMBER 7 THROUGH OCTOBER 22, 1956

(Report submitted by George E. Agree, agent, suite 1001–E, 30 East 48th Street, New York 17, N. Y.

Contributions in amounts of less than $100, $1,120.60.

Total contributions, $10,065.35.

Total expenditures, $14,082.14.

The following individuals were listed as having contributed $500 or more:

September 10, 1956, Dr. and Mrs. Francis North, Menlo Park, Calif., $500.

September 12, 1956, Gifford Phillips, Beverly Hills, $1,000.

September 13, 1956, Louis H. Boar, Beverly Hills, $1,000.

September 14, 1956, Isadore Lipschutz, New York City, $500.

October 15, 1956, Herbert H. Lehman, New York City, $1,000.

October 15, 1956, Michael W. Straight, Washington, D. C., $500.

October 19, 1956, J. M. Kaplan, New York City, $1,000.

October 19, 1956, The Mayer Family, New York City, $1,000.

The following campaign contributions were made:

September 7, 1956, Iowans for Evans Committee, Washington, D. C., $2,000.

September 7, 1956, Indianians for Wickard Committee, Washington, D. C., $2,000.

September 13, 1956, Church for Senator Committee, Boise, $500.

September 14, 1956, Iowans for Evans Committee, Washington, D. C., $500.

September 14, 1956, Indianians for Wickard Committee, Washington, D. C., $500.

October 19, 1956, Indianians for Wickard Committee, Washington, D. C., $500.

REPORT FOR PERIOD SEPTEMBER 7, THROUGH OCTOBER 22, 1956, BY A CLEAN POLITICS APPEAL (NATIONAL COMMITTEE FOR AN EFFECTIVE CONGRESS)

(Report submitted by: George E. Agree, Agent, suite 1001–E, 30 East 48th Street, New York 17, N. Y.)

Contributions in amounts of less than $100, $31,684.28.

Total contributions, $38,481.08.

Total expenditures, $41,717.65.

The following individuals contributed $500 or more for this period:

September 14, 1956, Ed. V. Peterson, Alta, Iowa, $696.80.

September 28, 1956, Mr. and Mrs. W. H. Vanderbilt, Englewood, Fla., $1,000.

REPORT FOR PERIOD OCTOBER 23 THROUGH OCTOBER 31, 1956

Total contributions, $18,050.90.

The following individuals contributed $500 or more for this period:

October 23, 1956, Duncan Phillips, Washington, D. C., $500.

October 23, 1956, Lou Boyar, Beverly Hills, $2,500.

October 23, 1956, Seniel Ostrow, West Los Angeles, $3,051.30.

October 23, 1956, Joseph D. Shane, Beverly Hills, $2,500.

October 29, 1956, Susan Lee, New York City, $500.

October 29, 1956, Harry Louis Seldon, New York City, $500.

October 29, 1956, Will Clayton, Lexington, Ky., $500.

The following campaign contributions were made:

October 25, 1956, Church for Senator Committee, Boise, $1,500.

October 25, 1956, Indianians for Wickard Committee, Washington, D. C., $500.

October 25, 1956, Iowans for Evans Committee, Washington, D. C., $500.

October 26, 1956, Treasurer, Wiley for Senator Club, Washington, D. C., $1,500.

October 29, 1956, Marland for Senator Committee, Charleston, $1,000.

October 30, 1956, Ayres Campaign Committee, Akron, Ohio, $300.

October 30, 1956, Fulton Campaign Committee, Pittsburgh, Pa., $300.

October 30, 1956, Heselton Campaign Committee, Deerfield, Mass., $300.

October 30, 1956, Scott Campaign Committtee, Philadelphia, Pa., $300.

October 30, 1956, McCarthy Campaign Committee, St. Paul, Minn., $300.

REPORT FOR PERIOD OCTOBER 23 THROUGH OCTOBER 31, 1956, BY A CLEAN POLITICS APPEAL (NATIONAL COMMITTEE FOR AN EFFECTIVE CONGRESS)

(Report submitted by George R. Donahue, agent, 1001–E, 30 East 48th Street, New York 17, N. Y.)

Contributions in amounts of less than $100, $6,005.08.

Total contributions, $6,305.08.

Total expenditures, $5,701.64.

On supplement A attached to this report, there were only 3 individuals listed as contributing $100 each.

The following campaign contributions were made:

October 24, 1956, Stengel for Senator Committee, Chicago, $1,000.

October 24, 1956, Morse campaign fund, Washington, D. C., $1,000.

Mr. GOLDWATER. I call the attention of Senators to the fact that on looking at this table there will be found many contributions in excess of $1,000, contributions which I feel should have been listed, inasmuch as the committee felt it necessary to make a detailed tabulation of everybody in this country who felt urged to give money to a political candidate or campaign—none of them in violation of the law, but made to appear, as this list might appear, as if it were a criminal list.

I should like to ask the Senator from Nebraska one more question, if he cares to answer. Were the Americans for Democratic Action called before the committee for questioning as to their possible contributions to campaigns?

Mr. CURTIS. I will say to the distinguished Senator from Arizona that when he first raised that question today, I was not sure. I do not recall that they were, and I have been unable to locate any reference to it in the report.

Mr. GOLDWATER. I was not able to do so, either.

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

Mr. CURTIS. I yield.

Mr. GORE. If the Senator will turn to Exhibit 29, on page 17, he will find reference to the Committee for an Effective Congress, including receipts and direct expenditures.

Mr. GOLDWATER. On page 17?

Mr. GORE. Exhibit 29, page 17. If the Senator from Nebraska will yield further, a more detailed report of the contributions received by that political committee is available in the report filed by the subcommittee, on which the distinguished junior Senator from Nebraska served. I am glad to say the Committee for an Effective Congress was sent questionnaires, that it responded, and that the facts as reported by it have been fairly and accurately reported by the subcommittee.

Mr. GOLDWATER. Mr. President, will the Senator from Nebraska yield for one further question?

Mr. CURTIS. Yes.

Mr. GOLDWATER. Does the Senator from Nebraska recall the appearance before the committee of the Clean Politics Appeal, which I understand raised a considerable amount of money in the last campaign, and is already at work raising money for the next campaign?

Mr. CURTIS. I cannot say it did, but, as I say, I have not had any opportunity to look into it.

Mr. GOLDWATER. I thank the Senator. I should like to interrupt him again when he begins his discussion of the union entity.

Mr. GORE. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. Very briefly; yes.

Mr. GORE. If the Senator will refer to the same exhibit he will find listed the Clean Politics Appeal, with receipts of $45,598. He will also find the direct expenditures.

I should like to say to the Senator that the report is nearly 1,000 pages long. I realize it is somewhat difficult to plow through it to find each of the facts in which Senators are interested, but the staff of the subcommittee is thoroughly familiar with it, and the special counsel is present at my elbow. He has aided me in finding this material, and I am sure he will be able to supply such information as the distinguished junior Senator from Nebraska desires.

Mr. CURTIS. I thank the Senator.

Referring again to the expenditure figure of $941,271 spent by labor throughout the United States, that figure is so shockingly low that it should be a challenge to everyone. I inquired of the staff of the subcommittee as to how much of that figure was allocated to Michigan, that great industrial State, and I received the reply that $79,939 was spent by labor in the State of Michigan in the last campaign.

It is conceded that practically all of those expenditures were for Democrat candidates. The report so states. It is a matter of common knowledge.

Along with the suggestion that only $79,000 was spent in Michigan, I desire to call attention to a story written by Asher Lauren, in the Detroit (Mich.) News of October 7, in which he reports that $1.20 a year was assessed against the 700,000 Michigan union members as citizenship funds, and made available for political activities, in addition to the funds raised by voluntary contributions.

That might be more like the fact. If it were only 10 cents a month, it would be $1 million, not $79,000. The junior Senator from Nebraska laid before the committee certain facts about one local union at Flint, Mich. It is mentioned in the report. It was Local 599, UAW, at Flint, Mich.

The minutes of that union, as well as their various councils of government within the union, showed that they voted to assess each of their members 47½ cents as a contribution for political activities to influence the election.

In this one union, in one city in Michigan, that amounted to $25,000. It was so estimated. The minutes of the union show that they voted to call out their political committees and have them work for 1 month before election. Just how many were involved, I do not know. A further motion provided that they would hire 100 political workers for 3 days before election. What I am saying applies in this one political union. Were they volunteers? No. The minutes of their own meetings show that they were to be paid $20 a day, and $5 for expenses. The individuals were to go forth and win the election. Yet that is not tabulated as a part of the cost of the recent election.

On the other hand, in the document to which I have made reference, individuals are held up to ridicule, scorn, and censorship because they made a contribution that was reported, and which is not in violation of law. I think everybody who runs for office would welcome a situation where more people contributed to the campaign funds, because that would make more people interested in the elections. But if the limit as to how much an individual can give is too high, it is the responsibility of the Congress to change it, and not to let the law remain as it is and then hold a

citizen up to censorship for having made a political contribution within the law.

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

Mr. CURTIS. I yield.

Mr. GOLDWATER. Mr. President, on October 9 it was my privilege and pleasure to appear before the committee to interrogate Mr. McDevitt and Mr. Kroll, of the Committee on Political Education, on these exact points. I am sure the Senator from Nebraska remembers it, because he was there with me. I was prompted to ask these questions by the growing realization that political planning by unions has taken an entirely different tack from what it has been in years gone by. I think that through the efforts of a number of people in this country we have been able to smoke out the fact that in the past political candidates were supported by compulsory dues or money. I doubt whether or not that continues today. In all fairness to the unions, I think there is evidence to show that they have stopped direct contributions from the general fund. However, we now have the unions—and when I say the unions I do not include all the unions of America, but those most actively engaged in politics at the national level—embarking on an entirely different route. They are now educating their people; and, mind you, Mr. President, the working people of this country know more about what is going on in the country than does any other group. In this attempted education, television, radio, and other news media are used.

Along with that, the unions are also engaged in activities which, were a corporation to indulge in them, would certainly result in the corporation's being called before the courts, because the law prohibits a labor union or a corporation from making a contribution or contributing in any way to a campaign.

I came to that conclusion from the conviction that the law was being circumvented in several ways. For instance, I read in Businessweek of November 3, a little squib which reads:

> Labor is concentrating on getting out the vote. As in most other industrial centers, it will provide car pools, baby sitters, and telephone reminder squads working on the outside. Just for Democrats? "Oh, no," a Toledo United Labor committee spokesman said. "We will pick anyone up on election day, Democrats, Independents, nonpartisans, everybody except Republicans."

The Senator will recall that during the course of that questioning, I asked the committee chairman, and the staff through the committee chairman, if an interrogation could not be made along those lines to determine just how many people from union ranks were used on election day, whereby the same people would be paid by the writeoff funds, or whatever they may want to call it.

The Senator will recall that Mr. McDevitt disclaimed any knowledge of the existence of such a fund, yet during the course of an investigation of a similar nature by another committee, of which I am a member, we found that in Local 65, United Steel Workers of America, $3,900 was spent in the last general election, $3,000 from dues, or general fund, sometimes referred to as lost-time reimbursement fund.

I was further prompted to ask these questions because of a letter which came to my attention, from the Greater Detroit-Wayne County Industrial Union Council, which called attention to an important meeting of the 17th district CIO–PAC workers, where there would be a discussion of the primary of August 7:

> If you are interested in working on election day for expenses, it is particularly important that you attend the meeting.

I asked the committee to get information from various unions involved, as to whether or not the layoff fund was being used to pay men to work at the polls, or to work on election day. I read from the report an interesting comment. It is stated that this investigation was made at the request of the distinguished Senator from Nebraska:

> Thus, it appears, the Greater Flint Industrial Union Council requested its locals to furnish to the council the sum of 47½ cents per member for use in the election campaign and to call out from their plants their political action committees and political candidates from October 8 to November 8, 1956. The executive board of local 599, at a meeting help September 7, 1956, voted to concur in the request of the council, and to recommend to the local that anyone called out of the shop be paid $20 per day, but not more than $100 per week. At the regular membership meeting of local 599 held, pursuant to the usual notice, on September 9, 1956, it was voted to concur in the request of the council and to adopt the recommendation of the executive board. It was not possible to establish in the course of the investigation whether this request was for a voluntary contribution from the members or whether an assessment was actually made.

I compliment the staff for having made what I consider to be a rather efficient investigation. I think they could have gone a little further. However, I am amazed, as a result of the staff's finding, as a result of newspaper and magazine articles from all over the country citing the intention of certain unions which are bound and determined to become strong politically to use their manpower from shops in layoffs on election day, that the committee was unable to arrive at some monetary value to attach to the labor of many thousands of people working on election day.

The Senator is a practical politician. He does not care particularly whether a donation is made to him of $1,000 or whether he receives a thousand dollars' worth of manpower help in the course of an election. One of the disturbing things about the report—and, frankly, one of the disappointing things, because I feel that the committee missed a real challenge and an opportunity to give the legislative body something to go on when we are in process of formulating laws to cover this general area—is the failure to include in the expenditure of the Democratic Party any sums of money for the vast pool of men, automobiles, and telephone calls.

Mr. CURTIS. I thank the Senator.

It is not only a question of manpower—and there is a great deal of paid manpower for 3 or 4 or 5 weeks before the election, and greater numbers of men and women just before the election; but in addition, out of their regular organization funds, radio programs, shop publications, and even voting records are paid for.

It might be contended that if an organization gets out a voting record as to how Senators or Representatives voted, it must be purely educational, designed to give the people information. But it is rather interesting to note that these voting records are not in that category. The one we had before us when Mr. Reuther appeared before the committee did not show how Senators and Representatives voted on major issues. It merely used the letters "R" and "W"—right or wrong. If an educational institution, a library, or any other group wished to compile such a record for informational purposes, certainly it would state that a Senator voted for or against certain legislation.

The ADA list used a "plus" or "minus" sign to indicate whether, in their opinion, and under their definition, the vote was a liberal vote or not. That is not an educational matter. That is a campaign publication.

Coming back to the State of Michigan, I wonder how they did so much with $79,000. They have a radio and television commentator by the name of Guy Nunn. The undisputed testimony before our committee was that in the election of 1954 his program was so political that the local station issued a disclaimer with respect to it—the usual disclaimer used in connection with political broadcasts. Yet there is no tabulation of that item.

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

Mr. CURTIS. In a moment. I wish to follow through with this broadcast.

I secured one of Guy Nunn's broadcasts, which was paid for out of union funds.

After the opening, the voice of Adlai Stevenson was brought in. Mr. Stevenson's voice was carried for some time, in a favorable light. Among other things Mr. Stevenson said on this Guy Nunn program:

> Responsible union leaders have proposed programs for industrial rehabilitation and aid to the distressed areas.
>
> The Democratic platform endorses these proposals. Senator Paul Douglas of my State, and other Democrats, have already introduced bills in Congress to establish such programs.
>
> I know that when Congress reconvenes they can, with the White House endorsement that they have lacked so far, be enacted into law.

Later in the same program Guy Nunn said this:

> You know, there is one big issue in this presidential campaign that the Republican are not talking about, openly at any rate. As a matter of fact, the Democrats are pretty quiet about it, too. But the people, voters all over America, are talking about it and thinking about it plenty. That issue is the state of health of President Eisenhower.
>
> Last year the President had a very serious heart attack. Early in June of this year he underwent emergency surgery for a severe illness.
>
> The Republican medicine men, Leonard Hall and others, insist that the President is now in better shape than he was before his

heart attack and before the ileitis operation—

And so on.

I do not question their right to campaign. There is no issue here of free speech. But I say that when money is spent for programs like that, it should be included in a tabulation showing how much was spent to elect Democrats and how much was spent to elect Republicans. It was not even listed as institutional advertising, which is given some attention in this publication.

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

Mr. CURTIS. I yield.

Mr. GOLDWATER. Referring to the hearings before the Subcommittee on Privileges and Elections of the Committee on Rules and Administration of the Senate, part 2, on page 311, during the course of my interrogation of Mr. McDevitt, Mr. Kroll, and Mr. Woll, I asked questions directed specifically to the point which the Senator has been making. I quote in part:

Now, it is my feeling that when these broadcasts which are completely slanted against one party and against candidates of that party, and by that effect are political, that to be in keeping with what you just said and with what Mr. McDevitt—and Mr. Kroll has not committed himself—but Mr. McDevitt claims that you should take that out of the political fund and not the general fund.

Mr. WOLL. We don't take the position that we should take it out of the political fund.

In other words, they take the attitude that these broadcasts and television shows, which were completely slanted toward the Democratic Party, and paid for out of union funds, should not come out of the voluntary contribution fund which they maintain for political activities.

If the Senator will yield a moment further, while he points out that they are within their legal rights in doing this, I have maintained all along that there is a moral issue involved, as to whether or not it is morally correct to take the money of a Republican, in the form of compulsory dues, and spend it for a Democrat, especially when the Republican will go to the polls and vote against the Democratic candidate, and the philosophies he represents, at election time.

I am sure the Senator from Nebraska shares my view, because we have discussed the question many times. I am glad the Senator brought out the fact that these broadcasts went on during the campaign, and are still going on. They went on before the campaign. They are completely political, in my mind, and if anyone cares to hear them, I have a rather extensive collection of transcriptions and television films emanating from Detroit, which I shall be glad to allow Senators to listen to. I shall be glad to show them the films. Anyone who, after seeing or hearing these statements, believes that they are nonpolitical, in my judgment, should make another venture into the wonderland of politics.

Mr. CURTIS. I thank the Senator from Arizona. In my minority view I made the statement that, if a full tabulation were made, it would probably appear that the expenditures which were made to elect the candidates of both political parties had been about the same. That would be shown if a complete tabulation were made. I stand on that statement. The easiest expenditure to measure, perhaps, is the amount of money spent for radio and television. That information is public. The station is required to keep a record. The station is a licensee. All stations must respond and give that kind of information.

Mr. President, on the basis of the committee's tabulations, the total amount spent for radio and television is about 2.9 to 4 in favor of the Republicans. However, that does not include any tabulations of programs such as the Guy Nunn program, which was referred to.

In other words, in an area campaign, where we can get an objective view of how much is spent, there is no such spread as indicated on page 2 of the report.

In all fairness I must say that, while I have strong feelings about this, I certainly do not challenge anyone's motives. We are dealing with a difficult problem, namely, the question of what constitutes a political expenditure and what constitutes a contribution and what is purely educational and what is citizenship.

Congress will never get an accurate accounting on how much money is spent in a campaign until we redefine the terms and make them more exact.

Therefore I agree that the majority and the staff and everyone involved were wrestling with a difficult problem, and I do not challenge their motives in the least. The point I do object to is the holding out of incomplete and inaccurate tabulations to the world as the full picture of the expenditures involved. I very respectfully make that criticism. I believe it is a valid criticism.

For example, let us take one item, which is one of the most expensive items in campaigning. It is the providing of personnel to help voters register. The individuals who want a certain side to win in the election are the ones who provide the money for that expenditure. Great sums of money were spent for registration of voters. What for? The money was spent to win the election. That was the reason for it. However, those expenditures are not tabulated in the report. In one Northwestern State some Republicans—perhaps they were a bit ill advised—went to a little effort to test some of the registrations, to determine whether the registrations were accurately made.

Mr. NEUBERGER. Will the Senator yield?

Mr. CURTIS. I yield.

Mr. NEUBERGER. In that Northwestern State, which happens to be the State I have the honor, in part, to represent in the United States Senate, did those people try to determine if any Republicans were registered inaccurately, or only whether Democrats were registered inaccurately?

Mr. CURTIS. I do not know. I presume it was done in an effort to win the election.

Mr. NEUBERGER. Why does the Senator bring up that point if he does not know about it?

Mr. CURTIS. I do not know whom they were trying to check. My point is that registration is a political activity and a political expense, and both sides should report it as such.

Mr. NEUBERGER. The point I am making is this: Did those people attempt to determine whether Republicans and Democrats were registered inaccurately or allegedly illegally, or whether only Democrats were registered inaccurately or illegally?

Mr. CURTIS. I believe this was an endeavor undertaken by Republicans to find holes in Democratic registrations.

Mr. NEUBERGER. I am glad the Senator regards it as such.

Mr. CURTIS. I regard registration as I do all other expenses along that line, namely, as an expenditure to win an election.

Mr. NEUBERGER. Mr. President, will the Senator yield further?

Mr. CURTIS. I am glad to yield.

Mr. NEUBERGER. Let us presume that a crucial election is taking place within a State and that one of the vital issues in that election, and perhaps even the most vital issue in that crucial election, involves the so-called partnership power program. Suppose a combination of private utility companies mails throughout the State thousands and thousands of copies of an elaborate brochure, and that those brochures are printed and published and distributed at great cost. Let us suppose, further, that the brochures take the side of one particular faction in the controversy and criticizes the other side. Is that an election expenditure, or is it not?

Mr. CURTIS. I cannot set myself up as a judge in a hypothetical case. However, I contend that any activity, the purpose of which is to influence votes, is a political expenditure.

Mr. NEUBERGER. Does the Senator believe that an expenditure for such a brochure, namely, for printing it and publishing it and distributing it, should be charged to the rate payers of that private power company?

Mr. CURTIS. I have not seen the brochure, I cannot answer the Senator's question.

Mr. NEUBERGER. Mr. President, will the Senator yield further?

Mr. CURTIS. I yield.

Mr. NEUBERGER. Does the Senator know that following the 1952 election a great newspaper, the New York Times, which had supported the Republican nominees for President and for Vice President in that election, assigned a very extensive staff of its correspondents in an attempt to determine the visible sums of money which had been spent in behalf of each major party? I wonder whether I could read into the RECORD at this point, if the Senator does not object, the sums of money which the New York Times correspondents discovered had been spent on behalf of each major party?

Mr. CURTIS. What election is that?

Mr. NEUBERGER. The 1952 election.

Mr. CURTIS. I have no objection, even though it does not relate to this discussion.

Mr. NEUBERGER. Oh, it does, indeed. I beg to differ with the distinguished Senator.

Mr. CURTIS. What does it say with reference to paid manpower working before the election?

Mr. NEUBERGER. I do not know whether it includes paid manpower either by trade unions or by corporations.

Mr. CURTIS. What is meant by visible evidence?

Mr. NEUBERGER. If the Senator does not mind I should like to read the New York Times description of it into the RECORD.

Mr. CURTIS. May I ask what is meant by visible?

Mr. NEUBERGER. I should like to point out to the distinguished Senator the reason I believe it has a bearing on the report under consideration is that the discovery made by the staff correspondents of the New York Times, that distinguished American newspaper, which supported the Republican nominees for the highest offices in the land, shows almost the same division of expenditures as that contained in the report just made by the subcommittee under the able chairmanship of the junior Senator from Tennessee [Mr. GORE]. That is why I believe it is pertinent.

Mr. CURTIS. What is the Senator's request?

Mr. NEUBERGER. May I have the figures included in the RECORD at this point, or does the Senator prefer that I wait?

Mr. CURTIS. No; if it will not take too long, I have no objection.

Mr. NEUBERGER. The figures discovered with respect to election expenditures by States, by the correspondents of the New York Times, reveal that the Republicans spent, in the States where these figures were analyzed, $18,769,848; and that the Democrats spent $6,847,725. If the Senator does not object, I shall be glad to read the brief description in the Times.

Mr. CURTIS. I should like to know what they spent that money for.

Mr. NEUBERGER. I shall read this description:

> The following table was compiled from reports submitted by correspondents of the New York Times on campaign expenditures in 1952. The total figure for the States does not purport to be the total amount actually spent, but wherever possible it represents the total according to official reports from the statements of competent party officials.
>
> Where outlays of labor groups went to the Democratic candidates, they have been added to the column of Democratic spending.

I could go on further, but I do not wish to presume too much on the Senator's time. However, that was discovered by the correspondents of the New York Times.

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

Mr. CURTIS. I yield.

Mr. GOLDWATER. I think what the distinguished junior Senator from Oregon has brought out strengthens the argument the Senator from Nebraska and the junior Senator from Arizona have been trying to make; namely, there is nothing illegal about donations that are listed. The donations, so far as they go, are probably as accurate as any list can be accurate.

What the distinguished Senator from Nebraska and I are discussing are the hidden amounts, namely, the amounts which are not reported, by virtue of the fact that the Democrat Party is blessed daily by broadcasts and television shows in their favor, paid for from the general funds of the UAW–CIO; and by the fact that on election day people are available to make hundreds of thousands of telephone calls and to drive cars which are supplied with gasoline. In other words, they are doing what the Democrat Party and the Republican Party should be doing as political parties. I do not wish to stand here and argue the rightness or the wrongness of it. I maintain it is morally wrong. However, that is not to be argued at this time. I do believe such money should be included in the total. In other words, if a man comes to me and says, "Senator, you are running for reelection. I will give you a hundred men to work for you on election day." If I did not report that fact, I would be in error, and I could be held in contempt of the law. That is what we are trying to say.

Mr. NEUBERGER. Mr. President, will the Senator yield so that I may ask a question of the Senator from Arizona?

Mr. CURTIS. I yield for that purpose.

Mr. NEUBERGER. Would the able Senator from Arizona not agree that it might be a very wise step in American life to outlaw all campaign contributions by private individuals, by corporations, and by trade unions, and to have the United States Treasury underwrite them, so that no one would be elected with the help of private sources of campaign contributions? Let me say that this idea was first proposed exactly 50 years ago this year by a very illustrious Republican President of the United States in a special message to Congress.

Mr. CURTIS. Mr. President, I decline to yield further.

Mr. GOLDWATER. Mr. President, will the Senator from Nebraska allow me to answer the Senator from Oregon, inasmuch as I was asked the question?

Mr. CURTIS. Very well.

Mr. GOLDWATER. No; I cannot agree with the junior Senator from Oregon that that would be a solution to these problems. I may say to the Senator from Oregon, because he is interested in this, that I serve on a committee which has been investigating lobbying and campaign expenses. While I cannot speak for the entire committee, because I have no knowledge that we will have unanimous concurrence concerning the testimony which has been offered, it has become more and more clear in our minds that spending during political campaigns cannot be controlled.

So long as money is printed and can be passed around, the issue remains a moral issue—is it right or is it wrong? I think it is up to the individual candidate to decide for himself; I think it is up to the individual donor to decide for himself.

There are many pitfalls in the proposal which Theodore Roosevelt made. I see similar pitfalls in the same proposal which the Senator from Oregon made, I believe, 2 years ago.

I, myself, speaking as the junior Senator from Arizona, am scared stiff about having the Federal Government do anything that the people can do better.

Mr. CURTIS. Mr. President, I should like to yield further, but the hour is late. I wish to make a comment on this point; then I will yield to the distinguished Senator from Montana.

If there is a feeling that there is something intrinsically evil about contributing to a political campaign or about receiving a political contribution, Congress should outlaw it. But I do not believe that as to the contributions listed very much evidence of impropriety was adduced, either in giving a contribution or in receiving one.

There are always those who have reservoirs of help, and who come forward and say, "Let us pass a law that a contribution of more than so much cannot be made."

Mr. Walter Reuther came before our committee and advocated a $5 limit on political giving. Later that same day I asked him:

> Are you acquainted with one Roy L. Reuther?

He answered:

> I am. He happens to be my brother.

I then asked Mr. Walter Reuther:

> Did he in 1954 hold any position in a union?

The answer was:

> He did. He was on the staff of the UAW.

Then I said:

> According to the Congressional Quarterly in reference to the 1954 election, Roy Reuther * * * is reported to have contributed $5,000 to the campaign of Senator Barkley, of Kentucky.
>
> Is that a correct report?

I could go on with the reply, but the point was in effect, Yes, he was a conduit for it, but the funds were UAW funds.

That was the testimony of a witness who advocated a limitation of $5.

In the cause of good government—and Democrats believe in it just as do Republicans—both sides have their economic and political philosophies, which they believe are best for the Nation. I happen to believe that that clash of ideologies and the taking of the questions to the people is a mighty good thing. But to get the story over is an important function in the operation of self-government. It costs money to show a candidate to the public. It costs money to give him a chance to express his ideas.

The providing of that money is just like any other good cause. If a hospital, a school, or a church is to be built, many little gifts are needed, but also it is necessary to call on those who can give more to do so.

Our attitude should be that if someone gives for an improper motive, or if someone receives for an improper motive, that situation should be dealt with. But are we, by such conduct, going to prohibit people from participating in elec-

tions by giving of their money, or to cause them to violate the law, and then hold them up to scorn and censorship? Shall we say that the Halls of Congress are closed to everyone except the wealthy?

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

Mr. CURTIS. I yield.

Mr. MANSFIELD. I have listened with great interest to my distinguished colleague from Nebraska. I point out that in this report, which is factual, no one is held up to scorn or ridicule. I think our chairman, the distinguished Senator from Tennessee [Mr. GORE], has made a notable achievement. He did not claim that we have all the facts. But certainly the Senator from Nebraska well knows, he being a member of that committee, having participated in all the hearings, and having given his assent to the action taken by the subcommittee, that the Senator from Tennessee has done everything he possibly could do to try to get a full, fair, and factual report, without fear or favor. I think he is entitled to a vote of thanks from the Senate and the people of the country for having, for the first time, put into a book, so far as it is possible to do so, the amount of money spent, where it came from, and by whom it was contributed. The book marks a milestone in the election history of the United States of America.

My good friend, the distinguished Senator from Arizona, asked if we had any information pertaining to the Americans for Democratic Action. Yes, that organization is listed, together with the contributions it received and the names of the contributors.

The same is true of an organization known as The Clean Politics Appeal. The contributions and the names of the donors are given.

The National Committee for an Effective Congress is listed, and the contributions and the names of the contributors are given.

We have, to the best of our knowledge, exempted no particular group, but have tried to bring them all into the picture, so that the compilation would be as fair, as factual, and as complete as possible.

The Senator from Nebraska mentioned something about the Greater Flint Industrial Union Council, at page 18. He will remember that he himself made the motion that this particular question be referred to the Department of Justice. It was.

Mr. CURTIS. Will the Senator yield briefly for a question at this point?

Mr. MANSFIELD. Surely.

Mr. CURTIS. Was the amount of money raised by local 599, UAW, in Flint, included in the tabulation of $79,000 for the State of Michigan, which made up the total figure for union spending?

Mr. MANSFIELD. I shall have to ask counsel for the committee for the information, if the Senator will excuse me.

Mr. CURTIS. Certainly.

Mr. MANSFIELD. I may say to the Senator from Nebraska that if these were voluntary funds, they are included. If they were not, the matter will have to be determined by the Department of Justice, because it is stated, at the bottom of page 18:

> It was not possible to establish in the course of the investigation whether this request was for a voluntary contribution from the members or whether an assessment was actually made.

Continuing, I read:

> The information and material obtained by the investigator was transmitted to the Department of Justice for such action as it should deem indicated.

So I think we have tried to do the right thing. I think we have done everything aboveboard, so far as this particular subcommittee is concerned. I repeat: We have made a distinct effort not to hold anyone up to scorn or ridicule.

Mr. GOLDWATER. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I will yield briefly.

Mr. GOLDWATER. I think the Senator from Montana has missed entirely the criticism of this report which the Senator from Nebraska and the Senator from Arizona have been making.

On October 9, as I said earlier, I appeared before that committee and asked a number of pointed questions of the witness. I had hoped that the committee staff would be able to get the answers. If the committee staff has good reason for not having been able to get those answers, well and good. The reason was not explained.

For instance, I wanted to know the size of the layoff fund, or whatever the particular union called that fund at certain times during the campaign, to ascertain how much the use of that fund increased, if any, immediately prior to the campaign, from September 1 until election day.

I wanted to know the number of men—not the names of the men, but the number of men—who were included in the use of the layoff fund prior to election day.

I think there are other questions which would immediately come to mind in trying to ascertain the total amount which was spent by each side in the past election. One of them would be, for instance, along this line: We understand that in each local of the UAW 10 men were available for work on election day or prior to election day. At what value should they be assessed? What was the value of their services? Certainly there was a value.

If the Senator from Montana feels that no value can be attached to them, then I suggest that a day may come when there will be no reported election expenses. Rather, both sides will resort to the easy way out, by charging off the use of men in large numbers and by passing around money in large amounts. Honest people, who report their exact amounts, will wonder, and their wonderment will increase, about television shows and radio broadcasts and about the large number of automobiles which will appear suddenly on election day. They will wonder who is paying for all of that. I think the Senator from Montana would like to know about that, just as much as does the Senator from Arizona. Who is paying for them? I think the Senator from Montana would like to know that, just as much as the Senator from Arizona would. Mr. President, that is the entire point of my criticism of this document.

Insofar as the document goes, it is rather interesting. I said earlier today that I thought it had been compiled in the headquarters of the Democratic Party. Possibly I am wrong in some instances, but certainly the report does not contain anything which could not have been gathered by any group dedicated to this task and desiring to go through the records. The report fails to include much that it should include; and that is what I have been criticizing.

Mr. MANSFIELD. Mr. President, will the Senator from Nebraska yield to me?

Mr. CURTIS. I yield.

Mr. MANSFIELD. I wish to say that we tried to contact all labor organizations, even down to the county level.

Furthermore, Mr. President, I wish to say that the report contains a provision recommending that a further investigation be undertaken of both corporate and labor spending in campaigns. We want to have as full a picture as can possibly be obtained. We know the report is not complete as to all facts, but it is complete in reporting all the facts obtained by the subcommittee.

I wish to say that I think both the chairman and the Senator from Nebraska did a remarkably fine job, in the time at their disposal, in trying to present for the first time to the American people at least a partial picture.

I thank the Senator from Nebraska for yielding.

Mr. CURTIS. Mr. President, in conclusion, I repeat that I certainly do not question the integrity or motives of anyone.

However, I believe that so much in the way of tabulation of the expenditures made on one side is lacking from the report that it would have been far better to have reported that until we get a better system of accounting and a better definition of what constitutes a political expenditure, no tabulation could be made—rather than to make one which gives the public the impression this one gives, because obviously the report is defective, in that it does not tabulate one very important source of expenditures, manpower, publications, radio time, automobiles, voting lists, and all other means used to elect or to defeat candidates for office.

Mr. President, I yield the floor.

Mr. GORE. Mr. President, I wish to thank the distinguished junior Senator from Montana [Mr. MANSFIELD] for his generous references to me with respect to the work which I and others have done in the Subcommittee on Privileges and Elections.

I wish to compliment, in turn, the work done by the junior Senator from Montana and also by the junior Senator from Nebraska. Every action of the subcommittee, Mr. President, up to the point of the final report, was taken unanimously. We worked through the investigation and the hearing as a team. Every motion made by the distinguished junior Senator from Nebraska was assented to. Every request made by him was agreed to. Every suggestion made by him as

to a desirable field of inquiry was adopted. In fact, as I have said, all actions and decisions of the subcommittee, except the final report, were taken unanimously.

We know, and the report shows, that the subcommittee is well aware of the fact that every single bit of information involved in a national election has not been obtained, nor was it possible to obtain it, but the report has repressed no facts that were obtained. Such facts, whether pertaining to a political committee, a candidate, a political action committee, a corporation, or a labor union, have been reported fairly and impartially.

I wonder if it is the incompleteness or the completeness of the report that some persons find disturbing. I hope that the Subcommittee on Privileges and Elections, or some other committee, will proceed further with the inquiry. The American people are entitled to know the facts. Disclosure of current practices in election campaigns is a necessary foundation for remedial legislation. The fullest possible disclosure has been made by this report, and I genuinely hope, and I think I can say I expect, that it will be helpful in bringing about the enactment of a clean elections bill during this session of the Congress.

THE PRICE AND SUPPLY OF SUGAR

Mr. BENNETT. Mr. President, during the 2d session of the 84th Congress, it was my privilege to take an active interest in the enactment of legislation amending the Sugar Act of 1948 in such fashion as to bring our national sugar program into harmony with current conditions.

As I rise to speak again today of sugar, we are witnessing an extraordinary demonstration of the ability of the United States sugar program, under extreme pressure, to assure the American consumer an ample supply of sugar at all times and at fair and reasonable prices.

In reaction to recent international events, the price of raw sugar in the so-called world free market in a brief period of 60 days—roughly from mid-November to mid-January—increased 100 percent above the level of prices prevailing in this market for the last 3 years, and today raw-sugar prices in the world market are still at about this high level. In contrast, United States raw-sugar prices, at the highest point reached during this 60-day period, were only 4 percent above prices at the beginning of this 2-month period, and are today even lower than they were at the start of this period.

It appears to me to be singularly appropriate to examine at this time the influences which have been responsible for the recent precipitous advance in the world market prices.

The upward swing started with the outbreak of the anti-Soviet revolt in Hungary, and was accelerated when it became certain that the 1956 European sugar-beet crop was to be below normal expectations. The heightened demand for sugar was further accentuated by the seizure and closure of the Suez Canal. As a result of this situation, many people throughout the world began augmenting their sugar purchases as a measure of protection against the uncertainties of the future.

While the United States domestic sugar market is only indirectly influenced by developments on the world market, the United States sugar quota program cannot entirely insulate our market against world sugar price gyrations of this character. Consequently, considerable pressure has been exerted on our domestic market as world prices have climbed.

This pressure, together with unusual influences already operating on the United States market—principally the threat of a longshoremen's strike along our east coast—resulted in increased inventories and slightly higher domestic prices.

Best estimates available are that some extra amount of sugar has gone into invisible inventories by the end of 1956, which is a manner of saying that this extra amount of sugar has gone into standby storage in the pantries of the Nation and the warehouses of industrial firms.

The important thing to note is that, despite the sudden increase in demand in our market above normal expectations, plenty of sugar was available in this country at all times.

The amendments to the Sugar Act passed by the Congress in 1956 enabled the Secretary of Agriculture to make available to the United States market additional sugar supplies needed to meet this extra demand in a much more effective manner than would have been possible had the law not been amended. Under the Sugar Act before the 1956 amendments, all increases in sugar quotas were supplied by foreign areas, principally Cuba.

Under the amended Sugar Act, when the Secretary finds it necessary to make additional sugar supplies available, 55 percent of these added supplies come from domestic producing sugar supplies not subject to foreign influence. And in the case of the supplies drawn from the mainland sugar-beet and sugarcane areas, the increased supply becomes available for consumption the very minute the Secretary decides it is needed.

Had not the Sugar Act amendments of 1956 been enacted, domestic sugar could not have been made available to meet the unusual demands of recent weeks. It would have remained dammed up behind quota walls, while making it necessary to bring in all additional sugar supplies from foreign areas.

As I have indicated, events have already shown the validity of assurances given by my distinguished colleague, the Senator from Virginia [Mr. BYRD], and Under Secretary of Agriculture True D. Morse, at the time when the 1956 amendments were under consideration, that these changes in the law would not result in increased domestic sugar prices. As I have already pointed out, these amendments made it possible for the Secretary of Agriculture to move domestic sugar supplies quickly into the market when needed to meet the emergency, thereby actually contributing to price stability.

Some persons apparently have interpreted the remarks of the distinguished senior Senator from Virginia [Mr. BYRD], and the able Under Secretary of Agriculture as constituting assurances that there would be no future increases in the price of sugar, come what may.

I am sure that neither the Senator from Virginia nor Under Secretary Morse, both being businessmen in their private capacities, ever intended that sugar prices should not be expected to respond to normal market influences and to change in the cost of production. As I understand their statements, all that the Senator from Virginia and Under Secretary Morse said was that it was not intended that anything in the bill would cause any increase in the price of sugar.

Our economy is not static. It is not possible or desirable to freeze the price of any commodity or to attempt to legislate out of existence factors which are basic to the movement of prices up or down.

Domestic raw sugar prices averaged 6.09 cents a pound for the year 1956—practically identical with the 1954 price. They were somewhat above the extremely low prices which prevailed in 1955, but were well below 1952 and 1953 prices.

Taking the 1947–49 price as a base—which is the base period used for general price comparisons, and which is now used in the Sugar Act—1956 prices were only 4 percent above those in the base period.

As we know, the prices of most commodities and wage rates have gone up much more than this in this interval. For example, the latest Bureau of Labor Statistics cost-of-living index—that for December of 1956—shows that the general price level has advanced 18 percent since 1947–49. The wholesale price of all commodities has advanced 14 percent, and the prices of wholesale commodities other than foods and farm products—which includes the items purchased by sugar producers—have gone up 22 percent. Weekly factory earnings are now about 60 percent higher than in 1947–49.

Since 1947–49, farm wage rates have gone up 28 percent, and the cost of farm machinery is up 41 percent.

There is no published Government data relative to changes in the costs of processing sugar, but the beet sugar industry recently surveyed what has happened to costs since 1947–49.

This survey shows that 1956 wage rates were from 35 percent to 50 percent more than those prevailing in 1947–49. Prices of the major items of machinery which beet processors buy have gone up an average of about 80 percent since 1947–49. Metal-containing items used in beet sugar processing, such as slicer knives and copper tubes, have gone up an average of about 70 percent.

The costs of coal and gas, the major sources of fuel used in beet-sugar processing, have gone up 11 and 52 percent, respectively, since 1947–49. Costs of other important items, such as coke, limerock, and freight charges, have gone up 5 or 6 times as much as sugar prices have advanced.

I think all Senators will agree that in view of these increases in costs, the mod-

est increase which has taken place recently in domestic sugar prices is long overdue, and has lagged far behind the increases in the cost of production of sugar.

It is only because of increased efficiency resulting from steady advancement in better farming techniques and general production efficiency that sugar farmers and processors have been able to survive the squeeze of increasing costs and stable or often actually declining sugar prices.

The yield of beet sugar per harvested acre in 1956 is estimated to be more than 20 percent over that in 1948, or 2.42 tons as against 1.96 tons. Measured in terms of reduction in the number of man-days of fieldworkers required to produce a ton of beets, the increase in efficiency is even more dramatic, having dropped about 30 percent since 1948. Less dramatic but substantial advances have been made in the processing segment of the industry.

Not only have the 1956 amendments to the Sugar Act been an effective protection for domestic consumers, but they also have enabled domestic sugar beet and sugarcane production to be increased, and domestic sugar marketings to be stepped up. At the same time, foreign producers' marketings in this country have continued to increase.

Cuba, the largest exporter of sugar in the United States market, enjoyed an increase in her United States quota for 1956 of 230,000 tons over the 1955 figure. Under provisions of the amendments enacted last year, Cuba's quota will continue to enlarge at a rate equal to 29.6 percent of the growth of the United States sugar market. It is worthy to note in passing what this has already meant to our good friends in Cuba. Official reports state that economic activity in Cuba recently is at the highest and most prosperous level on record.

My esteemed colleagues from Florida and Louisiana can state much more ably than I the beneficial effects of the 1956 Sugar Act amendments in enabling mainland cane-sugar producers to eliminate burdensome overquota stocks of sugars, a problem which also had afflicted some sugar-beet farmers and processors.

Not only were the overquota surpluses expensive to carry, but their presence resulted in enforced acreage cuts in sugar crops in 23 States, thus penalizing our farmers and processors for their outstanding technological advances and steadily improving production efficiency.

Today, the marketing quota for mainland cane sugar producers is 100,000 tons greater than that which prevailed throughout the period when the area's quota was rigidly fixed, and the drastic acreage cut imposed on the sugarcane farmers in 1955 has been discontinued.

I shall not take time to detail the advantages which have accrued to the other domestic production areas of the Territory of Hawaii and the Commonwealth of Puerto Rico, but I can assure the Senate that significant benefits have been realized in these areas.

As for my own part of the country, it is my earnest wish that this Congress may be able to devise solutions to the other agricultural problems which will result in as great benefits as those stemming from the 1956 Sugar Act revisions.

For the first time since 1947 domestic sugar producers have been permitted by law to participate in supplying the rising domestic sugar demand.

The beet sugar quota for 1957, under terms of the new law, is 150,000 tons higher than the 1,800,000-ton fixed quota with which the industry was saddled for the period 1947–55.

To our sugar-beet farmers, the increased marketing quotas gives relief from the pinch of acreage restrictions—including serious cutbacks—forced on this important nonsurplus farm commodity.

The Secretary of Agriculture has announced that 950,000 acres may be planted to sugar beets in this country this year, as compared with only 850,000 acres permitted in 1955 and 1956. In 1954, plantings amounted to about 944,000 acres. Thus, the cuts made in 1955 and 1956 have now been restored. These acreage increases will also take cropland that is now being planted to surplus or less needed crops.

In my own State of Utah, this means that our farmers may plant some 3,500 more acres of sugar beets, a 12 percent increase. Translated into terms of cash farm income, those 3,500 additional acres of beets can mean upward of $750,000 to our Utah farmers alone.

Events of recent months have demonstrated that our national sugar program is achieving the major purposes assigned to it—namely, the maintenance of a healthy and competitive domestic sugar industry, assurance of adequate supplies of sugar at reasonable prices, and promotion of desirable trade relationships with our foreign friends.

In this comparatively brief progress report, it has been my desire to bring before the Senate a timely appraisal of the noteworthy success of the Sugar Act, as amended during the last session of the Congress. I appreciate this opportunity to report.

Mr. BARRETT. Mr. President, will the Senator from Utah yield to me?

Mr. BENNETT. I yield.

Mr. BARRETT. At the outset, let me commend the distinguished Senator from Utah for his splendid statement on the operation of the Sugar Act in these critical days. It seems to me that the Sugar Act is demonstrating quite clearly that it is an effective instrument for the benefit of both the producers and the consumers in this country. It operates for the benefit of the producers by insulating against competition occasioned by very low world prices; and at the same time it operates, for the benefit of the consumers, against high world market prices.

The price of wholesale refined sugar in New York has increased from $8.65 per hundredweight in January of last year to $9.10 per hundredweight at the present time. The records show that the price increased 10 cents on April 26, 10 cents on October 9, 10 cents on October 30, and 15 cents on December 1 of last year.

On the other hand, the world market price increased from $3.25 on January 1, 1956, to $5 on November 28 last; and thereafter it was well over $6. Even now, the world price is $5.60 per hundredweight. In other words, Mr. President, during the past year the price of refined sugar in this country has increased by 45 cents per hundredweight; which is about 5 percent, whereas the world price of sugar has nearly doubled in the same period of time. Let me ask the distinguished Senator from Utah whether that is approximately correct.

Mr. BENNETT. Yes. It actually reached a high of $6.70. It has decreased a little from that price.

Mr. BARRETT. That is correct, as I understand.

Mr. BENNETT. Today, the price is approximately 6 cents a pound.

Mr. BARRETT. Let me call attention to the fact, Mr. President, that the world price of sugar has remained fairly stable during the past three-fourths of a century. It is the cheapest commodity on the market today. The wholesale refined price in New York, over a 10-year period, has fluctuated very little, except during World War I. The figures are as follows:

1880	9.6
1890	7.6
1900	5.3
1910	5.0
1920	15.5
1930	4.6
1940	4.3
1950	7.8
1957	9.10

I believe that the Sugar Act has worked in an admirable fashion for the benefit of the people of this country. Is that not correct?

Mr. BENNETT. Yes, Mr. President; that is correct.

Mr. BARRETT. Mr. President, the quota at the beginning of last year was 8,800,000 tons, and it was increased on January 11 to a total of 9 million tons. During the past year 1,953,000 tons of beet sugar was marketed, which represents an increase of 153,000 tons over the amount in the previous year. The acreage in sugar beets has been increased to 950,000 acres, and the acreage in Wyoming has been increased to 38,787 acres. While we have been able to obtain an increase of about 4,000 acres for sugar beets in Wyoming, nevertheless, the total acreage in my State is considerably less today than it was some years ago. On the whole, Mr. President, I think it is fair and proper to say that the amendments to the Sugar Act of last year are completely justified in every way.

Again I wish to commend the distinguished Senator from Utah for his splendid statement.

THREAT TO CALIFORNIA'S WATER SUPPLY

Mr. KUCHEL. Mr. President, all of California owes a never-ending debt of gratitude to the Federal Government for its great assistance over the years, in our growing and continuing problem of water. Water is vital to our semiarid

commonwealth. Her whole future depends on an adequate supply. In recent years, our State government has commendably undertaken a responsibility in this field. And it has taken important preliminary steps in developing a State water plan.

Meanwhile, let all Californians clearly understand this fact: Water projects have been undertaken and constructed in our State through the efforts of local citizens, in the formation of local irrigation districts, and in many instances with the cooperation of the Federal Government.

Ever since President Theodore Roosevelt signed the Federal reclamation law in 1902, California has been a substantial beneficiary of that farsighted enactment. The development of adequate water supplies for our rapidly expanding population has required, and inevitably will require, the best efforts and the greatest level of cooperation of our State, our local communities and districts, and our National Government. Our State has seen the construction of reclamation projects, great and small, many under Federal reclamation law and built with money from the Federal Treasury.

In southern California, Hoover Dam, Parker Dam, and Davis Dam—all Federal projects with congressional approval—represent quite possibly the difference between a prosperous and contented area for many million Americans we know and a water-short desert region which might otherwise have been.

In northern California, through the valleys of the Sacramento and the San Joaquin, the great central valleys project is the elemental reason for that great area's expanding population and productivity. The Trinity project, upon which construction is now under way, is designed to underwrite more of our future development.

I am greatly concerned over the stark possibility that the Federal Government might be compelled to shut off a water supply to those local irrigation districts in our State which have not entered into confirmed water-supply contracts. This possibility arises by reason of the recent split decision of the California State Supreme Court in the so-called Ivanhoe Irrigation District case and cases related to it.

The Congress of the United States under the Constitution must lay down the rules by which States may receive Federal assistance in the development of reclamation projects. One of those rules, in effect, limits the purchase of supplemental water to 160 acres for each landowner—man, woman, or child—or 320 acres for a husband and wife in a community-property State such as our own. This limitation is not a new rule. It has been in the Federal law since 1902.

In the Ivanhoe case, by a 4–3 vote, the State Supreme Court interpreted not alone the State Constitution and the State law, but the Federal Constitution and Federal law, as well. The majority of four Justices held that the Federal land limitation provisions are not applicable to privately-owned lands in California. They hold that any effort to apply these Federal laws in our State would be a deprivation of property without due process of law, so far as private landowners are concerned. Three Justices, including the Chief Justice, dissented on all grounds.

Thus, the California decision raises the most serious problem with respect to the operation of many Federal reclamation projects in our State. What should be the position of the Department of the Interior? What should be the position of the people of California, and of their State government?

At the present time, I understand that the office of the Attorney General of the State is preparing to file a motion for reconsideration by the State Court. If that fails, I hope that proper appeal will be taken to the Supreme Court of the United States. The basic questions are of such great importance, not only to California but to other States in the West, that it seems to me that the Supreme Court of the United States must be asked to render the final decision in these important matters.

While it is useless to speculate on what the United States Supreme Court might decide when and if the Ivanhoe case is before it on appeal, I do wish to refer specifically to one decision of our highest court which was of great interest to California, particularly to southern California, and which, it seems to me, has a bearing on the pending question.

Years ago, the late United States Senator Hiram W. Johnson, and former Representative Phil D. Swing obtained congressional approval of a bill to provide for Federal construction of Hoover Dam on the Colorado River. The State of Arizona vigorously opposed this legislation, and then brought suit in the United States Supreme Court against California, the Secretary of the Interior, and others. Arizona asked that the Secretary of the Interior be restrained from building Hoover Dam, on the grounds, among others, that such a Federal structure would be in violation of Arizona's laws of water. Happily for southern California, and happily, indeed for all the States, the Supreme Court held that the United States, in exercising its powers under the Boulder Canyon Project Act, was not prevented from building Hoover Dam by reason of Arizona law.

Under the Constitution we live in a system of dual sovereignty. The Federal Government is one of delegated powers. In the States and in the people rests the balance of constitutional power. I believe in the constitutional rights of States, but I cite the above Arizona against California decision to indicate that our sister State's allegation of absolute power would have prevented the construction of Hoover Dam and of the great benefits it has brought to our State.

Mr. President, contrast the Hoover Dam dispute with the situation in our State, where, in every instance, Federal reclamation projects within our boundaries have been undertaken only after our State government had urged such Federal construction. Thus, it is not a case of invasion by the Federal Government, over the years, of California.

I earnestly hope that the Department will not find it necessary to refuse to deliver water to individual water users in California while these legal actions are being continued.

My own view is that the Department must proceed in accordance with Federal reclamation law.

If the Ivanhoe decision were ultimately to become final and binding, it would have a far-reaching impact on our State's future reclamation plans. That would be particularly true so far as Federal assistance is concerned. Speaking for myself, I want—as a Californian—to see a maximum of Federal assistance in this field to the people of my State.

I do not believe Congress will repeal the acreage-limitation laws. Thus, only through final judicial decision will the scope of their application in our State and elsewhere be determined. From a legislative standpoint, those laws are under an almost continuous study. Occasionally, Congress has seen fit to change their application in specific projects. Last year Congress approved the Washoe project, of interest to both Nevada and California. It authorized water to excess lands within the project, provided a proportionate interest charge were levied against those lands. No Member of Congress, of whatever political stripe or ideology, opposed this bill. It is now the law. But even if, which I decline to prophesy, a similar formula were approved by Congress for general application, the Ivanhoe decision, in my judgment, would still pose a very real problem.

This is a period of legal hiatus. Until the Ivanhoe case is finally disposed of, there remains the specific problem of what the Department of the Interior can do and should do and what the State of California can do and should do for California farmers in irrigation districts which need water.

The spigot must not be turned off. To remove the confusion brought on by the decision, positive and immediate action is required.

First, the Ivanhoe decision must, as rapidly as possible, be brought to final judgment in the United States Supreme Court.

Second, if legislation in Congress is necessary, I shall immediately introduce it. Federal legislation, during the interim, may be required in order to permit the Department, on a temporary basis, to continue supplying water. This is a problem I shall immediately explore with the Department. As a result of my discussions with members of the Senate Interior Committee, I believe such legislation would be sympathetically treated.

Third, State legislation may be necessary, too. It may well be that our State should enact at once a suitable type of State enabling act to avoid the tragic consequences of a possible termination of water supply in parts of our State at the beginning of our irrigation season. This is an urgent problem for consideration by our State government.

The threat of disruption to California's water supply poses a challenge to Government here and in Sacramento.

Mr. President, I ask unanimous consent that a news article appearing in the San Francisco Examiner of January

31 be printed in the RECORD as a part of my remarks at this point.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Is there objection?

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

DECISION HITS WATER PACTS

The first impact of the State supreme court's decision of last week which outlawed the 160-acre irrigation limit hit two irrigation districts yesterday.

The five-man State districts' securities commission declined to take any action on contracts pending between the Federal Bureau of Reclamation and the Corning Water District of Tehama County and the Solano Irrigation District of Solano County.

Both proposed contracts contain the 160-acre limitation which is required by Federal law but which the State high tribunal held to be in violation of the California constitution.

Before the supreme court's ruling, such contracts to obtain water were routine. However, the commission's chairman, Michael J. O'Dowd, of El Centro, said:

"Personally, I don't see how the commission can act until this matter is clarified."

NEXT MOVE BY UNITED STATES

Assistant State Attorney General Wallace Howland, the commission counsel, said he thought the next move to end the impasse between the California Supreme Court and the Federal Bureau of Reclamation is up to Interior Secretary Fred Seaton.

The Corning district, which covers 14,000 acres, sought approval of its contract to buy Sacramento River water at $2.75 an acre-foot. Its ranchers now get irrigation water from the ground.

The district attorney, C. A. Stromsness, urged the commission to seek clarification because, he said, "development of the whole Sacramento Valley depends upon what happens to this pilot plan."

Stromsness said the district's distribution system is ready for use but there is no way for it to receive water until the contract is approved.

SOLANO DEAL DELAYED

The commission also declined to act on the Solano district's application for a $12,300,000 Federal loan to finance a distribution system pending solution of the legal hassle.

Some 70,000 acres of Solano County land in the vicinity of Fairfield, Suisun, Dixon, and Vacaville would receive water from Putah Creek. The Federal Government now is building the Monticello Dam across the Putah near Winters.

Mr. KUCHEL. Mr. President, I might say that article goes on to indicate that the State Districts' Securities Commission, which by law in my State is required to pass first judgment on water contracts, declined to approve two contracts before it by reason of the decision.

Mr. President, I desire to address myself briefly to another subject.

The PRESIDING OFFICER. The Senator from California has the floor.

FLIGHT TEST REGULATION

Mr. KUCHEL. Mr. President, it was just a few days ago that the people of my State were shocked by the tragedy of an air collision between a DC–7 and a Northrop jet plane, as a result of which several school children were killed and many more were injured. I think the Senate Committee on Interstate and Foreign Commerce commendably took immediate action. It met together. It drafted a resolution asking the Civil Aeronautics Board to adopt suitable regulations with respect to air flight testing, and particularly that air flight testing be confined to areas under which there was no population. In essence, so far as the area from which I come is concerned, that would mean flight testing would be confined to the air either over the desert or over the ocean.

I was delighted to see the Civil Aeronautics Board, Mr. President, just a couple of days ago, adopt regulations designed to do that which many of us sought.

I ask unanimous consent that the comments which the Civil Aeronautics Board made in connection with the announcement of the rule, and the rule itself, be incorporated in my remarks at this point.

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

AIR TRAFFIC RULES—PILOT VIGILANCE AND RESTRICTIONS ON FLIGHT TESTING

Part 60 of the Civil Air Regulations sets forth the air traffic rules which are applicable to all aircraft. These rules contain provisions prohibiting both civil and military aircraft from being flown in any unusual maneuvers over congested areas or on civil airways and prescribe certain minimum altitudes for the protection of persons or property on the ground. Although there are no specific provisions in part 60 dealing with flight testing, all civil aircraft for which an airworthiness certificate has not yet been issued are prohibited from flying over thickly populated areas or large gatherings of people by limitations set forth in special test-flight authorizations issued by the Administrator. Military aircraft, however, are not subject to these specific limitations.

The problems arising from the flight testing of production and experimental aircraft have long been the subject of considerable attention on the part of the Government. In 1947 an extensive study was undertaken by the civil and military agencies concerned, with a view toward determining the safeguards which should be applied to prevent the creating of a public hazard. At that time it was agreed that it would be impracticable to relocate aircraft manufacturing establishments outside highly populated areas but that the flight testing of production and experimental aircraft should be accomplished in sparsely settled areas and in airspace of relatively light traffic density. Although considerable effort has been made to insure that flight-testing activity is in fact conducted under circumstances in which hazard to persons on the ground or to other aircraft in flight will not result, the recent collision of aircraft undergoing certain tests in flight necessitates the immediate promulgation of amendments to part 60 which will reduce the possibility of midair collision and further enhance the safety of persons or property on the ground.

These amendments herein adopted prohibit the flight testing of aircraft unless such flight test is conducted (1) over open water or sparsely populated areas having light air traffic and approved by the Administrator, or (2) within a flight-test area designated by the Administrator. This regulation also provides that all flight tests are to be conducted in accordance with such traffic rules which the Administrator may from time to time prescribe.

In order to achieve the above-mentioned objectives, we are including within the term "flight tests," the operation of all aircraft in flight for the purpose of testing, observing, or measuring the performance of an aircraft, airframe, powerplant, or propeller after its manufacture or major alteration, except for takeoff, landing, and operation to and from the area authorized for such flight tests.

In addition to the regulatory change dealing with flight testing, the Board is also concerned with the problems relating to flight operations requiring more than normal preoccupation with cockpit duties. In order to stress the importance of vigilance on the part of the pilot to observe and avoid other air traffic, the regulation amends section 60.12 (c) by calling attention to the fact that lack of vigilance due to more than normal preoccupation with cockpit duties may constitute careless or reckless operation of aircraft.

For the reasons stated above, it is the opinion of the Board that a situation exists requiring immediate action in respect to safety in air commerce and that notice and public procedure hereon are impracticable and contrary to the public interest, and the Board finds that good cause exists for making this amendment effective on less than 30 days' notice.

Interested persons desiring to present written data setting forth their views with respect to the rules herein adopted are requested to submit such matter to the Board on or before March 22, 1957. All communications so received will be considered by the Board and the rules herein adopted will be reconsidered fully in the light of the comments submitted.

In consideration of the foregoing, the Civil Aeronautics Board hereby amends part 60 of the Civil Air Regulations (14 CFR, pt. 60, as amended) effective February 20, 1957.

1. By amending paragraph (c) of the note under section 60.12 to read as follows:

"60.12. Careless or reckless operation. * * *

"NOTE.—* * *.

"(c) Lack of vigilance by the pilot to observe and avoid other air traffic. In this respect, the pilot must clear his position prior to starting any maneuver, either on the ground or in flight. Furthermore, flight activities requiring such crew preoccupation with cockpit duties as to prevent adequate vigilance outside the cockpit for the purpose of collision avoidance shall be evidence of careless or reckless operation unless some provision is made which adequately compensates for such reduced degree of vigilance such as use of a competent observer in the aircraft, a chase aircraft, or other appropriate arrangements."

2. By adding a new section 60.24 and a note to read as follows:

"60.24. Flight test: No person shall flight test an aircraft unless such flight test is conducted (1) over open water or sparsely populated areas having light-air traffic and approved by the Administrator, or (2) within a flight-test area designated by the Administrator. All flight tests shall be conducted in accordance with such traffic rules as the Administrator may from time to time prescribe.

"NOTE.—It should be recognized that any flight operation that requires more than normal preoccupation with cockpit duties may result in careless or reckless operation of aircraft. See example (c) under section 60.12 of the Civil Air Regulations."

3. By adding a new definition to section 60.60 to read as follows:

"60.60. Definitions: * * *.

"Fight test: 'Flight test' means the operation of aircraft in flight for the purpose of testing, observing, or measuring the performance of an aircraft, airframe, powerplant, or propeller after its manufacture or major alteration (as defined in part 18), except for takeoff, landing and operation to and from the area authorized for such flight tests."

(Sec. 205 (a), 52 Stat. 984; 49 U. S. C. 425 (a). Interpret or apply secs. 601, 1005, 52 Stat. 1007, 1023, as amended; 49 U. S. C. 551,

645, and sec. 4 (a), 60 Stat. 238; 5 U. S. C. 10003 (a).)

By the Civil Aeronautics Board,

M. C. MULLIGAN,
Secretary.

Mr. KUCHEL. Mr. President, I wish to make only one point. In the comments relative to the new regulation which has been adopted, the Civil Aeronautics Board went on to say, with respect to the air-test regulation, "Military aircraft, however, are not subject to these specific limitations."

Mr. President, I object to that qualification. If that qualification results in an inability presently on the part of the Civil Aeronautics Board to remedy the situation, then I suggest that the Congress has the responsibility to fasten on somebody—and I think it should be the Civil Aeronautics Board—the responsibility to control the air above the American continent with respect to all types of aircraft, military and civilian.

REPORT BY TVA ON THREAT OF DISASTROUS FLOOD IN TENNESSEE VALLEY

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD a report which I have obtained from the Tennessee Valley Authority with respect to the handling of the threat of a disastrous flood in the Tennessee Valley.

Mr. President, such a flood did not occur because the great Tennessee River is a controlled river. Its rushing waters are made to serve man rather than to destroy the fruits of his labors.

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

A flood crest of about 52 feet with damages in the order of $50 million would now be occurring at Chattanooga as a result of the storms which have swept across the Tennessee Valley since January 21, without the regulation which has been provided by the TVA flood-control system. Much of the main business section of Chattanooga would be under several feet of water.

Independent preliminary evaluations by the local United States Weather Bureau River Forecasting Unit and the TVA water-control engineers reveal that the Tennessee River would have exceeded the 30-foot flood stage at Chattanooga by about 22 feet without the control accomplished by the TVA system. Saturday the actual river stage at Chattanooga was 32.2 feet.

Reed A. Elliot, TVA's chief water-control engineer, pointed out that current estimates on both the maximum natural flood stage and damage averted are preliminary and that final computations cannot be made until more complete flood data has been collected and analyzed.

He also warned that all current figures are based on precipitation received through noon Saturday, and that additional heavy rainfall could result in marked revision of both the present estimates and existing flood conditions.

A flood crest of 52 feet at Chattanooga, which the city would now be experiencing if the river were uncontrolled, would have been the highest at that point on the Tennessee since 1833, and the fourth highest of record. The flood of record at Chattanooga occurred in 1867, when the river crested at 57.9 feet. In 1875 it reached 53.8 and in 1883, 52.2 feet, about the same height the present flood would have reached had it not been controlled.

The estimate of $50 million damages averted at Chattanooga is based on the 1953 property values, and includes only those areas which would have been inundated within the city limits. In all past floods in the 20 years since the TVA system has been in operation, property damage averted at Chattanooga has totaled $53.5 million.

In addition to the protection provided Chattanooga, considerable damage and dislocation is being averted elsewhere in the valley by the operation of the TVA system during the current flood period.

Without the flood storage provided by Norris Dam, the Clinch River at and below Clinton would have exceeded the flood stage by about 10 feet, with resulting damage of approximately a quarter of a million dollars in and around the Anderson County seat.

Reduction of the flood stage on the Clinch also kept water from reaching the AEC's K–25 operations area at Oak Ridge and from topping the floor of the main pumping station there.

Tributary storage also averted some damage at Kingsport. Although no great damage would have resulted from an uncontrolled flow at that city, it would have inundated practically all of Long Island below the old highway crossing.

Mr. Elliot pointed out that under natural conditions the calculated 52-foot crest at Chattanooga would not have been experienced until Sunday or Monday. Instead, the floodwaters are now being moved downstream past Chattanooga at a rather steady controlled rate which, barring further rainfall, can be expected to decline gradually as the water which has been impounded is released to provide storage space for possible subsequent floods.

TVA's flood control machinery went into action immediately when the early stages of the storm struck the northern and western sections of the valley on January 21. The rains at that time and in the succeeding days caused some headwater flooding in the upper reaches of the valley. The same storms were responsible for the flood conditions which developed on the upper Cumberland tributaries in Kentucky and on streams in West Virginia and Virginia.

In its later stages the storm struck in the southern and central portions of the valley, dropping water on and around the upper mainstream of the Tennessee, and in this way adding to the threat to Chattanooga. TVA's tributary reservoirs, at scheduled low levels for flood storage purposes, immediately started impounding the runoff from the tributaries, and except for some releases for the generation of power have stored all the runoff from rainfall in their drainage throughout the storm.

As a result the levels of the tributary reservoirs have gone up rapidly, and many of them are at the present time above the level desired at this time of year in order to have maximum storage available to control floods from future rainfall.

Levels of the major tributaries as of January 20 and February 2 are:

Reservoir	Elevation, Jan. 20	Elevation, Feb. 2
South Holston	1,679.3	1,708.9
Watauga	1,910.2	1,925.4
Boone	1,353.4	1,370.6
Cherokee	996.4	1,033.9
Douglas	921.8	967.6
Fontana	1,575.6	1,622.5
Norris	965.6	997.2
Chatuge	1,899.8	1,905.8
Nottely	1,725.2	1,740.0
Hiwassee	1,431.3	1,479.1

While the tributary reservoirs were storing water from their drainage basins, TVA water control engineers were scheduling the discharge of water through the mainstream dams in such a way as to move the maximum amount of water on downstream before a crest reached Chattanooga, and, at the same time retain whatever storage capacity could be kept in the mainstream reservoirs above Chattanooga for the purpose of holding back water and reducing the crest.

Because this storm developed early in the flood season there is still danger until late March or early April of additional flood-producing storms. The danger to Chattanooga will not be past until the reservoir system is restored to its seasonal balance in accord with planned operations, Elliot stated. The restoration of this balance will involve continuation of the movement of water from the recent storm through the mainstream dams, and the lowering of the tributaries, on a scheduled basis, to the desired levels for this time of year.

The schedule for this operation will depend, to a large extent, upon any rainfall which may develop in the near future.

1956 CAMPAIGN EXPENDITURES

Mr. MORSE. Mr. President, before the distinguished Senator from Tennessee [Mr. GORE] leaves the floor, I want to commend him for the monumental work he has done as chairman of the subcommittee that has presented to the Senate the voluminous report on campaign financing in the 1956 campaign. At a later date I intend to discuss that matter on the floor of the Senate, because I think the report is of such significance to the welfare of good government that it is deserving of considerable discussion.

I was very much interested in some of the comments made in the Senate this afternoon to the effect that if a man or woman belongs to a labor union and devotes some of his time to good citizenship in getting out the vote, and getting people registered, he thereby engages in some form of conduct which would subject him to criticism, or engages in improper conduct.

Mr. President, the League of Women Voters does the same thing. Church groups do the same thing. The junior chambers of commerce do the same thing. The senior chambers of commerce do the same thing. Members of the business fraternity do it. And all to the good.

I certainly hope the time will never come when in the minds of some people, those who wear overalls should be disfranchised, and I hope we have not reached such a point that, because some reactionary political machines do not relish the idea that they have lost the labor vote, they must do what they can to hamper the exercise of good citizenship on the part of the workers of this country.

I wish to say I think the Senator from Tennessee has submitted a report which, as he has indicated, will serve us in good stead when the time comes to write legislation to bring about cleaner elections.

The Senator from Tennessee, and my colleague [Mr. NEUBERGER] who is now in the chair, knows I have said the Corrupt Practices Act is one of the causes for corruption in American politics. It does not prevent corruption, but, in my judgment, in a variety of ways, it encourages corruption in American politics. The act needs to be redrafted in line with amendments I have offered

from time to time during my 12 years in the Senate. I make no further comment on the question tonight other than to say I think the Senator from Tennessee is deserving of the highest commendation for the great service he has rendered to the Senate and the American people in his report to the Senate.

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

Mr. MORSE. I yield briefly.

Mr. GORE. I thank the Senator very sincerely. I assure him that it has been a diligent job. I wish also to call to his attention the fact that it has been far from a pleasant job.

AMENDMENTS TO FAIR LABOR STANDARDS ACT

Mr. MORSE. Mr. President, I have a series of bills to introduce and comments to place in the RECORD, and I shall do it in a very few moments. I have waited all afternoon to make this presentation. I would not take the time now except that the material has been in the press gallery all afternoon, and I certainly have an obligation to the press, some of whose members may have already sent out stories on some phases of this material, to see to it that it is officially introduced into the RECORD.

Mr. President, on behalf of myself and the Senator from Montana [Mr. MURRAY] I introduce a bill calling for certain amendments to the Fair Labor Standards Act in relation to large retail establishments whose activities affect interstate commerce, and for other purposes. I ask unanimous consent to have the bill printed in the RECORD at this point as a part of my remarks.

There being no objection, the bill (S. 1135) to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes, introduced by Mr. MORSE, for himself and Mr. MURRAY, was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

S. 1135

A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large retail establishments whose activities affect interstate commerce, and for other purposes

Be it enacted, etc., That this act may be cited as the "Retail Establishment Amendments of 1957 to the Fair Labor Standards Act of 1938, as amended."

FINDING AND DECLARATION OF POLICY

SEC. 2. Section 2 of the Fair Labor Standards Act of 1938, as amended (hereinafter referred to as the "act"), is amended by adding the following new subsection 2 (c) at the end thereof:

"(c) The findings and declaration of policy as set forth above in this section shall also be applicable to the retailing industry whose establishments engage in any activity affecting commerce."

DEFINITIONS

SEC. 3. Section 3 of such act is amended by adding at the end thereof the following:

"(p) 'Activity affecting commerce' includes any activity in commerce necessary to commerce or competing with any activity in commerce or where the payment of wages at rates below those prescribed by this act would burden or obstruct or tend to burden or obstruct commerce or the free flow of commerce."

SPECIAL INDUSTRY COMMITTEES FOR PUERTO RICO AND THE VIRGIN ISLANDS

SEC. 4. Section 5 (a) of such act is amended by adding, after the words ", or in Puerto Rico and the Virgin Islands, engaged in commerce or in the production of goods for commerce," and after the words "or in the production of goods for commerce in particular industries", the following: "or employed in or about or in connection with any enterprise where an employer, having one or more retail establishments with a total annual volume of sales of more than $500,000 from all such establishments combined is engaged in any activity affecting commerce."

MINIMUM WAGES

SEC. 5. (a) That part of section 6 of such act, which immediately precedes subparagraph (1) of such section, is amended to read as follows:

"SEC. 6. (a) Every employer shall pay to each of his employees who is engaged in commerce or in the production of goods for commerce, and every employer who is engaged in any activity affecting commerce and who has one or more retail establishments with a total annual volume of sales of more than $500,000 from all such establishments combined shall pay to each of his employees employed in or about or in connection with any enterprise where he is so engaged, wages at the following rates:".

(b) Section 6 (a) (3) of such act is amended by adding at the end thereof, the following sentence:

"The provisions of the Retail Establishment Amendments of 1957 to the Fair Labor Standards Act of 1938, as amended, shall be applicable to American Samoa."

(c) Section 6 (c) of such act is amended by adding after the words "in the production of goods for commerce" the following: ", or employed in or about or in connection with any enterprise where an employer, having one or more retail establishments with a total annual volume of sales of more than $500,000 from all such establishments combined, is engaged in any activity affecting commerce,".

MAXIMUM HOURS

SEC. 6. Section 7 (a) of such act is amended to read as follows:

"(a) Except as otherwise provided in this section, and in section 13 (e) of this act, no employer shall employ any of his employees who is engaged in commerce or in the production of goods for commerce, and no employer who is engaged in any activity affecting commerce and who has one or more establishments with a total annual volume of sales of more than $500,000 from all such establishments combined shall employ any of his employees employed in or about or in connection with any enterprise where he is so hours, or in a workweek longer than 40 hours, or in a workday longer than 8 hours, unless such employee receives compensation for his employment in excess of the hours above specified at a rate not less than 1½ times the regular rate at which he is so employed."

WAGE ORDERS IN PUERTO RICO, THE VIRGIN ISLANDS, AND AMERICAN SAMOA

SEC. 7. Section 8 (a) is amended as follows:

Add after the words "in each such industry." at the end of the first sentence thereof, the following:

"The policy as expressed herein shall also be applicable to the retailing industry in Puerto Rico, the Virgin Islands, and American Samoa, whose establishments engage in any activity affecting commerce."; and by adding after the words "each fiscal year." at the end of said section 8 (a), the following:

"The provisions of this section shall also be applicable to any employer in Puerto Rico, or the Virgin Islands, or in Puerto Rico and the Virgin Islands, or in American Samoa, engaged in any activity affecting commerce and having one or more retail establishments with a total annual volume of sales of more than $500,000 from all such establishments combined."

CHILD LABOR

SEC. 8. Section 12 (c) of such act is amended to read as follows:

"(c) No employer shall employ any oppressive child labor in commerce or in the production of goods for commerce and no employer who is engaged in any activity affecting commerce and who has one or more retail establishments with a total annual volume of sales of more than $500,000 from all such establishments combined shall employ any oppressive child labor in or about any establishment where he is so engaged."

EXEMPTIONS

SEC. 9. Sections 13 (a) (1) and 14 (a) (2) and 13 (a) (4) of such act are amended and section 13 (a) (3) is re-enacted to read as follows:

"SEC. 13. (a) The provisions of sections 6 and 7 shall not apply with respect to (1) any employee employed in a bona fide executive, administrative, or professional capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Administrator); or (2) any employee employed in any retail establishment by an employer with one or more retail establishments and having from all such establishments combined a total annual volume of sales of not more than $500,000, or any employee employed by any service establishment, more than 50 percent of which service establishment's annual dollar volume of sales is made within the State in which the service establishment is located. An 'employer with one or more retail establishments' or a 'service establishment' shall mean respectively an employer or establishment 75 percent of whose annual dollar volume of sales of goods or services (or of both) is not for resale and is recognized as retail sales or services in the particular industry; or (3) any employee employed by an establishment engaged in laundering, cleaning or repairing clothing, or fabrics, more than 50 percent of which establishment's annual dollar volume of sales of such services is made within the State in which the establishment is located: *Provided*, that 75 percent of such establishment's annual dollar volume of sales of such services is made to customers who are not engaged in a mining, manufacturing, transportation, or communications business; or (4) any employee employed by a retail establishment of an employer which qualifies as an exempt employer with one or more retail establishments under clause (2) of this subsection and is recognized as a retail establishment in the particular industry not withstanding that such establishment makes or processes at the retail establishment the goods that it sells: *Provided*, that more than 85 percent of such establishment's annual dollar volume of sales of goods so made or processed is made within the State in which the establishment is located; or"

PROHIBITED ACTS: PRIMA FACIE EVIDENCE

SEC. 10. Section 15 of such act is amended by adding at the end thereof a new subsection (c), as follows:

"(c). The provisions of this section shall be applicable to the retailing industry whose establishments engage in any activity affecting commerce."

EFFECTIVE DATE

SEC. 11. The amendments made by this act shall take effect upon the expiration of 120 days from the date of its enactment.

TIMBER ACCESS ROADS—THE KEY TO WISE FOREST MANAGEMENT

Mr. MORSE. Mr. President, I now turn to the introduction of one of the most important major pieces of legislation I shall introduce in this session of the Congress, a bill dealing with timber access roads. In my judgment, timber access roads are the key to wise forest management. Were I to give a title to the speech which I am about to make a part of the CONGRESSIONAL RECORD it would be "Timber Access Roads—the Key to Wise Forest Management."

On behalf of myself, my junior colleague [Mr. NEUBERGER], the senior Senator from Washington [Mr. MAGNUSON], the junior Senator from Washington [Mr. JACKSON], the senior Senator from Montana [Mr. MURRAY], and the junior Senator from Montana [Mr. MANSFIELD], I introduce a bill to authorize the appropriation of funds for carrying out provisions of section 23 of the Federal Highway Act, to enable the Secretary of Agriculture to construct and maintain timber access roads, to permit maximum economy in harvesting national forest timber, and for other purposes, and I ask to have the bill itself printed in the RECORD at this point as a part of my remarks.

The bill (S. 1136) to authorize the appropriation of funds for carrying out provisions of section 23 of the Federal Highway Act, to enable the Secretary of Agriculture to construct and maintain timber access roads, to permit maximum economy in harvesting national forest timber, and for other purposes, introduced by Mr. MORSE, for himself and other Senators, was received, read twice by its title, referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, for the purpose of carrying out the provisions of section 23 of the Federal Highway Act (42 Stat. 218), as amended and supplemented, there are hereby authorized to be appropriated for forest development roads and trails, including timber access roads to and on the national forests in locations and according to specifications which will permit maximum economy in harvesting timber from national forest lands tributary to such roads, the following sums: $32 million for the fiscal year ending June 30, 1958; $36 million for the fiscal year ending June 30, 1959; $42 million for the fiscal year ending June 30, 1960; $50 million for each of the subsequent 9 fiscal years; and such sums as may be needed for each fiscal year thereafter.

SEC. 2. (a) The Secretary of Agriculture (hereinafter called the Secretary) is authorized to provide for the construction of timber access roads to and on the national forests in locations and according to specifications which will permit maximum economy in harvesting timber from national forest lands tributary to such roads, either (1) directly with appropriated funds, and in such case such roads shall be designed to meet the requirements for development and management of other national forest resources in addition to timber; (2) where desirable, by requirements of purchasers in contracts for the sale of timber from such lands and with reasonable allowance therefor in determining the fair market value of such timber; or (3) where desirable, by cooperation with public or private agencies or persons. In fixing the allowance under clause (2) above, an amount which shall not exceed the estimated cost of the construction shall be stated in the advertisement of the timber and shall be set forth in the timber sale contract.

(b) An advisory public hearing shall be held with respect to any proposed construction or reconstruction of a timber-access road at a place convenient or adjacent to the area of construction or reconstruction with notice and reasonable opportunity for interested persons to present their views as to the practicability and feasibility of such construction or reconstruction.

(c) The Secretary is authorized in the construction of timber-access roads to cooperate with owners of or persons hauling timber from other lands and if the cooperator contributes an equitable share of the cost of construction and maintenance of such roads, as determined by the Secretary, he may be permitted to haul timber over such roads under conditions the Secretary may prescribe. Any moneys deposited under any such agreement shall be covered into the Treasury and shall constitute a special fund which is hereby made available until expended for the construction and maintenance of such roads: *Provided*, That any portion of such deposits in excess of the amount found due shall be refunded to the depositor.

(d) Except as authorized in section 2 (c), products from nonfederally owned lands may be hauled over access roads only if (1) the quantity of products hauled is minor and the Secretary has determined that the interests of the United States require no payment or deposit; or (2) the payment is made of an equitable fee to be determined by the Secretary, after consideration of the amount necessary to amortize the portion of construction costs allocable to the non-Federal timber tributary to the particular road, which fee will be covered into the Treasury as a miscellaneous receipt, and a deposit is made to cover the estimated cost of that part of the maintenance of the road occasioned by such hauling. Such deposits shall be covered into the Treasury and shall constitute a special fund which is hereby made available until expended to cover the cost to the United States of performing the work specified. Any portion of such deposits found to be in excess of the cost of doing the work specified shall, upon determination that it is so in excess, be transferred to miscellaneous receipts.

(e) Deposits received for a number of similar types of work on adjacent or overlapping areas, or on areas which in the aggregate are determined to cover a single work unit, may be expended on such combined areas for the purposes for which deposited and if refunds to depositors of excess deposits are provided for such refunds shall be made on a proportionate basis. Where the only practicable and efficient manner of performing such specified work involves an intermingling of other work making it impracticable to keep separate costs on the work herein described an estimate based on a cost analysis of the particular type of work may be used to determine the cost to the United States of performing such work.

(f) In order to provide access to and across private lands and exchange of hauling rights, the Secretary is authorized to grant easements to, or enter into leases or permit agreements for definite periods of years with, owners of private property in the vicinity of national forests for rights-of-way for roads and bridges across the national forests; but such rights-of-way shall not include any more land than is reasonably necessary for the purpose thereof, and all or any part of such rights-of-way may be terminated by the Secretary for failure to comply with the terms and conditions of the easement, lease, or permit or for nonuse or abandonment.

(g) No agreement under section 2 (f) in connection with which purchasers of national forest timber will be required to pay to private landowners a fee for the use, or contribute to the maintenance, of the road shall be entered into until an advisory public hearing has been held at a place convenient or adjacent to the area of the road, with notice and reasonable opportunity for interested persons to present their views as to the necessity and reasonableness of such fees or contributions.

SEC. 3. Timber access roads are defined for purposes of the preceding sections as roads and bridges primarily for use in utilizing timber from national forests but which may be made available for utilizing other timber or for other purposes.

SEC. 4. (a) There are hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, sums not in excess of $3,000,000 for the purpose of establishing a revolving fund which may be utilized by the Secretary of the Interior, under such rules and regulations as he may prescribe, for constructing, improving, and maintaining roads and bridges to provide access to timber situated on Indian reservations; if Government aid for such purposes is not otherwise available under the Federal Highway Act, as amended and supplemented. Such revolving fund shall be reimbursed for amounts expended therefrom for the construction, improvement, or maintenance of any such road or bridge on any Indian reservation from the proceeds from the sale of timber from such reservation, and no moneys shall be expended from such fund for such purposes unless such reimbursement has been consented to by the affected Indian tribes and/or individuals on such terms and over such period of time as may be mutually agreed upon by the Secretary of the Interior and such tribes or individuals.

(b) A report shall be made annually by the Secretary of the Interior to the Congress setting forth operations under this section and the status of the fund established pursuant thereto.

Mr. MORSE. Mr. President, timber is one of the most important resources of the Pacific Northwest. It constitutes a crop that should be developed and harvested wisely for the people of our generation and for those who follow us.

The United States Government owns great forests, not only in my own State of Oregon, but throughout the Nation. The access roads within these forests serve to protect, develop, and harvest magnificent stands of timber, some of which have never been logged.

In order that these access roads may be constructed and improved and the forests thereby developed as a good businessman would manage a going concern, I am today introducing an access-roads bill which will pay handsome dividends to the people of the United States for years to come.

The financial provisions of this bill implement a sound rate of construction for timber-access roads. The substantive provisions give the Secretary of Agriculture adequate authority to enter into the many types of agreements needed to develop sound access to both public and private timber.

In the 84th Congress I introduced a somewhat similar bill, S. 3420. Inasmuch as the remarks I made when I introduced S. 3420 are applicable to the bill I am now introducing, I consider it unnecessary to repeat my earlier remarks.

I do, however, wish to call attention to some matters of interest which occurred near the close of the last session.

THE BUREAU OF THE BUDGET—THE ROADBLOCK TO FOREST ACCESS

First, it will be enlightening to have in the RECORD a letter from the Bureau of the Budget to Senator CHAVEZ, chairman of the Senate Public Works Committee, which demonstrates how little the Bureau understood last year's counterpart of this bill.

Mr. President, I ask unanimous consent that there be inserted at this point in my remarks a letter dated July 23, 1956, addressed to Senator CHAVEZ, by Robert E. Merriam, Assistant to the Director of the Bureau of the Budget.

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

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., July 23, 1956.

Hon. DENNIS CHAVEZ,
Chairman, Committee on Public Works,
United States Senate,
Washington, D. C.

MY DEAR MR. CHAIRMAN: Reference is made to your request for the views of the Bureau of the Budget with respect to S. 3420, "To authorize the appropriation of funds for carrying out provisions of section 23 of the Federal Highway Act, to enable the Secretary of Agriculture to construct and maintain timber access roads, to permit maximum economy in harvesting national forest timber, and for other purposes."

S. 3420 would authorize appropriations for forest-development roads and trails to and on national forests for the purpose of carrying out the provisions of section 23 of the Federal Highway Act (42 Stat. 218). The bill would also authorize the establishment of a revolving fund to be utilized by the Secretary of the Interior to provide access to timber on Indian lands if Government aid is not otherwise available under the Federal Highway Act, as amended and supplemented. This fund would be reimbursed from sale of timber from Indian lands.

The Federal-Aid Highway Act of 1956, Public Law 627, authorizes the appropriation of $27 million annually for forest-development roads and trails and $12 million annually for roads and bridges on and to provide access to Indian reservations for the fiscal years 1958 and 1959. These amounts are larger than those authorized for fiscal years 1956 and 1957 by the Federal-Aid Highway Act of 1954. The $12 million authorization for Indian reservations may be used for access to timber on Indian lands.

The Bureau of the Budget believes that recent enactment of Public Law 627 has made unnecessary the enactment of S. 3420.

Sincerely yours,

ROBERT E. MERRIAM,
Assistant to the Director.

Mr. MORSE. The Budget Office said that the purposes of the bill had been met by the Highway Bill of the 84th Congress. The reply Senator GORE sent to the Budget Director effectively disposed of that suggestion. I ask unanimous consent that Senator GORE's letter of September 11, 1956, be inserted at this point in my remarks.

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

Hon. PERCIVAL F. BRUNDAGE,
Director, Bureau of the Budget,
Washington, D. C.

DEAR MR. BRUNDAGE: Your letter of July 23, 1956 to the Chairman of the Public Works Committee on S. 3420 has been referred to me as Chairman of the Public Roads Subcommittee.

This bill had two objectives, only one of which was partially met by Public Law 627. First, the bill proposed an amendment to Section 23 of the Federal Highway Act as it related to the level of authorization. Of equal importance are the substantive legislative provisions which are designed to provide the Forest Service with the tools it needs for modern intensive forest management, making extensive use of cooperative efforts.

I am informed that a bill in substantially the same form as S. 3420 will be reintroduced in the 85th Congress, and it is my desire that early hearings be held to develop both a substantive legislative approach and a level of authorization adequate to meet the challenge of forest management goals.

Public Law 627 was designed to meet broad highway objectives. These were so significant and time-consuming that it was not possible to fit into the work of the Committee adequate time to review thoroughly the forest road program envisaged by S. 3420. Such an opportunity will be afforded next year.

I am delighted to have your opinion that portions of the Bureau of Indian Affairs' authorization can be used on Indian Reservations for timber access roads. It was my previous understanding that Bureau of Indian Affairs officials did not understand this to be the case.

I should like to request that you have an appropriate review made of road needs in our National Forests, and that a thorough study be made of substantive provisions of S. 3420, so that a prompt report may be received when a similar bill is introduced in the 85th Congress.

Sincerely yours,

ALBERT GORE,
Chairman, Public Roads Subcommittee.

Mr. MORSE. The Senator from Tennessee is to be complimented for the awareness demonstrated by this letter. He has again shown that this administration cannot fool him. It would seem to me that the administration would be extremely careful in making statements that are apt to be scrutinized by one of the leaders of the memorable fight against the amazing Dixon-Yates proposal and the administration's atomic energy giveaway.

When I introduced the timber access road bill last year, the administration delayed in supplying comments on the bill. When the comments finally arrived, they demonstrated an alarming lack of understanding of the purposes of the access road bill.

What surprises me most is that the adminstration failed to recognize that the derstanding of the purposes of the access roads bill were drawn from H. R. 7118, a bill introduced in the House on June 30, 1955, by former Congressman Hope. The CONGRESSIONAL RECORD, volume 101, part 7, page 9683, shows that the Hope bill was introduced after the Comptroller General had reported to the Congress on problems of national forest administration.

A NETWORK OF ACCESS ROADS IN THE NATIONAL INTEREST

The bill I am introducing here today will provide for a modern network of vitally needed access roads into our national forests—a network that will bring about maximum use and conservation of this priceless national asset.

The Chief of the Forest Service has told the Congress that millions of board-feet of timber lack full management and stand rotting on the stump because of insufficient roads. This is an appalling disclosure.

Western communities dependent on timber are adversely affected because these roads are not in. Their maximum economic development awaits the coming of the roads.

Wood—essential to national defense if we must again protect our Democracy from aggression—will be in short supply unless these roads are available for use. Our western national forests contain the greatest part of the high quality old growth timber—and this timber is a vital part of our defense stockpile.

CONGRESS TAKES THE INITIATIVE ON ROAD AUTHORIZATION

For 1953 and 1954 the Congress of its own accord raised the authorization for timber access roads in our national forests to $22.5 million. For 1955–56 the Congress raised the authorization to $24 million. Just last year the administration testified that the authorization should not be raised, but the Congress raised the authorization to $27 million for 1957 and 1958. These increases have enabled the program to move ahead, but at a rate that is not abreast of the times. Unfortunately, a large part of the money has been needed just to keep pace with the higher cost of roads. The present program level is totally inadequate.

It should be thoroughly appreciated by all that the funds the Forest Service receives for roads are spread among many programs. These funds are used to maintain the important roads needed for fire protection and public use, to replace the badly worn bridges and culverts (and I might say that this is a problem of increasing cost), to provide engineering services for roads constructed by timber purchasers and finally for new construction. In addition, this new construction involves roads for protection and general public use as well as timber access roads. When we think of a level of authorization we must remember the way these funds must be spread.

The timber access road program has moved ahead, but by too great reliance on roads built under timber contracts. This is costing the taxpayers money. This is decreasing revenues and it is reducing the ability of all firms to secure Federal timber on a true competitive basis.

Our cut of national forest timber is climbing. At present it is 7 billion board-feet a year. The present goal is 10 billion board-feet. The Chief of the Forest Service says, in his most recent annual report, that one-third—imagine—one-third—of the allowable cut cannot be made due to inaccessibility, lack of personnel, and other factors. His report shows that in 1955 only 529 miles of timber access roads were built by appropriated funds while 1,632 miles were completed under timber sale contracts. Seventy percent of our access roads are built by timber sale purchases. I feel that the proportion should not exceed 50 percent. The Chief of the Forest Service estimates that at least 30,000 miles of new roads are needed for timber access.

Our forests must be developed and it takes 500 miles of road a year to open up

each billion board-feet of timber harvested. This rate will be necessary until we open up and place under management the vast areas of untapped timber. My bill proposes to do this in 10 years. If we continue with the administration's program it will take over 20 years, and we will continue to lose potential wood for use and revenue for the Treasury.

A 10 billion board-foot annual cut will require 5,000 miles of new road a year. Current estimates show that these roads cost from $7,500 to $75,000 a mile with the average at $20,000 a mile. This bill would step up the cut to 10 billion board-feet in 4 years. It would raise the authorization by reasonable steps to $50 million a year. At a road cost of $20,000 a mile this bill would provide that one-half of the 5,000 miles needed annually for the next 10 years be constructed by appropriated funds. Construction with appropriated funds would increase these roads by 2,000 miles a year and construction by timber purchasers would add another 1,000 miles a year. These roads would not induce overcutting. Rather, they would enable us to step up the cut under sound principles of forest development. We are not getting such development today. We will not get it unless we greatly expand our access road program.

The program outlined in my bill would enable the national forests to reach their full allowable cut in a manner so as to bring in the maximum return to the Treasury.

ROAD CONSTRUCTION AND USE AGREEMENTS

Section 2 of the bill sets forth authority for the Secretary of Agriculture to construct roads by entering into road construction and use agreements, by charging the necessary fees, and by granting easement leases and permits and further it provides for adequate public hearings on projects where this is desirable. My bill does not in any way disturb the right of actual settlers to get to and from their farms and ranches as provided by the 1897 act.

This bill provides for more than sound management. It insures that all segments of the lumber industry dependent upon national forest timber will not starve in the midst of plenty. These roads can provide the means for better fire protection and disease control. They can make possible more opportunities for hunters, the fishermen, and the campers to enjoy our forests.

This bill also gives the people another chance to decide who leads in conservation, who merely follows, and who obstructs the wise use and development of the Nation's natural resources.

IMPROVING THE INDIAN TIMBER PROGRAM

Section 4 of my bill deserves a few brief remarks. Its language proposes setting up a revolving fund to finance roads to Indian timber. The administration says that the Federal Highway Act suffices. I disagree. We have not always appropriated enough money for the Indian programs. When an access road is built to the Indians' timber, it should insofar as possible be paid for by the Indians who own the timber. In the case of the national forest, Federal money appropriated for timber access roads comes back to the taxpayers many fold. In the case of Indians, they are the beneficiaries. I believe our Indians are entitled to fair treatment in the sale of their timber. It is only right that Indian timber should ultimately finance the roads that develop timber revenue. However, where the road is a multiple-use road with broad public benefits, Federal Highway Act funds should be used. That is what my bill calls for on this subject. It is a sound businesslike approach.

Section 4 of this bill provides for loans to the Indians so that they can develop their timber and get the best possible price instead of being forced to make large sales at reduced prices.

URGES BUDGET DIRECTOR TO STUDY PROBLEM

I close with the fervent hope that this year the Budget Director will really analyze the bill before he reports on it. I also hope that he looks at the fiscal aspects and takes cognizance of the principle that has made our Nation so great, namely, we must invest some capital before we can earn dividends.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement which I made before the Subcommittee on Interior and Related Agencies of the House Appropriations Committee on February 4, 1957, together with the exhibits which I introduced at that hearing.

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

STATEMENT OF SENATOR WAYNE MORSE BEFORE THE SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES OF THE HOUSE APPROPRIATIONS COMMITTEE

BUDGET FOR FOREST SERVICE AND BUREAU OF LAND MANAGEMENT

Chairman KIRWAN and members of the subcommittee, I wish to thank you for extending me the courtesy of testifying before the subcommittee on the budget of the Forest Service and the Bureau of Land Management.

I had hoped to be able to introduce to you two new colleagues from Oregon—Congressman CHARLES PORTER of Eugene, representing the Fourth District, and AL ULLMAN, representing the Second District. These men bring to Congress a very broad knowledge of Oregon's resource problems and a great fund of local experience. We were unable to get our schedules together, and I just want to take this opportunity to mention that they plan to testify later today.

With one exception, which I shall discuss with respect to the Forest Service budget, it is my opinion these are far better budgets than last year's. For the first time they give reasonably proper recognition to the real contribution our public forests make to the Nation's economy.

The Congress has shown a fine understanding of our conservation problems by its action in increasing executive budgets for forestry and this has been of great help. I don't look upon this year's budget as containing increases. Rather, it is an effort to make up for past deficiencies.

Before I came over here, I looked over the recommendations I made last year and I am greatly pleased to find that all but one is recognized by this budget.

The Forest Service

In particular, I want to endorse "Operation Outdoors" under which the Forest Service plans to rehabilitate and expand its recreational facilities which serve 45 million Americans each year. We have pressing problems in the bad conditions of recreational areas in my State. Mount Hood Lodge and Lost Lake Camp on the Mount Hood Forest need special consideration just to name two situations that the folks back home have discussed in some detail with me.

In fiscal year 1956 Oregon's 18 national forests brought almost $38 million into the Treasury. I do not have the fiscal 1956 expenditure figures, but I do have the 1957 estimates which are comparable. The Forest Service spent about $12 million to develop this $38 million in revenue. Of the gross profit of $26 million, about $1 million is put into research and State and private forestry programs and $9.4 million goes toward payments in lieu of taxes, leaving a net of $15.6 million in the Treasury. Of course, you appreciate that all of the income goes into the Treasury and the above figures are merely used to demonstrate that Oregon's national forests are on a paying basis. In fact, no other State matches Oregon's national forests record for profitable operation. Oregon's return of $15.6 million over and above all expenses to the Treasury is a real accomplishment, and I want to say our foresters can do even better if they are given the tools.

Last year the Congress authorized $27 million for timber access roads under the Federal Highway Act. This, with the 10 percent fund, provides a total of $38,848,000 for roads and trail construction and maintenance. The Forest Service budget only calls for $36,184,000, which is $2,664,000 less than could be made available under the existing authorization. Through the lack of funds to construct timber access roads, the Government is losing millions of dollars. Let me just give you a few figures which demonstrate this. The BLM specializes in sales under 10 million board-feet and the Senate Interior Committee in its report on Federal timber sales policies notes on page 247 that 89 percent of its sales attracted more than one bidder and sold at an average price 76 percent above the appraisal price. For their few sales over 10 million board-feet, competition was less and they get only 56 percent more than their appraisal price.

On page 251, this report shows that Forest Service sales in the Willamette National Forest over 10 million board-feet in size commanded only 13 percent above the appraisal price. On page 258 the committee summarized large sales on a regionwide basis and again showed that as sales size went up the percentage of volume selling in one-bid sales rose to 100 percent, while bidding increases fell off from 53 percent above appraisal price for sales between 10 and 25 million board-feet then to 39 percent for sales up to 50 million board-feet, and finally to absolutely no increase, for sales over 50 million board-feet. The bigger the sale the less competition, and these big sales occur mainly when there are high cost roads to construct. If we furnish funds for roads this picture will change.

At this point I would like to insert in the record the annual report of the Willamette National Forest which is headquartered in my home town. Look at this fine financial record. Operating expenses were $852,524 and payments to local government were $2,309,257 for total annual expenses of $3,161,781. Receipts were $13,287,139 and the net income before expenses for investment purposes was $10,125,358. An additional $4,436,340 was invested, mainly in roads built

by timber purchasers, and there is a real net profit to the Treasury of $5,689,018. This 1,645,000-acre forest sold 377 million board-feet of timber last year and it could do better if it had more access roads.

Your attention is directed particularly to the statements on page 2 of this annual report under "Timber management." In the Lowell district mortality losses average 15 percent in the last 10-year period. The supervisor says: "If we had our road system in, such losses could be largely recovered; but without roads, a major part of this loss will rot away." He goes on to say: "At present we have no access road projects for the forest, although one is planned up Quartzville Creek in 1957." Gentlemen, I think the record on this forest is proof of the need for access roads.

"NINETEEN-FIFTY-SIX ANNUAL REPORT

"Every year the Willamette faces greater demands for its raw materials and services, such as timber to supply the industry that provides most of our jobs here in Oregon, campgrounds and forest recreation areas that go so far toward making Oregon a good place in which to live, pure and ample water supplies needed for recreation, domestic, industrial and power purposes. We expect these demands to keep right on increasing, and we want to do everything possible to meet them. We are sending you this report to tell you a little about what we are doing, what we plan to do, and what we think needs to be done to have the Williamette National Forest make the maximum contribution to the welfare and well-being of you, its stockholders.

"On behalf of my coworkers and myself, I want to express our appreciation again for your wonderful cooperation and support during the past year. We hope that you will visit the forest often, and if we can be of any assistance, please feel free to call on us.

"Best wishes for 1957 from the Willamette personnel.

"ROBERT AUFDERHEIDE,
"Forest Supervisor."

"General administration

"In addition to the normal management activities discussed in more detail in other sections of this report, the year 1956 brought us our share of special projects and problems.

"A good start was made in clearing for the flood control dams at Cougar and Hills Creek.

"After much debate and discussion, the voters of Eugene turned down the bond issue for construction of the Beaver Marsh project. In view of the power versus recreation values involved here, we undertook the preparation of a land management study of the upper McKenzie River area. This study will be completed this winter; and when finished, will be discussed with interested groups.

"A new contract was let by the Bureau of Public Roads for the Belknap Springs forest highway. The contract covers 4.5 miles from the South Santiam highway to Clear Lake. The grading contract from the McKenzie highway side was finished by the Halvorsen Construction Co., and the Bureau completed the location for the middle section.

"To get more on-the-ground supervision and to give the public better service, the McKenzie district was divided into two districts. An office and three new residences are under construction at Blue River for the new district. We are also constructing a new ranger office along the Willamette highway in Oakridge, just west of the Pope and Talbot mill.

"A land exchange was completed with the Bureau of Land Management to block up the intermingled O. and C. lands.

"Under mining legislation passed by Congress in 1955, the forest initiated action in the Little North Fork of the Santiam, Quartzville and Blue River areas to determine surface rights on mining claims. Under the procedure established by this legislation people who wish to retain surface rights on their claims must so certify. Those who do not so certify lose their surface rights. This procedure will clear up the status of abandoned claims, and will enable the forest to identify and locate those claims on which the claimant desires to retain surface rights.

"Timber management

"The forest has maintained its allowable cut permitted under present inventories since 1952.

"The Middle Fork Willamette, Hills Creek, Salt Creek, Salmon Creek, North Fork Willamette and McKenzie River drainages were reinventoried in 1956 in cooperation with the timber resource survey of Lane County by the Pacific Northwest Forest and Range Experiment Station. Fieldwork was also completed on the North Santiam drainage. Management plans will be revised as quickly as possible.

"The South Santiam drainage is the only drainage remaining in which the forest does not have a current inventory, and this job will be initiated in 1957.

"The reinventory and revision of timber management plan for the Lowell district (Fall Creek drainage) showed mortality losses averaging 15 percent during the last 10-year period. We think that we will find similar heavy volume losses in the working circles inventoried this year.

"If we had our road system in, such losses could largely be recovered; but without roads, a major part of this loss will rot away. As logging pushes back into the headwaters of the drainages, mature timber stands become more spotty because of past fire history, and here access road construction will be needed. At present we have no access road projects on the forest, although one is planned up Quartzville Creek in 1957.

"Here is the past year's timber business in brief: 390 million board-feet sold; 398 million board-feet cut; 490 million board-feet prepared for sale; $9,527,000, value of timber cut; 386, number of sales made; 1,-200,000 board-feet, average size of sale; 973,-300 acres reinventoried; 95 miles of road surveyed; 2 million trees planted; 4,000 acres planted; 102 miles of timber access road constructed through timber sale contracts; 3 miles of timber access road constructed with appropriated funds; 10 new bridges built, $2,800,000, value of roads and bridges built to develop timber resources; 4,000 acres of slash burned; 1,100 miles of existing road maintained.

"Recreation and wildlife

"The lakes, streams, mountains, trails, and campgrounds of the Willamette Forest this year were used by more than 95,000 campers, 95,000 fishermen, 5,500 hunters, 30,000 skiers, and 1,500,000 other visitors.

"This represents an increase in use of over 100 percent since the years immediately preceding World War II. We expect somewhere near this same rate of increase over the next 10-year period. Congressional appropriations have been inadequate for even annual maintenance of the existing campground facilities, and our increases in facilities to meet this expanding use have been negligible. However, there are encouraging indications that Congress will again increase appropriations for recreational use, and if they do we may gradually be able to rehabilitate existing facilities and develop badly needed new ones.

"Assistant Secretary of Agriculture E. L. Peterson visited the forest in August to look at the Three Sisters Wilderness area. No decision has been announced.

"On the basis of our limited experience with the land management study we have made on the upper McKenzie River, it appears highly desirable to extend similar land management studies over the entire forest. Such studies will give us rather accurate acreages for the various areas that are earmarked for preferential use—such as stream and roadside reservations. Correlation of such information with our timber management plans will improve their accuracy.

"Watershed management

"How much is it worth to the people of Oregon to have clean, clear water in their streams and to be free from disastrous floods in the wet season and water shortages in the dry season. No one knows in dollars and cents but we all know the value is tremendous. The Corps of Army Engineers are building flood control dams in the Willamette River Basin to control the major streams, but these alone aren't the final answer. We can't afford to build a dam on every stream, and we can't afford to reduce the useful life of the dams we can build through unnecessary siltation of the reservoirs. Overall watershed management must begin in the headwaters of each stream with good logging and road construction practices designed to keep dirt out of the streams and streamflow as near normal as possible throughout the year. Research is being carried on constantly at various places, including the H. J. Andrews Experimental Forest here on the Willamette, to determine how best to protect our water resources. Increasing care and attention is being paid road construction and logging to avoid and minimize siltation.

"Fire protection

"We could have headed this paragraph 'protection' alone, because the forest needs protection from insects, disease, floods, and other dangers, as well as from fire. These other threats we try to meet in the day-to-day work of timber management, and when occasionally something attacks, like the spruce budworm did several years ago, we have to make an all-out effort to defeat it. But the fire danger we have every year and the potential for damage is so terrific we have to be organized and prepared to cope with it on an annual basis. Since 1951, fire has pretty well been held in check, but no one can relax or become complacent because any summer day may give us the combination of circumstances that spell disaster.

"The 1956 fire record looks like this:

"Total acres burned	112
Number of fires	136
Man-caused	37
Lightning fires	99
Cost of fire fighting	$51,000

"Engineering and construction

"This year we have taken on the job of complete road survey and designing for most of the roads to be constructed by timber-sale purchasers. We do this to provide a firmer base for appraisals and to remove some of the bidder's uncertainty as to costs. It has the further advantage of allowing the timber-sale purchaser to start road construction almost immediately after he buys the timber, since the survey is complete. Finally, we believe we can do a better job of protecting watershed values.

"The year's engineering accomplishments are, 95 miles of road surveyed for design by us; 15 miles of road located for design by timber purchasers; 3 miles of road constructed by contract; 10 bridges built through contract; 7 buildings constructed; 102 miles of road construction by timber purchasers supervised; 15 major culvert installations supervised (culverts furnished by the Forest Service); 400 miles of road maintenance by purchasers supervised; 700 miles of road maintained by the Forest Service; 2,370 miles of trail maintained; 680 miles of telephone line maintained; 125 radios maintained.

"The value of all the roads and bridges added to the forest system was $2,830,000.

"Forest statistics

"Area:	*Acres*
Detroit ranger district	273,400
Cascadia ranger district	246,200
McKenzie ranger district	265,700
Blue River ranger district	181,800
Lowell ranger district	152,100
Oakridge ranger district	244,900
Rigdon ranger district	280,900
Forest total	1,645,000

"Of this forest total, over one-third (620,300 acres) is in areas either reserved from timber cutting or not suited to timber production.

	Board-feet
"Total timber volume	34,700,400,000
Allowable annual cut	377,000,000

"(Both of the above figures will probably be raised when the results are in from our current reinventory project.)"

"Willamette National Forest financial statement, fiscal year 1956

	Receipts	Expenditures	
		Operating	Investments
Congressional appropriations:			
Timber management		$181,196	
Other resource management		76,641	
Forest fire protection		259,126	
Maintenance of improvements		48,974	
Construction of new improvements			$46,216
Tree planting and stand improvement			5,565
Road and trail maintenance		30,852	
Road and trail construction (including bridges)			335,175
10 percent road funds:			
Road and trail maintenance		75,798	
Road and trail construction (including bridges)			197,910
Work deposits by forest users:			
Tree planting and stand improvement	$81,960		67,050
Brush disposal and extra fire protection	103,483	114,426	5,204
Road maintenance	69,115	50,428	
Scaling (extra services)	16,245	13,320	
Miscellaneous other	841	1,763	754
Timber operator built roads	3,778,466		3,778,466
National forest receipts:			
Timber sales	9,228,250		
Grazing fees	312		
Special use fees	8,467		
Totals	13,287,139	852,524	4,436,340

"Twenty-five percent of national forest receipts is distributed to the counties in which national forest land is located. Distribution from the Willamette is as follows:

"Clackamas	$1,307
"Douglas	72,377
"Jefferson	1,189
"Lane	1,373,867
"Linn	664,199
"Marion	196,318
"Total	2,309,257"

In addition, I would like to put in the RECORD a letter from Regional Forester Stone dated January 11, 1957, discussing some problems raised by a constituent regarding roads on the Siskiyou National Forest. I do not want to present the problem raised by this constituent which is in the process of solution, but I do want you to see first hand the immense road development job the Forest Service has in our State. This forest is cutting less than one-half of its allowable cut and this is because of the lack of funds for access roads.

Gentlemen, I did not come over here to recite reams of statistics but I would like to say this about the Forest Service access road program: The Forest Service made an estimate in 1952 that indicated that proper development required the expenditure in a 5-year period of $113 million by the Government for access roads. For the 5-year period ending this year only $74 million has been allotted for construction of roads. This deficit occurred because the authorization is neither big enough nor is it restricted solely to construction. These funds covered by the authorization are used for maintenance, reconstruction, and engineering.

At the same time the Service estimated that timber purchases should build $143 million worth of roads through allowances in timber sale contracts. In this 5-year period they have accomplished only about $107 million worth of this type of construction. There has not been enough money for road construction and as a result the percentage of road constructed by the Government in relation to those constructed by timber purchasers has dropped from a healthy 50–50 ratio to an unhealthy 30–70 ratio.

UNITED STATES
DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
PACIFIC NORTHWEST REGION,
Portland, Oreg., January 11, 1957.

Hon. WAYNE MORSE,
United States Senate.

DEAR SENATOR MORSE: We are pleased to acknowledge your letter of January 4.

We wrote to you on March 8 last year concerning our plans for development of the Rogue River Working Circle. You ask that we advise you on the current situation. Last year we completed construction under contract of 13.4 miles of the Elk River Road. See road reference No. 4 on the attached map. We plan to make 3 sales this year in this drainage totaling 25 million feet. In the next 5 years some 31 miles of permanent road will be constructed in the Elk River drainage by timber purchasers. Nine miles of the Hunter Creek Road (map reference No. 5) was completed last year by a timber purchaser. The mining-claim problems that were holding up the Evans Products Co. sale of 33 million feet have been cleared and the company has logged over 20 million feet. A second sale of 15 million feet will be made in fiscal year 1958, which sale will extend the Hunter Creek Road some 6 miles. If rights-of-way can be obtained we hope to make a 15-million-foot sale in Euchre Creek which sale will provide for construction of 10 miles of permanent road. The Bureau of Public Roads completed the survey of the Powers-Agness Road (map reference No. 3) last year. We made a reconnaissance of the Lobster Creek-Agness segment of the Gold Beach-Agness Road (map reference No. 2) last season.

From the reconnaissance it was determined that a road on the south bank of the Rogue River was feasible, and we immediately had the Bureau of Public Roads commence a road survey of this route. They will complete this survey in the next few months. When this survey is completed we will make an economic analysis to determine the priority of construction of these two routes (roads Nos. 2 and 3). We will plan to program construction of the most favorable route as promptly as availability of appropriated funds will permit considering other high priority road projects in the region. We believe that eventually construction of both the road from Lobster Creek to Agness and the Powers-Agness Road will need to be financed with appropriated funds. However, we are currently exploring with Curry County Timber Operators' Association the possibility of constructing the Lobster Creek-Agness Road under a cooperative arrangement.

We have shown on the attached map by broken black lines other proposed major access roads. We have not attempted to show all roads that will be necessary to fully develop the area. If you wish, we can send you a map showing our permanent transportation plan. Such a map is available for inspection in the Chief's office in Washington. At the present time we do not have specific plans as to how the other roads will be developed. A majority of the remaining roads will be constructed by timber purchasers. However, as development of the working circle progresses, we may find it necessary or desirable to use appropriated funds for the construction of the more costly roads.

A Cooperative Road Construction Agreement is now being executed by United States Plywood Corp. and the Forest Service for the construction of the Lobster Creek Road (map reference No. 1). This road will extend from the end of the county road near Gold Beach easterly up the south bank of the Rogue River to the mouth of Lobster Creek thence bridge the Rogue River and continue along the east bank of Lobster Creek to the national-forest boundary. The company started construction of the road last summer and they now have several miles of road completed. The total cost of the road will be shared equally between the two parties. The company will build all of the road and the Forest Service plans to build the bridge across the Rogue River. We have allocated $250,000 of appropriated funds for the construction of this bridge. The difference between the $250,000 that the Forest Service invests in the bridge and the Government's 50-percent share of the total project costs will be paid to the company by purchasers of national-forest timber who use the road. The agreement provides that the Forest Service will acquire the necessary road rights-of-way across the Thom property and rights-of-way for the bridge site. The company will secure all other rights-of-way. When the road is completed and prior to the time that purchasers of national-forest timber make payment for using the road, the company is required to furnish the Forest Service rights-of-way for the entire road. Pending, delivery of such rights-of-way, the agreement provides (1) the Government can use the road for official purposes, (2) the general public may use the road upon mutual agreement of the company and the Forest Service, (3) haulers of other private timber may use the road subject to paying a reasonable amortization charge. Such payments as are made by haulers of other private timber will be divided 50–50 between the company and the Forest Service. (4) Owners of private property bordering the road may use the road for purposes of ingress and egress to their property.

Full and complete title to the road will rest with the Government at the time easements are delivered, subject only to the provision of the cooperative agreement. On December 31, 1967, the cooperative agreement will expire with the Government having full control of the road, subject to United States Plywood Corp.'s reservation in easement deeds to use the road.

With respect to Mr. Thom's letter, we wish to comment as follows. Initially the company negotiated with Mr. Thom and they offered him $5,000 for a right of way, which figure Mr. Thom refused to accept. We understand that the company then offered to purchase Mr. Thom's property at a price of $52,000 and to furnish him another building site along the Rogue River on which he

could relocate. Mr. Thom made a written counter offer to furnish a right of way on the condition that a toll would be paid by all users of the road for each thousand board-feet of timber hauled over the road for a long period of years. He also offered to sell his property for a sum sufficient to give him $300,000, tax free. The two parties were so far apart that the company dropped negotiations with Mr. Thom. The company was prepared, in event negotiations with the Forest Service failed to consummate a satisfactory cooperative agreement, to bridge the Rogue River below Mr. Thom's property. The lower bridge site is less desirable and would be more costly than the bridge site above the Thom property, but if the company were to construct a private road for their own purposes it would have been cheaper for them to use the lower bridge crossing than to pay Mr. Thom an exorbitant amount for a right-of-way. Since the Forest Service would eventually need a road right-of-way across the Thom property in order to extend the road in the future up the south bank of the Rogue River to Agness, we determined that the best route for the proposed Lobster Creek road was to cross the Thom property and make use of the more favorable bridge site upstream from his property. In order to avoid the Thom property in constructing the proposed Gold Beach-Agness road in the future it would require bridging the Rogue River below the Thom property, then bridging Lobster Creek, and thence bridging back across the Rogue River to the south bank above the Thom property. The excess cost of such 3 bridges in comparison to the 1 bridge needed under the present plan is conservatively estimated to be about $500,000. Since, in any event, it was essential for our future needs to have a right-of-way across the Thom property and considering that United States Plywood Corp. was unsuccessful in negotiating with Mr. Thom, the Forest Service agreed to obtain the necessary right-of-way from him.

In reply to your question (4), the cooperative agreement provides that the cost of acquiring rights-of-way by either or both parties will be included in determining the total cost of the project. If Mr. Thom had accepted the United States Plywood offer the company would have reimbursed him directly and such cost would have been credited as part of the company's share of the total cost of the project. If condemnation action is taken, the Forest Service will deposit the required funds with the court and such cost will be a credit to the Government's share of the project cost.

Recognizing the probable difficulty in negotiating with Mr. Thom for a right-of-way, we are currently having a thorough appraisal of the fair value of the right-of-way made by qualified appraisers. The county court has furnished a report of a local board of viewers who have recommended a fair value of approximately $5,500 for the right-of-way. We have obtained the assistance of the Corps of Engineers and Bonneville Power Administration in furnishing us two experienced real-estate appraisers to make a report on the fair value of the right-of-way.

Mr. Thom's allegation that "big business" has brought pressure to bear upon the Government is not correct. The Forest Service took the initiative in proposing a cooperative road construction project. We have had plans for a Lobster Creek road for several years. A road survey was made by the Bureau of Public Roads a few years ago before U. S. Plywood had any interests in the area. That segment of the proposed road paralleling Lobster Creek will be constructed on the Bureau of Public Roads survey. The taxpayers will benefit under the agreement in that a road to serve the public need will be obtained for half price. If we were to construct the proposed road alone it would require in excess of $1 million of appropriated funds. Under the agreement, only $250,000 of appropriated funds will be required and the balance of the Government's share of road cost will be financed from stumpage through appraisal allowance.

As pointed out previously, the road will not be under direct control and supervision of the plywood corporation. During the initial 10-year period, the road will be under joint administration. Purchasers of national-forest timber have the right to use the road and the company cannot prevent anyone from bidding on national-forest timber. Until the Government's share of the road is amortized purchasers will have to make amortization payments for use of the road. However, if the company is a purchaser of national-forest timber, the amount that would have been paid by any other purchaser will be credited to reduce the Government's share of amortization.

Mr. Thom states that the Forest Service does not now have funds for extending the road from Lobster Creek to Agness and if such funds are not made available in the future, the current section of road will be of little or no use. This, of course, is not true. The proposed road when completed will furnish primary access to 2 townships of national forest timber in the Lobster Creek area and 1 township in the Quosatana area. We have had preliminary negotiations with Curry County Timber Operators' Association with respect to a possible cooperative construction agreement for extension of the road from Lobster Creek upstream toward Agness. If such a cooperative construction agreement does not materialize for extension of the Rogue River road, we will plan to build a road sometime in the future using appropriated funds, if available. If necessary the road from Lobster Creek to Agness could be constructed by progressive construction under timber sale procedure; however, this method is the least desirable because of the high cost of construction and the length of time that it would take to complete the road by this procedure.

Mr. Thom states that there is an excellent public road along the north bank of the Rogue River that overrules any argument that a south side road is needed. The north side road is a county road and is narrow and crooked and it would be dangerous to impose log hauling traffic upon the already existing public use. It would be necessary to widen and realine this road to make it an economic and safe timber-haul road. A few years ago we had the Bureau of Public Roads make a survey of the north side to determine what improvements would be needed. It was determined that the cost of improving the north side road would be considerably more than constructing a new road on the south side. There are numerous residents along the north side road. If the north side road was realined and widened it would damage many property owners in contrast to the south side route where only Mr. Thom is affected. It is estimated that the cost of securing needed rights-of-way for realinement on the north side road would equal or exceed the cost of constructing the south side road. The south bank route is without question the best and only feasible route for constructing a timber access road.

One reason Mr. Thom has not developed his property as a resort is probably the fact that since he has lived there there have been at least three floods that inundated all of the bottom land that he owns. The frequency and severity of the floods were of such magnitude that Mr. Thom found it necessary to dismantle and move his home from the bottom land and rebuild it on a steep mountainside above the toe of the slope. Because of the frequency of flooding it is questionable if the Thom property could be economically developed as resort property.

From an engineering standpoint the logical place for the proposed road across the Thom property is at the toe of the mountainside which location would take Mr. Thom's house. We have located the road in the only other possible location to avoid his house, which location will place the road between the main house and the river. The location places a segment of the road on land subject to occasional flooding and will cost approximately $5,000 more to build than if the road was constructed along the toe of the slope.

To our knowledge the majority of Curry County people favor our proposed road location and project. We have not received any other protest to the project. We wish to quote the following from a letter we received from the Curry County court of January 3, 1956:

"As I understand it, the Forest Service and the United States Plywood Corp. are presently working out the terms of an agreement whereby United States Plywood will extend Jerry's Flat Road on the south bank of the Rogue River to Lobster Creek where they will bridge the river. Terms of this agreement do not concern us at this time. However, we do wish you to know that we consider this road of vital importance to the welfare of the county as a whole. You have our assurance that we will do everything in our power to assist you and the plywood company in getting it built and getting it built soon. The whole county is behind us in this. We consider construction of the road to Lobster Creek as a first step in getting our road through to Agness. With the right-of-way bottleneck eliminated as far as Lobster Creek, the road to Agness could proceed without any further delay."

It is our plan to undertake negotiations with Mr. Thom as soon as we receive the appraisal reports from the appraisers. We wish and sincerely hope to be able to obtain the right-of-way through friendly negotiations. If we fail in our negotiations, we plan to recommend condemnation as we feel that the acquisition of this right-of-way is necessary and clearly in the public interest.

As requested, we are returning Mr. Thom's letter herewith.

If we can furnish you any additional information on this project, we will be happy to do so.

Very truly yours,

J. HERBERT STONE,
Regional Forester.

The Forest Service will have available to it in Oregon about the same amount of money for timber access roads as the Bureau of Land Management has ($6,032,000 as compared to $6,075,000). However, the Forest Service manages about 13 million acres of rugged commercial forest land, including one-half million acres of BLM timberlands while the BLM manages about 2¾ million acres. The Forest Service provides 2½ times as much timber for industry as the BLM does in Oregon but the national forests could provide 4 times as much as the BLM lands. Gentlemen, the major reason the Forest Service isn't providing more timber is the lack of access roads. I'd like to emphasize here that in my judgment the current record has been attained only by stepping up the cut in already developed areas when we should be concentrating our efforts on opening up all of the forest areas and getting them under complete management.

I do not want to belabor this subject unduly, but I cannot overemphasize that sound management must be our guiding criterion. Timber-access roads are the very heart and soul of sound timber management. Without roads we can't protect the forest fully from fire, insects, or disease, nor can

we profitably thin so as to promote maximum timber growth. Also of great importance is the indisputable fact that we should promote a situation which permits the large and small firms alike to bid in this timber.

Gentlemen, this road program is a basic and integral part of every multiple-use management operation the Forest Service performs. "Operation Outdoors" is largely dependent on it because our people use these roads to get to campgrounds for hunting and fishing. Fire protection and all of the other activities need roads. This road money is used for construction of all these various roads, as well as maintenance, replacement of bridges, and engineering services. You can see that when the total authorization plus the 10 percent road money is spread over the entire road program, it is a mighty small amount for the job that must be done. I would like to insert a letter I received from the Forest Service on January 22, which shows the lack of funds for the improvement of recreational roads.

We in the Congress can help correct this situation if we will appropriate the full $27 million authorization for access roads to the Forest Service. I urge you to support the unanimous action on the Highway Act by the House and Senate in the 84th Congress by adding $2,664,000 for access road construction. This will bring in handsome revenue to the Government. The Forest Service has asked for more money to sell timber. Let us add the money that will bring the Treasury the top dollar for the timber.

At this point I want to insert a statement furnished me by the Regional Forester in the Pacific Northwest covering Forest Service operations. I think this analysis modestly states accomplishments and fully describes problems facing the Forest Service. I believe that you will find this report a source of inspiration.

THE BUREAU OF LAND MANAGEMENT

Turning to the Bureau of Land Management may I point out that something over 90 percent of their timber business is concentrated in Oregon. The BLM also conducts a sizable grazing business in my State.

An excellent working relationship exists in Oregon between local government units and the Federal Government. Our Oregon and California counties have been financing the BLM access-road program out of their share of receipts and now they want to aid in reforestation. This is an excellent example of local public bodies doing more than recognizing their responsibility. This is a clear case of local public officials showing by deeds how they can help in the sound management of these Federal lands. What our Oregon and California counties are doing supports the proposition that there is a special history surrounding these lands. They are entitled to the shared revenues they receive and the counties have shown their willingness to shoulder their responsibilities by making adequate funds available for access roads.

I think you will find that the BLM ratio of revenues to receipts compares favorably with the Forest Service program although BLM does not presently carry on the variety of activities that the Forest Service does, nor are all of their programs of the same intensity. The BLM anticipates that it will take in $21 million from the Oregon and California lands and $1 million on the public-domain lands in 1957. Against this $22 million after expenses, including in-lieu payments, there will be a substantial profit accrue to the Treasury.

I would like to insert at this point a statement prepared for my information by the area Administrator for western operations of the BLM. This excellent analysis shows how well this vital work is proceeding in Oregon.

You will note that the paper mentions an attachment listing timber access-road projects. I would like to avoid burdening the RECORD and I have omitted this.

CAREER PEOPLE DESERVE COMMENDATION

There is just one other subject I'd like to discuss which affects both agencies. We have a fine group of people in these agencies who have made careers out of conservation. Many of them have served under several administrations. For example, the Chief of the Forest Service started his Federal service over 33 years ago and worked his way up. These people have dedicated their lives to conservation in order to make certain that the Nation will always be abundant in these God-given natural resources. They manage these lands for the benefit of future generations. Their record of stewardship is a credit to conservation.

We in the Congress have played a part in this, too, and it should be a source of satisfaction to us to know that these agencies are manned by people who not only are building for future generations but also give us such a fine return on the money we appropriate for conservation. The soil and the water, if properly managed, will give us trees, grass, and recreation in abundance forever. This budget is a step in that direction and I urge it receive full support.

UNITED STATES
DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, D. C., January 22, 1957.

Hon. WAYNE MORSE,
United States Senate.

DEAR SENATOR MORSE: This is in reply to your letter of January 3 with which you sent us a letter from Mr. Wendell Halseth, of Breitenbush Hot Springs, Inc., urging improvement of the section of road now extending from Detroit to Breitenbush Hot Springs within the Willamette National Forest.

No forest road funds have been programed for improvement of the Breitenbush road in fiscal year 1957. This does not necessarily indicate the regional forester determined that no improvement was needed but rather that forest road funds available for this year were more needed elsewhere. Program details for fiscal year 1958 are not submitted by the regional foresters until later. We are, therefore, forwarding your inquiry to Regional Forester Stone, at Portland, with a request that he advise you of future prospects for improvement of this road.

Mr. Halseth's letter is returned.

Very truly yours,
RICHARD E. MCARDLE, *Chief.*
By EDWARD P. CLIFF.

UNITED STATES DEPARTMENT OF
AGRICULTURE, FOREST SERVICE,
PACIFIC NORTHWEST REGION,
Portland, Oreg., January 16, 1957.

Hon. WAYNE MORSE,
United States Senate.

DEAR SENATOR MORSE: This letter is in reply to your request for information under date of December 14. I am not able to answer all of your questions, but am submitting information on the major portion of them. This letter will attempt to answer them in the order in your letter of the 14th. Copies of forest and regional annual reports will be sent as they are prepared.

Table 1 attached to this letter presents the allotments to the Pacific Northwest for 1956 and 1957 fiscal years. These allotments are shown for national-forest administration, cooperative work, and research. The research activities are conducted by the Pacific Northwest Forest and Range Experiment Station under the directorship of Bob Cowlin.

As a basis for the 1958 budget, we submit information on volumes of business anticipated in all activities that year. We do not translate these into dollar values, and the business reports from all regions are used in the chief's office to develop a monetary budget. Therefore, I am unable to advise you of amounts requested for region 6 for the 1958 budget. However, the attached table shows the amounts for the State of Oregon which are contained in the President's budget for 1958, along with amounts currently available for 1957.

Problems faced in the management of the national forests in the Northwest are those which have been widely discussed in the last several years. Recent budgets have permitted us to make progress on most of these problems and continued steady progress is important. We need to continue our access road development to open up the few working circles still underdeveloped, and this program must be carried forward on all working circles at a steady rate in order to maintain the allowable cuts in the future. We are close to cutting the allowable cut for the national forests, having attained this goal on most of our working circles. However, with reinventories our allowable cuts are bound to increase, and we will then need to forge ahead in our actual cutting program.

Our cut from the national forests in Oregon was 1,531,000,000 feet in fiscal year 1954; 1,767,000,000 feet in 1955, and 1,812,000,000 board-feet in 1956. The regional cut for fiscal year 1956 was 2,633,000,000, or 90.3 percent of the allowable cut for the region for that year. With increases in our timber funds in the last several years, we have been able to step up the reinventory of our timber resource, and have completed this on 32 of the 68 working circles in the region. This has raised the allowable annual cut from 2.4 billion feet in 1950 to 3.02 billion feet in 1956. We are reinventorying this year an additional 20 working circles, and we hope we can complete this job of reinventory and recalculation of cut in fiscal year 1959.

In addition to the harvesting of our calculated allowable cuts, there is also the opportunity, as our road systems are pushed into the forests, to salvage the normal losses from insects, disease, and fire which take place in any forest area. This type of sale business is more costly than the usual type sale, but will permit us to make many more small sales. There is considerable opportunity to expand our timber sale activity in this field, with increasing allotments for the purpose.

To take care of this increased timber business and other increased uses of our national forests will require more people, and since many of our ranger headquarters are out of communities or in very small communities where housing is not available, we have to carry out a building construction program. We have made a good start on housing this year with the additional funds made available by the last Congress, and we hope that this program may continue or be stepped up in the future.

In the field of forage production for domestic livestock and wildlife, we are carrying on what we call range allotment analyses. In a sense these are the inventory of the forage supplies available, and this information is very important to enable us to plan the management of our ranges and to administer effectively the use. We have made some progress on this in the last year, and we hope for an expansion of this type of activity in the years ahead in order to be able to meet fully our responsibilities in range and wildlife habitat management.

With the increasing pressures for the use of all of the resources on the forests, it has become especially important to systematize and develop formal land management analyses and plans. This is a managerial job of the first importance. We have made a start on this, but need to make considerably

more progress to insure the planwise development of all of the resources under a coordinated multiple-use program. The development of this program is one of the tasks of primary importance for our district rangers. Many of our district rangers have areas that are too large, and I believe that we must look forward to increasing our staff of rangers and limiting the areas under their jurisdiction to those on which they can give the managerial attention which is necessary to insure good, integrated land management.

There is a very active program of reservoir development for power and reclamation in and adjacent to the national forests of this region. These projects, carried on by the Bureau of Reclamation, the Army engineers, and under license from the Federal Power Commission, have important impacts on land management. Prior to authorization or licensing, studies by land managing agencies are needed of the impact of these projects on the land management, and further studies are essential by such agencies after projects are authorized to make plans to minimize the impacts and to harmonize the various uses so far as practicable. This planning job is imposed by these projects, but up to the present time no project funds are authorized for this planning activity.

The access road picture is shown in table 2 for the last 4 fiscal years. The effect on receipts of this road development and increased appropriations for timber activity are shown in table 3 for the last 3 fiscal years. I have previously stated that access road development had permitted us to open up a good many of our working circles, but there were a few still to be developed. Perhaps an example of the outstanding results of the development of a working circle is that of the Clackamas-Sandy working circle on the Mount Hood National Forest. This working circle now has a main stem access system built in the last 10 years, and we are now harvesting about 200 million feet a year from this area.

The Rogue River working circle on the Siskiyou National Forest and the Lewis River working circle on the Gifford Pinchot are two of the major areas still to be developed with access. Problems of rights-of-way over mining claims and other ownerships have lengthened our efforts in both areas to accomplish access. The Lewis River access is complicated by the development of a power dam which has necessitated making a new location and working out problems of responsibility with all of the parties involved. In the last 5 years most of the money available for road construction has been earmarked by Congress for the development of timber access roads. These were particularly needed in connection with harvesting insect-killed timber and blowdown material. Funds available for roads required for recreational use have been limited, and we are now considering the needs for construction of roads to permit optimum utilization of recreational resources by the increasing number of people seeking to use these resources. We anticipate that some progress will be made on this from total road funds available to us in fiscal year 1958.

Table 4 shows the recreational improvements which we are able to add with the money available in fiscal year 1956 and the planned construction for this current fiscal year. With these funds we have also been able to do a much more satisfactory job of maintenance. We have also submitted a 5-year program for recreational developments, and this is receiving special recognition in the 1958 budget submission which provides a nationwide total of $11,500,000 for recreation public use. We have made a good start in getting our unit recreation plans up to date and developing plans for new areas so that we will be in a position to go ahead at an accelerated pace in 1958. Rehabilitation, current maintenance, and a program of improvement for Timberline Lodge to make its operation more economical for the Government are needed. We plan to give this problem further study.

I should also emphasize that one of the big needs not only for the management of our national forests but for the management of all private forest lands in the Northwest is for additional information on plant-soil-water relationships and, in fact, for further knowledge in all fields of forest management including timber utilization and protection against insects, diseases, and fire. From studies in other parts of the country we know that the location and design of cutting units in forest areas can reduce the interception of snow by the timber and increase the snow pack. It is quite probable that under our climatic conditions and on our soils, proper manipulation of the cover can contribute to increased waterflows in the dry period of the year. A great deal of study of this point is needed to be sure that it is valid for our circumstances and to know the extent to which management may contribute to increased flows.

In the field of forest management we are rapidly moving into the management of second-growth forest. We will of course for many years have the problem of harvesting the old-growth forest, including salvage logging, but we must quickly learn more about such things as thinnings of young stands and problems of nurseries and plantations. For example, we need research to know the number of stems per acre which we should seek in different forest types and sites at different age classes. Thinnings and proper stocking and spacing of the crop trees will have quite an influence on increasing the amount of cut which will be available for the industry dependent on the forest resource.

In summarizing, I think that we have made steady progress in the management of the national forests and some progress in the field of research on the basis of the increases in allotments during the last 2 years. The budget submitted to Congress for fiscal year 1958 provides substantial increases which will help us materially in meeting our responsibilities for making these forests contribute as they can and should to the expanding economic life of Oregon and Washington.

In accordance with your request, I am sending copies of this letter to Senator NEUBERGER, Congressmen ULLMAN and PORTER, and Congresswoman GREEN.

Sincerely yours,

J. HERBERT STONE,
Regional Forester.

President's budget for 1958—Tentative distribution to State of Oregon for Forest Service appropriations

Appropriation	Budget estimate, 1958	Appropriation, 1957
Forest protection and utilization:		
1. Forest land management:		
(*a*) National forest protection and management (including advance from "Cooperative range improvements")	$6,623,000	$4,696,000
(*b*) Fighting forest fires [1]	389,300	389,300
(*c*) Insect and disease control	199,000	198,400
2. Forest research	540,000	451,000
3. State and private forestry	692,000	637,000
Total, forest protection and utilization	8,443,300	6,371,700
Forest roads and trails (includes transfer from "Roads and trails for States")	6,032,000	5,801,000
Expenses, brush disposal	1,106,000	995,211
Payments due counties, submarginal land	2,000	1,700
Payments to States and Territories	9,958,000	9,422,817

[1] Amount will vary depending upon fire emergency. Figures shown for comparability.

Total allotments for fiscal years 1956 and 1957, region 6

Appropriation	Fiscal year 1956	Fiscal year 1957
National forest administration:		
Protection and management	[1]$6,052,514	[2]$7,188,031
Forest roads and trails	7,617,977	7,963,564
White pine blister rust control	75,200	76,000
Insect control	44,200	17,550
Cooperative range improvements	48,549	49,368
Total	13,838,440	15,294,513
State and private forestry cooperation	1,279,363	1,260,708
Soil bank conservation reserve program		493,467
Small watershed protection	90,173	68,900
Research (Pacific Northwest Station):		
Research	540,442	647,724
Pest control (detection and appraisal)	57,070	91,604
Total	597,512	739,328

[1] Does not include $26,035 transferred from California for Smokejumper project.
[2] Same for $24,933.

Value of timber access roads by fiscal years—Region 6

	1953	1954	1955	1956
Value of roads built by timber purchasers	$6,784,514	$10,463,427	$11,810,356	$17,937,475
Percentage of roads constructed by purchasers [1]	92	91	92	90
Cost of Forest Service engineering work on purchaser built roads	$361,517	$450,386	$804,946	$1,304,487
Amounts obligated by Forest Service from appropriated funds for access roads and bridges	$4,669,053	$2,906,203	[2] $7,698,371	$3,306,934
Percentage of roads constructed by Forest Service	8	9	8	10
Costs of engineering, Forest Service constructed roads	$247,153	$250,364	$451,181	$154,708
Estimate of temporary road costs by purchasers of Government timber by calendar years	$997,580	$930,000	$847,500	$900,000

[1] Percentages somewhat misleading since Government-financed roads usually are the more difficult and in most cases too expensive to be included in timber-sale appraisal.
[2] Fiscal year 1955 was year of special funds to salvage beetle-killed timber.

NOTE.—Costs of engineering work for purchaser and Forest Service built roads not exactly comparable since those for purchaser include resident engineering costs whereas in the case of Government-constructed roads the resident engineering cost is included in the road-construction cost. Also there is chance for some overlap in these costs since our records do not ordinarily show a breakdown of survey and design costs between Government- and purchaser-constructed roads.

Roads in the temporary category are tending to decrease as more and more of them are added to the permanent road system.

Fiscal year income (forest reserve fund), region 6

Forest	1954		1955		1956	
	Oregon	Washington	Oregon	Washington	Oregon	Washington
Deschutes	$1,838,064.01		$2,110,781.71		$2,607,499.51	
Fremont	1,719,791.65		2,070,736.87		2,544,899.13	
Gifford Pinchot		$3,086,909.24		$3,426,321.25		$5,784,658.31
Malheur	692,436.86		1,328,393.62		1,606,543.82	
Mount Baker		2,244,480.38		2,619,204.85		2,485,535.92
Mount Hood	2,406,482.75		3,005,107.74		4,952,663.54	
Ochoco	1,309,132.93		1,565,263.39		2,453,507.69	
Okanogan		664,593.43		579,787.82		766,787.84
Olympic		3,526,996.36		4,815,690.90		5,110,727.77
Rogue River	1,436,995.27		1,626,484.08		1,753,273.75	
Siskiyou	790,441.78		910,144.44		2,144,403.48	
Siuslaw	1,105,373.65		2,735,136.76		4,194,422.79	
Snoqualmie		889,665.07		1,390,644.83		1,903,626.05
Umatilla	113,696.64	33,147.76	447,668.84	130,515.98	386,465.48	112,672.38
Umpqua	2,202,776.38		2,538,190.27		4,526,526.67	
Wallowa	187,724.19		393,055.80		387,922.14	
Wenatchee		552,335.43		683,761.15		673,168.35
Whitman	714,193.28		918,333.15		1,003,306.96	
Willamette	5,527,886.50		4,884,554.03		9,237,029.39	
Total, Washington		10,998,127.67		13,645,926.78		16,837,176.62
Total, Oregon	20,044,995.89		24,533,850.70		37,798,464.35	
Total, region	31,043,123.56		38,179,777.48		54,635,640.97	

Recreation accomplishments with increased funds for this purpose during fiscal year 1956, region 6

Recreation facilities	Number maintained satisfactorily	Number constructed replacement	Number new additions	Planned reconstruction and new facilities, fiscal year 1957
Toilets	1,408	74	121	260
Garbage	2,301	209	292	680
Tables	4,002	300	443	850
Fireplaces	2,159	240	244	1,070
Water systems	154	8	24	70
Barrier, car (feet)	[1] 9,415	[1] 2,920	[1] 2,341	
Other	36	8	10	

[1] Feet.

Number of areas where cleanup was considered satisfactory, 404.

A considerable portion of the 1957 funds were held over until the fall and winter so we could extend employment of some of our key summer employees in those areas where fall and winter work is limited. In this way we also receive the benefit of more experienced and efficient help. Tables, toilets, and other portable facilities will be constructed at central locations this winter and then moved to camping areas by next camping season.

The above tabulation reflects the fact that 1956 fiscal year funds allowed us to improve maintenance, do some rehabilitation work and start some new construction. 1957 funds will enable us to maintain nearly all our present facilities to standard, continue reconstruction, and get started on a larger construction program.

Previous to fiscal year 1956 our funds did not allow us to maintain existing facilities to desired standard.

BUREAU OF LAND MANAGEMENT,
Portland, Oreg., January 16, 1957.

Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.

MY DEAR SENATOR MORSE: In reply to your letter of December 14, 1956, a report is enclosed which outlines the scope of the operations of the Bureau of Land Management in Oregon, its accomplishments, and the expected goals for fiscal year 1958. The latter figures are dependent upon the action taken by the Appropriation Committees.

The delay in replying is regretted but you understand, I am sure, that budget data for the ensuing fiscal year are considered confidential until released by the President in his budget message.

There is little legislation required solely for Oregon as practically any legislation would affect the entire Bureau and will be considered in the overall Bureau program.

Your interest in the Bureau is appreciated as is the opportunity to furnish the information.

Copies of these data have been furnished the Oregon delegation.

Sincerely yours,

JAMES F. DOYLE,
Area Administrator.

"BUREAU OF LAND MANAGEMENT OPERATIONAL ACTIVITIES IN OREGON

"The Bureau of Land Management administers nearly 16 million acres of public land in Oregon containing a wide variety of natural resources of great value. The Bureau's responsibility is to provide management, protection, and proper use of these resources. The basic operations include range and forest management, administration of the land and mining laws, cadastral surveying, and fire control.

"A résumé of each of these functions is shown below:

"Range management

"There are somewhat less than 13 million acres in grazing districts and another 800,000 acres of vacant public lands, which are used by some 2,300 grazing permittees and lessees grazing over 420,000 head of stock. In addition, over 100,000 big game animals use the ranges.

"Management of the range includes not only supervision to prevent over-grazing, but protection of the area from fire, soil and moisture conservation practices designed to rehabilitate critically eroded areas, a weed control program directed to keeping Halogeton off the range, and cooperation with State and Federal wildlife management agencies to provide forage for wildlife, and determination of areas for special hunts, and so forth.

"In addition to the funds directly appropriated for these purposes, 25 percent of the annual grazing fees is made available in a separate appropriation. This has been used largely for the maintenance of existing projects in cooperation with advisory boards, ranchers, and others on water development and fencing projects.

"The increased funds during 1956 and 1957 have permitted an accelerated program of conservation, and the 1958 budget request provides for intensified range management as well as further expansion of the soil and moisture conservation program.

"Forest management

"There are some 2.75 million acres of so-called commercial forest lands and 1.75 million which would be classified as woodlands although these will have great commercial value in the future.

"During fiscal year 1956 timber sales on the forest lands administered by the Bureau exceeded 717 million board-feet. Assuming the current slump is only seasonal, it is expected that this volume will be increased slightly during fiscal year 1957 and in fiscal year 1958 will amount to about 750 million board-feet.

"As a result of increases in appropriations, the Bureau has been enabled to accelerate its inventory and reforestation programs, both of which received secondary consideration in efforts to place on the market the greatest possible amount of wind-blown and bug-killed timber and to meet the needs of the lumber industry. As a result, it is expected that the inventory will be completed by fiscal year 1960, at which time the regular reinventory cycle will begin.

"As a result of the inventory completed to date, the allowable cut for the O. and C. lands has been increased by 80 million board-feet and now is 661 million board-feet.

"The Associations of O. and C. Counties adopted a resolution requesting the Congress to appropriate up to $1 million of the funds due them to aid in the reforestation program. Provision for this total is included in the 1958 budget, of which amount $900,000 is to be reimbursed to the Treasury; and the Bureau will provide the planning and supervision from its funds. Provision also has been made for initiating the reforestation program on public domain lands.

"The forested lands in Oregon are protected by contracts with the United States Forest Service and the State, and the grazing districts generally are protected by force account. Actual costs of fire suppression are allotted when the costs have been determined.

"Administration of land and mineral laws

"This work involves action on the applications for use or title to lands or mineral resources.

"Increases in appropriations, principally due to the enactment of Public Law 167, have permitted the Bureau to accelerate its field investigations and to take preliminary steps to bringing proper administration to 150,000 acres of land covered by mining claims. It also was possible to reduce the caseload in the Portland Land Office by some 500 cases since the beginning of fiscal year 1956. These activities will proceed at about the same pace in 1958.

"Cadastral surveying

"During fiscal year 1956 a total of 21,760 acres was covered, largely by resurveys. Much of this was done in aid of clearing up suspected timber trespasses. The program will proceed at about the same rate during the current fiscal year, and is expected to be accelerated in fiscal year 1958.

"Receipts

"During fiscal year 1956 receipts from the State of Oregon amounted to approximately $24 million, including $19.5 million collected by this Bureau from the O. and C. lands and $3.5 million deposited by the Forest Service from receipts on these lands. During the current fiscal year total receipts are expected to amount to approximately $26 million, including $21 million collected by this Bureau on O. and C. lands and $3.5 million by the Forest Service. During fiscal year 1958 it is expected that receipts will amount to $29.5 million, including collections by this Bureau of $24 million on the O. and C. lands and $4 million by the Forest Service.

"Access Roads Program

"Management in a businesslike manner, orderly development, and full utilization of the resources of the O. and C. and other Bureau lands in Oregon are dependent upon the adequacy of the access to these lands. Measurement of the adequacy of access must take into account not only existing roads and their availability for use but also the economic feasibility of their use. A primary Bureau objective is to assure access for all timber purchasers to the timber which they have purchased. The availability of access to these lands is restricted in many instances by a lack of agreement to cross intermingled private lands or by the absence of a road or by a combination of both. The problem may be one of obtaining rights to use existing roads on private land, of obtaining rights to construct roads across private lands, or of constructing a major road system to open up inaccessible areas.

"The Bureau may obtain access by agreement with the road owner, usually under the O. and C. right-of-way regulations, by purchase of existing roads, by construction of its own roads, or by various combinations of these methods.

"The O. and C. access road program was initiated in 1951. Through the current fiscal year appropriations have totaled $17,256,000 of which $15,956,000 were reimbursed through a voluntary agreement by the O. and C. counties that the road appropriations would be taken from their share of income.

"It is anticipated that the system will total 1,614 miles, of which 766 miles will be built by the Bureau and 848 miles by timber sale operators. Construction has been completed on 34.3 miles and another 171 miles are under construction. It is anticipated that 78 miles of the roads now under construction will be completed by the end of the fiscal year. The average cost of the tributary timber will approximate $1 per thousand board-feet.

"The policy lines which we are following in programing access road projects are as follows:

"(1) Build new roads where there is a large percentage of Bureau of Land Management land and timber, generally more than any other single ownership; where an area is not now served by an economically usable mainline road; where construction costs would be so high that to build the road under a single timber sale contract or a series of such contracts would effectively restrict competition; and where local industries are in urgent need of timber from the Bureau of Land Management lands involved;

"(2) Purchase private roads, as indicated above, where there is a large percentage of Bureau of Land Management timber and where a favorable reciprocal road use agreement cannot be developed within a reasonable period or where part of the area has already been developed by a private road, but additional mainline road is needed.

"The attached access road program presents in detail the proposed construction projects for each fiscal year through 1963 and that now foreseeable after 1963. This represents a full program based on an expected return to the O and C counties from the harvesting of the total allowable O and C timber cut. Changes in economic conditions may result in some variation from the plan but it is sufficiently flexible so that these adjustments may readily be made, based on the priorities assigned to the various projects.

"Your attention is called to the projects listed under the headings, "Fiscal Years 1951 to 1957, Inclusive, Under Construction." Of these, the roads let for construction during the current fiscal year are: Galice section B, Yellowbottom section B, Yellowstone, Boulder Creek, Cantan Creek, Middle Creek; North Fork Middle Creek, Kelsey-Mule, the Cow Creek Bridge and surfacing of the Twin Sisters. Contracts for the remainder of the projects under construction were let prior to this fiscal year but still await completion. The next column presents the remaining projects that are to be started during the current year and are budgetary items. In the following columns are listed the road projects for 1958 and successive years planned for construction, subject of course to budget limitations and to adjustments in the program that may be made from time to time.

"Please note that the last column heading "After Fiscal Year 1963" lists additional expense. This does not represent all the remaining program after the 5-year period terminating at the end of fiscal year 1963, but rather those foreseeable at the present time that could not be included in the 5-year program. In the course of preparation of detailed management plans the need of additional projects will become apparent and will be added to the old plan.

"Bureau of Land Management, allotments in State of Oregon

	1956	1957	Anticipated 1958
Lands and minerals	$124,800	$236,000	$242,000
Range management	417,500	502,700	633,600
Range improvements	39,900	37,100	39,500
Forest management	1,671,300	2,403,300	3,384,500
Cadastral surveying	303,750	320,000	350,000
Construction and maintenance of buildings	5,000	6,000	106,000
Construction and maintenance of access roads	4,295,000	4,495,000	6,075,000
General administration	149,200	188,500	210,000

"The above figures include the cost of operating the area office, though the work of that office is for the benefit of the States of California and Washington, both of which are administered from the Portland area office."

Mr. MORSE. I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a statement before the Interior Subcommittee of the House Appropriations Committee, by Mr. Forrest E. Cooper, of Lakeview, Oreg., counsel of the Interstate Association of Public Land Counties, in support of maximum appropriations for certain activities of the United States Forest Service for the fiscal year 1958. This is an exceedingly able statement by Mr. Cooper, of my State, in which he points out that it is only sound business that the Government should proceed without delay to build the access roads necessary to bring the largest possible return from the Federal forests into the Treasury of the United States, consistent with a sound conservation program.

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

STATEMENT TO HOUSE APPROPRIATIONS COMMITTEE, INTERIOR SUBCOMMITTEE, OF FORREST E. COOPER, LAKEVIEW, OREG., COUNSEL, INTERSTATE ASSOCIATION OF PUBLIC LAND COUNTIES, IN SUPPORT OF MAXIMUM APPROPRIATIONS FOR CERTAIN ACTIVITIES OF THE UNITED STATES FOREST SERVICE, FOR FISCAL YEAR 1958, WASHINGTON, D. C., FEBRUARY 6, 1957

Gentlemen, I reside at Lakeview, Oreg. I am an attorney, and, as such, I serve as legal adviser and consultant on Federal land problems to the State Association of County Officials in several of the States of the West. I had the pleasure of appearing before this committee a year ago. We take this opportunity to thank you for your past interest in national forest management problems and financial support thereto and we hope that you will be able to find the funds to carry through the program you have embarked upon.

We of the back country realize the impact that the defense budget has made on the overall budget but, if Congress expects the Western States to contribute their share of the cost of operating our Government, Uncle Sam, as the owner of 1 acre in 2 in the 11 Western States must put an ample sum in the pot for administration before we of the West can take out renewable natural resources of sufficient value from which our share of the annual tax bill is to be paid. The ownership of this vast acreage carries with it heavy responsibilities. The national forest reserves, a type of acreage we value in common with upwards of 40 States, represents in many areas of the West the most valuable real estate of all, regardless of ownership, because of the vast stands of prime timber which we obtained by treaty or by right of conquest more than 100 years ago.

It is to the national forests in the Western States that this committee and the Forest Service look for the annual cash income with which to keep the nationwide Forest Service budget in balance. At the State level we have one Western State where the timber resources represent 50 percent of the annual industrial payroll. As the population of our country increases and as the fingerlike access roads this committee is constructing keep reaching further back into our forest storehouse the lumber processing industry continues to be of greater importance over a constantly expanding area. Western Montana is on the threshhold of a vast wood fiber utilization program in which the national forests will play an important part. And so the panorama continues to unfold throughout the country and ripe Federal timber is removed to make room for a fast-growing new crop in an area where the annual growth would otherwise remain stationary.

We of the West also inventory the other values that stem from our national forest acreage, economic and spiritual. Range revegetation must continue to go forward, for "all flesh is grass," says the Bible, and, as the population pressure increases and as the standard of living, which includes paid holidays for the working class, goes up, the spiritual values of the rural West become known to, and are explored by, all.

The immense national forest administrative job falls into the following categories:

1. Timber resource management and sales.
2. Reforestation and stand improvement.
3. Recreation.
4. Range management.
5. Forest roads and trails.

The Congress appropriated $35,397,000 for these activities for fiscal year 1957. The Bureau of the Budget has recommended $36,184,000 for fiscal 1958. We citizens can only evaluate such sums in terms of what we personally consider to be the job that needs to be done. We think it is too early in the

game to expect net returns to the Federal Treasury of $2 per year for $1 invested, or better. There is a tremendous initial investment that is first required. Since this acreage cost us little or nothing, we can afford this outlay. As of today, fire and insects are harvesting as much Federal timber as the saw. To us from the West it seems too early to attempt to skim off profits, for in the strict sense of the word, there can be no profits until we first stop the waste by first investing the sums required to bring every acre of our national-forest inventory up to maximum efficiency. Thereafter, the profits will not only carry the required management program and expanded recreational program but should give us better than 10 to 1 return on invested capital.

In closing, it is submitted that there is too large a gap, as of today, between the total annual gross revenues of the country's national forest reserves and the amount that is annually plowed back into management and capital betterment and improvements. Our every motive, including self-interest, urges us to plow back the current proceeds. Then, when the profits start to come, they will be much larger than any of us can calculate at the present time.

Respectfully submitted.

FORREST E. COOPER,
Attorney at Law.

FEDERAL AID TO EDUCATION CANNOT BE DELAYED

Mr. MORSE. Mr. President, I turn to a major bill on Federal aid to education. I introduce the bill, which is a comprehensive bill—it might be called an omnibus education bill—on behalf of myself and the Senator from Pennsylvania [Mr. CLARK].

Mr. President, our country is experiencing a drought in education. It is so serious and so chronic that we are losing through the erosion of crowded classrooms, inadequate facilities, too few, underpaid, and undertrained teachers our most precious national resource—the potentialities of the boys and girls of America.

Inadequate education is a national disease. Every day it is left untended, it grows worse and more difficult to cure. It is now 9 years since the Senate of the United States first passed an aid-to-education bill. In 1948 we adopted the first Taft bill, giving Federal financial help to the States for educational expenses. As a member of the Senate Committee on Labor and Public Welfare at that time, I participated in the drafting and in the passage of that bill in the Senate. Again in 1949, the Senate passed Senator Taft's aid-to-education bill, but as it had before, it again died in the House of Representatives.

Since 1948, the school problem has worsened rapidly. Although overcrowding of facilities is perhaps the most critical part of the Nation's education problem, teachers' salaries, the high cost of maintenance, of books and supplies, of special equipment, and the many other outlays for school operation are pushing school budgets to new highs and crowding tax sources to the very limit of their capacity to produce revenue.

I should like to call to the attention of the White House and of my colleagues in Congress the four conclusions of the National Education Association in its recent publication called Advance Estimates of Public Elementary and Secondary Schools for the School Year 1956–57.

Before doing so, I wish to describe the bill which I am introducing today as a bill which would bring up to date the Taft proposals of 1947 and 1949. They are omnibus proposals. They do not seek to deal merely with one segment of the problem, as does the administration's school construction bill, in my judgment. We can build the first school buildings imaginable, but we cannot have education within their walls unless we have teachers who are well paid and well trained, and unless we have the curricula and the facilities within those walls which are necessary to turn out educated boys and girls. We need facilities to give the best possible education to retarded children, and facilities to give the best possible education to superior children, as well as to the great mass of children whom we call average children.

That was what it was sought to do by the Taft bills in 1947 and 1949, and it is what I seek to do in the Morse-Clark bill of 1957.

I have had the assistance of a great many experts in the field of education in the drafting and preparation of the bill. In my judgment, we have arrived at what we think is a very fair and just formula. The statement which I shall present speaks for itself on that point.

I wish to stress the statement that if I am offered only one choice, I shall vote this year for a school construction bill. However, the Eisenhower administration is not even scratching the surface of America's educational problems by a mere school construction bill and a very inadequate one at that. We need the comprehensive type of bill for which Bob Taft fought on the floor of the Senate when many of us supported him shoulder to shoulder in the historic debates which then occurred.

This administration has been guilty of a great deal of backsliding when it comes to the matter of Federal responsibility in the field of education. I sincerely hope that the bill which the Senator from Pennsylvania and I are introducing, and the arguments I am presenting in support of it this afternoon, will have some beneficial effect on the thinking of the administration, and that the White House will not continue—and I speak respectfully—to look at only one segment of the problem, when the entire problem of education ought to be attacked, in my judgment, in its totality. Therefore I present these arguments in support of my bill, and I am perfectly willing to stand on the case which the Senator from Pennsylvania and I make in this argument.

TEACHER SHORTAGE GROWS

The first finding of the National Education Association is that "The enrollment in teacher-education institutions is not gaining rapidly enough to fill the need for qualified teachers." The fact is that there has been some increase in the number of young men and women entering normal schools and teachers' colleges in each of the last 3 years, but the increase has not been great enough to keep up with rising enrollments. When the NEA surveyed the States to find out the expected demand for teachers, it found that over the next 2 years nearly all States expect the shortage to continue and, while it will be somewhat less at the elementary level, it will be worse at the secondary level.

Responsibility for the shortage lies with the economics of the teaching profession. There has been some improvement in overall salaries—with an increase of 4.7 percent this year over last year's average—but not enough to make the profession attractive for men and women to enter it and stay in it in the numbers needed. For the school year 1956–57, the average salary was $4,330. But it is clear that it is not high enough because it is not attracting enough teachers. And that figure is for all the instructional staff; for classroom teachers alone the average salary was only $4,220.

TRAGIC LAG IN SCIENCE

Keeping in mind the years of education that are required before a young man or woman receives a teaching certificate, it is not hard to see why the profession is not keeping pace with the school-age population. In discussing the teacher shortage last year, I pointed out that it is most severe in mathematics and the sciences at the high-school level. The number of individuals seeking teacher education in these fields has declined steadily since 1950, with 50 percent fewer people graduated last year than in 1950. The Senator from Minnesota [Mr. HUMPHREY], who has given special study to the shortage of scientists and engineers and its meaning to the Nation, quoted recently a statement by Admiral Strauss of the Atomic Energy Commission on the matter. Admiral Strauss gave the number of students graduated last year to teach high-school physics as 125. The reaction of the Senator from Minnesota was to call this an almost unbelievable statement. I agree with him, but what is most unbelievable about it is that a Nation of our wealth and of our pride in our system of free education, of our pride in the technological adeptness of our people, and in our world leadership in science and industry, has so shamefully neglected to maintain the foundation of that leadership—the basic education we give to our boys and girls in high school. Last school year, the number of new high-school physics teachers was just about half the number of vacancies in our high-school physics departments. We had better start doing something about that now, because we will have 50 percent more high-school students 10 years from now.

EIGHTY THOUSAND TEACHERS NOT FULLY QUALIFIED

One consequence of this condition is the use of teaching personnel who are not fully qualified under the regulations of their States for teaching certificates. As its second conclusion, the NEA estimates that 80,000 such people are employed this year, about the same number as for the previous school year. I commend these men and women for rising to meet an emergency, but their continued employment means that our boys

and girls are not receiving the benefits of fully qualified instructors.

EIGHT HUNDRED AND FORTY THOUSAND PUPILS MISS FULL-TIME SCHOOLING

A third alarming conclusion of the NEA's annual survey is that the shortage of classrooms and qualified teachers continues to deprive 840,000 pupils of full-time schooling. Here we get to one specific measure of the effect of the teacher and classroom shortages. And even where they are attending full time, the inadequacy of facilities is indicated by the 22.2 percent of all elementary pupils in urban schools who were in classes containing 35 or more youngsters at the start of the current school year. Education experts believe that classes of 25 to 28 are as large as can be handled properly at the elementary level.

These children are being short-changed. They are not getting the full measure of one of their greatest birthrights as Americans—a free basic education. It can never be made up to them, and so that the significance of this figure may not be lost, let me point out that the number of part-time students is a per-year figure. Eight hundred thousand and more children have been receiving a part-time education for several years, and the prospect is that the same condition will continue for many more years.

SHORTAGES WORSENING AT SECONDARY SCHOOL LEVEL

The fourth conclusion the NEA points out in this year's summary of school statistics is that the shortages of buildings and qualified teachers, especially critical in the elementary schools in recent years, are now producing serious problems at the secondary level, especially in urban school districts.

This point is, I believe, the most pertinent of all. I have pointed out previously that we are not facing up to this outstanding fact about our education system: That the most expensive period in our 12 years of compulsory schooling is the high-school level, and that it is those secondary grades that have yet to be expanded to take care of the post-World War II population increase. Secondary education requires more teachers with more specialized training—which makes them more expensive—and more teachers are needed because more courses are offered. Likewise, the construction and equipment needs in high schools are vastly more extensive than what is needed for elementary schools.

Despite cheaper construction methods and materials, today's high schools are more expensive than ever because we include in them cafeterias, gymnasiums, auditoriums, and other facilities which were not considered an essential part of the teaching program a generation ago. High schools also offer such courses as music, manual arts, practical training in skilled trades, and various other skills that require special equipment and special teachers.

The heaviest impact on our schools in the next 10 to 15 years will come here at the high-school level. By 1965, there will be an increase of at least 54 percent in the number of youngsters of 12 and 13 and an increase of 58 percent in the number of young people 14 to 17. We must accommodate half again as many junior and senior high-school students as we are handling now in overcrowded conditions.

The great boom in our birthrate which came toward the end of World War II and which has continued at the same high level ever since, put a severe strain on elementary schools first—a strain which we have not yet been able to cope with. But the big increase in the school-age population is only now making itself felt at the junior and senior high-school levels. In 10 more years we will have an overcrowding problem in our high schools that will far outstrip the one we had at the elementary level in terms of cost and in terms of the revenue it will take to meet it.

The NEA material I have been quoting from shows that the shortage of teachers is critical at almost every point, but this year there is a slight easing of the shortage at the elementary level and an increase in the shortage at the secondary level. We can expect this trend to become greatly accentuated. The NEA states it this way:

> All States expect the shortage of elementary school teachers to continue into the next 3 years. With regard to secondary-school teachers, 43 States expect a shortage in the next 3 years. In 1953–54, the number in the "oversupply" column was 6; for 1954–55, the number is 2; for 1955–56 and 1956–57, zero. In other words, the increasing enrollments, which struck the elementary schools in greater numbers about 1947, show an increasing effect in secondary schools.

This condition will be equally true in the case of classrooms and for all school costs. The classroom shortage remains high throughout the school system, but as in the case of teachers, a worsening situation is showing up at the secondary level. And this impact comes at a time when we still have not alleviated conditions in the grade schools.

EDUCATION CRISIS WILL CONTINUE

At the risk of belaboring facts with which Senators may be familiar, I have reviewed the extent of our crisis in education because its significance to the American people is so far-reaching. What we call our present emergency actually extends into future decades because every year we delay means another class of boys and girls who are not educated as we know they should be, and who are not prepared to the degree that it is within our means to provide, have been sent into the world. We have the means, we have the wealth, to give them what they deserve. We have the financial resources not just to meet emergencies in the education system, but to raise the educational standards of the country.

GENERAL AID METHOD BEST—NATION NEEDS MORE THAN CLASSROOMS

That is what I believe we should do. Had the Taft program been adopted 10 years ago we would be doing it. I have tried to keep the Taft approach of general aid—which I regard as the best—alive and before the public by reintroducing it in the 84th Congress, with some revisions. I am going to do that again today, because I do not want the principle of a general aid program to be lost. Emergency legislation that seeks only to plug the holes and fill the worst cracks is needed, but it is not all that is needed. The school construction bills that have been introduced are designed only to construct a definite number of classrooms and then terminate. I am for that, and I shall work for and vote for a bill of that nature; but that is only part of the job.

FORMULA BALANCES POPULATION AND NEED

Under the terms of my bill, a billion dollars a year would be authorized for all educational expenses at the elementary and secondary levels. There are no limitations on how the money is to be spent, nor on the term of the authorization. Under the distribution formula in the bill, about half the money would be distributed according to school-age population; the other half would be distributed in proportion to per capita income, with the State having the least wealth per capita receiving four times as much money per child as the wealthiest State.

Under the two parts of the formula together, the poorest State would receive, in total, twice as much Federal money per student as the wealthiest State. It would equalize educational expenditures to some degree, but it does not go so far in that direction as to lose sight of the higher cost of educating a child in the wealthy States.

LOCAL CONTROL MAINTAINED

I want to emphasize that I regard as the great strength of this bill—and of the Taft bill—the absence of restrictions on how the money is to be spent. If we believe in the conscientiousness of our States, as I do, Congress has no need to direct them on how to use this money. That is the way to avoid dictation to the States, and to guarantee that there will be no Federal controls on education.

SPECIAL PROGRAMS FOR RETARDED, HANDICAPPED AND GIFTED

Another important feature of the bill I am about to introduce is a provision I have added to the Taft bill. It sets aside 2 percent of the funds appropriated for special purposes. It is my intention that the money be used for special programs outside the normal curriculum for the mentally retarded, and for the gifted boys and girls who could make faster progress outside the regular classroom. I wonder how many Senators are aware of the meagerness of public facilities for training mentally retarded children.

Yet we are just as responsible for them as we are for the development of the abilities of normal boys and girls. We also have a responsibility to those with superior intelligence. They are our great reservoir for the future. From them will come the scientific, intellectual, and social leadership we need more than ever in an age when the world is threatened by organized evil.

The funds set aside under this provision could be applied for by State school authorities, and could be used not only for these special programs but for replacement of school facilities when natural disaster strikes.

It will be seen that my proposal is not a substitute for a school construction bill. The latter is emergency legislation, whereas mine is long-term; a school construction bill would give us a specific number of additional classrooms; my bill would improve the basic education of the American people. I am in favor of both, and intend to work for both. And I regret that so fundamental an element in American life as free education has been the object of so much political opportunism and hypocrisy.

AID-TO-EDUCATION HAS MARKED TIME

Since 1948, when a general education bill was first drafted and passed by the Senate, more has been promised with less performance than in any other area of public activity. When this administration first took office, it tried to ignore entirely the condition of the schools, only to find that it could not be ignored. In his first state of the Union message, the President said that "our school system demands some prompt, effective help." But the most he had in way of a recommendation was the statement that "this whole situation calls for careful congressional study and action." A year later he told Congress:

> The Federal Government should stand ready to assist States which demonstrably cannot provide sufficient school buildings. In order to appraise the needs, I hope that this year a conference on education will be held in each State, culminating in a national conference. From these conferences on education, every level of government—from the Federal Government to each local school board—should gain the information from which to attack this serious problem.

While I think the resulting conference was a worthwhile one, its findings merely confirmed what most of us had known and deplored for years—that a serious shortage of classrooms characterizes the school systems of every State in the Union, and it recommended only what the Senate had concluded 7 years earlier—that the Federal Government had an obligation to do something about it.

ADMINISTRATION DELAYS

It was not until 2 years after taking office that the President recommended any specific legislation to deal with this most glaring of our domestic problems of the last decade. In February 1955, when the White House finally did call for Federal aid for school construction, most of the money was earmarked for purchase of school bond issues. This program would not have helped the average district, which has its biggest problem in raising money for repayment of bond issues, not in finding a market for them.

BANKERS BENEFIT MORE THAN STUDENTS

Furthermore, a disproportionate share of the money needed to educate American boys and girls would have gone to banking institutions in the form of interest. It is questionable, in fact, as to who would have been the major beneficiaries of the administration plan; our students or our bankers. It called for purchase of school bonds in cases where a market could not be found by the school district at a reasonable rate of interest. It turned out to be an offer to buy bonds only if they could not be sold at interest rates of 3.12 percent or less. At the time that proposition was made, the average interest rate on municipal bonds was 2.42 percent. Under the Eisenhower plan, a school district had to offer its bonds for 3.12 percent—which was defined by the administration to be the reasonable rate of interest—before it could apply to the Federal Government for help. That meant a wide range of profiteering by lending institutions and a heavier financial burden for school districts before any Federal help could even be requested. The cost of interest would be driven up for every school district, not just those forced finally to sell their bonds to the Government.

ADMINISTRATION BOND PROVISIONS WOULD GOUGE SCHOOL DISTRICTS

I regret that this type of aid remains a major part of the President's idea of aid to education. This year he proposes to put $750 million over a 4-year period to that purpose. A hundred and eighty-five million a year would thus be devoted to bond purchases, and $325 million a year for grants. Under that part of his program, instead of offering a helping hand to districts needing it most desperately, the Government would purchase their bonds only because as a last resort, the district was paying an immoderately high rate of interest. And I note that the new administration bill has revised its definition of a reasonable rate of interest upward to bring the operation of the proposal more in line with current bond-market conditions.

The President would have the Federal Government charge all the traffic will bear as the price for help and call it Federal assistance for school construction. It is more than likely that the increased cost of interest that would have to be paid by the school districts would result in the sacrificing of other essential education activities, including teacher salaries.

ADMINISTRATION LEASE PURCHASE PROPOSAL OFFERS SMALL AID

The third form of aid under the President's program, in addition to purchase of bonds and a totally inadequate amount for grants, is the authorization of Federal advances to support bonds issued by State school financing agencies. This is the lease-purchase part of the administration program. The State agencies would finance schools with proceeds from the sale of bonds and the school districts would lease or rent them until after a period of years when they would become the property of the school district. An initial appropriation of $150 million is authorized as an advance to the reserve funds of the State agencies.

Right on the face of it, this section of the bill affords little help. State constitutions would have to be changed in many instances to permit the creation of agencies of that kind. And the school districts would once again foot the bill. The rental fee would include not only interest, insurance, and cost of replacement and repair, but an additional charge of one-fourth of 1 percent of the amount of the rental, to go to a supplemental reserve fund. Once again other outlays for education would very likely be reduced, since the rent would be an operating cost to be added to the already heavy load for current expenses. Since teachers' salaries are now around 75 percent of operating budgets, it is not hard to foresee that salary boosts would be out of the question where a rental fee for schools would be a new drain on scarce income.

ADMINISTRATION OPPOSITION TO KELLEY BILL

Last year, Congress was closer to adoption of a good school-construction bill than we have been since 1949. The Kelley bill, drafted by the House Committee on Education and Labor, reached the floor of the House of Representatives. It was a sound bill, one that gave the States the money for construction, without any cut for the bankers. But it was opposed by the administration and cynically defeated by Republican votes on the ground that its provisions for distribution were defective.

In a news conference on August 8 of last year, the President had this to say about what happened in the House to the school-construction bill:

> Well, we will have to get one thing straight. I recommended a particular bill, of which two of the primary features were these: (A) That money, school money, be allocated on the basis of need; and (B) that all of the Federal school construction be in addition to the current State programs and would not merely supplant, because our object was to get more schools and not merely to substitute Federal money for State money already appropriated or authorized.
>
> Now, when that bill was placed before the House in the form of a recommittal motion, the Republicans voted for it—three-quarters of them—I forget the exact thing, something like 147 to 49, something of that order * * * Now, when the bill, when those features were taken out, then is when the Republicans did vote against the bill.

As for his first objection, does the President really believe that the Kelley bill, or any measure which distributes the money for construction by population, is not based on need? Does he not know that there is no State and no section of the country that does not need more money for its schools? The Kelley bill would have provided it. I recall that when in 1953 the Hill oil-for-education amendment was before the Senate, most Republicans took the position that what was wrong with the Hill amendment was that it was not a per capita measure. Now the President tells us he cannot accept a per capita distribution of the money.

DRAWBACKS OF ADMINISTRATION MATCHING REQUIREMENT

The second demand of the President has been that Federal money be matched by the States in equal amount, a requirement I regard as unnecessary and undesirable. This means that a State already raising as much as it can for education would not receive any Federal money. This is the reverse of putting the oil where the squeak is. This is the doctrine of "to them that hath, it shall be given."

We are warned that without a matching requirement, Federal money would tend to replace State and local money and would not result in a net increase in expenditure. I have more confidence in the States than that. I believe they are making a determined effort to give their children the best education within their means to provide and that they will continue to do so whether they get Federal help or not. I do not want to say to them, "You'll have to do better than that.

Show your good faith by putting up as much money as you are getting, or you won't get any at all."

I am satisfied with the good faith of the States. Experience with grants from the States themselves to their local subdivisions has been that where grants are made, local effort increases voluntarily without any requirement for matching needed. This has been true in New York, for example, where the data are available.

OREGON CALLS ON CONGRESS FOR FEDERAL FINANCIAL HELP

My own State of Oregon spends an exceptionally high proportion of its income for its schools. Its expenditure of $350 per pupil in the 1955–56 school year was exceeded by only three States. Yet Federal aid for schools was a major issue in the political campaign in Oregon last fall, and a major influence on its outcome. Although Oregon has maintained this high level of expenditure and has a correspondingly high standard of education, the result of the election expresses the conviction in my State that Federal help is needed to do the job as our children deserve to have it done.

A new Democratic Governor, who had campaigned all over the State in support of Federal financial aid for the schools, was inaugurated in the State capital last month. In his inauguration address, Governor Holmes called upon the State legislature to memorialize Congress on this subject. It happens that the voters of Oregon also elected a new Democratic State house of representatives in that same election—again, the education issue was a decisive one—and on January 28, the State House of Representatives of Oregon adopted House Memorial No. 2, urging Congress to pass legislation giving the States grants-in-aid for school-building purposes. Here is a graphic example, if one is needed, that States are already spending a large amount of money per student, need and want help from the Federal Government, and Oregon has now called upon the Federal Government to take the necessary action.

I ask unanimous consent that the memorial, House Memorial No. 2 of the State of Oregon, appear at the conclusion of these remarks.

In addition to this objection to the matching requirement, I would also like to point out that if States are required to put this additional money into school construction, other educational outlays, including teachers' salaries, are going to suffer. It will mean that any revenue a State raises beyond current income for school purposes will be devoted to construction, as a means of assuring itself of receiving all the Federal aid possible.

ADEQUATE TEACHERS' SALARIES BADLY NEEDED

I suggest that teachers' salaries need raising as badly as new classrooms need to be built. Why should we concentrate on the one at the expense of the other? States and school districts need more money for all educational expenses. If the Federal Government does not give it to them for all expenses now, then it ought to take over part of the burden—in this case construction—and enable the States to channel more of their own money into other areas. Then there might be some hope that teachers' salaries will be raised and better equipment and instructional aids provided. Education needs must all be met. We will not beat the problem by raising new money for construction alone.

This year there will be a new drive for a school-construction bill—and I hope the administration will take an active part in it—and I expect to join in the drive and work for adoption of a construction bill. But I shall seek to eliminate the requirement that the States put an equal amount of their own money into construction in order to get Federal grants.

ADMINISTRATION'S PERFORMANCE POOR

Its sorry performance on school aid and its opposition to any bill not of its own design is in sharp contrast with the effort the administration put forth to defeat the Hells Canyon development bill—an effort reported by the New York Times as the greatest pressure applied by the White House on any issue in the last 3 years. I mention this only to show what the administration can do when it puts its mind to it, and really goes to work on a piece of legislation.

But it has not done that on behalf of our school children. It has not done it for the furtherance of educational opportunities, and for the training of the minds and development of the capacities of our boys and girls. It has organized itself to deprive them of one of their great natural heritages—that at Hells Canyon—but it has not done it to help them develop the greatest of all natural gifts—their minds and their ability to think.

In the face of this record, the President still came out to Portland, Oreg., last October and said: "What matters now is not the argument in terms of partisan politics as to why Congress failed to enact this legislation. What does matter to every American citizen is this fact: I shall call upon the next Congress to enact a school program to make up for the lost year, by doing the job of school building, not in 5 years but in 4."

I respectfully ask the President "What was the matter with 1953 and 1954, when your administration failed to make any proposal for school construction at all, and when you brought about the defeat of the Hill oil-for-education amendment in the House-Senate conference?" We could have had aid for education 3 years ago had not the White House strenuously objected to inclusion of the Hill amendment in the Outer Continental Shelf bill. I say to the President that thanks to him we have at least 3 years to make up; and had he shown any interest in the schools when he first took office, we might be as much as 4 years ahead of where we are now. He missed a third opportunity last year when a school construction bill could have been passed had he joined us in supporting the Kelley bill. He and his entire administration have been entirely "too little and too late" on the school issue.

ADMINISTRATION CANNOT REMAIN INFLEXIBLE

The President's attempt to shift the responsibility for the absence of Federal aid is partisanship. It ignores the central fact with which he should be concerned—the help is needed now, and his attitude of "Do it my way or not at all" is the surest way to defeat all legislation on the subject. Moreover, his way of doing it is a poor one to begin with.

I ask the administration to drop its inflexible position on the terms whereby Federal aid may be extended to relieve the school crisis. The emergency exists and we are not meeting it. It will continue to worsen unless we act now. During the last campaign, the administration and some of its supporters were required by public demand and the pace set by the Democratic standard bearers and congressional candidates to take a firm stand on Federal aid to education. These Republican pledges were urgently required to cancel out the sorry record of the administration in the field of education.

Now that they are on the record it is the duty of the Democrats in Congress and of the press to insure that the Republican deed matches the Republican word.

Every year since 1948, hundreds of thousands of American children have paid the price for political bickering and legislative haggling and delay on Federal aid to education or for school construction. They have paid for it in loss of the training and development of their minds that might have elevated their communities and their Nation, as well as their own lives. The opportunities lost by these children throughout life cannot be measured, and will never be known. The least we can do now is act promptly to make certain that the boys and girls now in school or about to enter school do not suffer from the same handicap.

Passage of an adequate school aid bill must be the foremost domestic goal of this Congress.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a summary of the bill.

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

SUMMARY OF MORSE-CLARK BILL, EDUCATION ACT OF 1957

Section 1 is the enacting clause and short title of the bill "the Education Act of 1957."

Section 2 of the bill makes clear that no direction or control over the States or local school jurisdictions of any kind shall be authorized. I believe the language it contains does explain that clearly; it is taken from the Taft education bill of 1949; but if there is other or additional language that can make this intention more specific or more complete, I shall welcome its inclusion in my bill.

AUTHORIZATION

Section 3 provides for an authorization of $1 billion a year to raise the level of educational standards nationwide and to equalize in part educational opportunities among the States. There is no limitation on the appropriations made under the bill. Neither is there a limitation on the term of the authorization. It shall be up to Congress to determine that this financial assistance is no longer needed.

DISTRIBUTION

Section 4 is the formula for distribution among the States. There is a great variety of possible methods of distribution, and I do not offer this one as the last word, but as a reasonable basis for further refinement. With the exception of 5 percent of the total appropriation which is reserved for other situations the funds would be divided in this way: Half would be distributed among

the States on the basis of school-age population. We know that the cost of education is rising everywhere, in the wealthy States as well as in the poorer States. A wealthy State, in terms of its per capita income, must spend relatively much more per child to give the child the same level of education that a smaller expenditure will provide in a State with lower cost and income indexes. We know, for example, that school construction in States with severe winters is considerably more costly than in States with mild winters, and that construction costs are also raised by higher wage levels and higher cost levels that prevail in some regions. Teachers' salaries that are high in one State as compared with other States, may be low in terms of other wages and salaries within that State. Therefore, I have felt that at least half the funds should be distributed on the basis of school-age population.

But it is also my purpose to equalize to some extent the educational opportunities among the States. That low per child outlay for education result in lower educational standards is evidenced by the high rejection rate of draftees in States with low per capita expenditures for education, and by many similar measures of relative performance. In order to provide additional help to the States having less financial resources on which to draw for educational expenses, I have provided that half the available funds shall be distributed in inverse proportion to the income per school-age child in each State. The outright ratio in per school child income was just about 4 to 1 in 1955, with New York having the highest and Mississippi the lowest; thus, this allotment per child in Mississippi would be four times that of New York. The overall per child gradation from the poorest to the richest State would be just a fraction more than 2 to 1.

SPECIAL PURPOSES

The section also sets aside 3 percent of the funds to be distributed by the Commissioner of Education to Alaska, Hawaii, the Canal Zone, Puerto Rico, American Samoa, the Virgin Islands and Guam, and the District of Columbia under terms agreed to with their local educational authorities. The remaining 2 percent would also be distributed by the Commissioner of Education to meet special needs that may arise. There is an alarming lack, for example, of programs to train and educate retarded youngsters at least to their full capacities, and our exceptionally bright children, as well. There is too little provision for educating our blind children and those with other types of physical handicap. Too often the boy or girl that varies in any way from the norm and needs or deserves special instruction, goes without because all available money is devoted entirely to the general educational program. It would be my expectation that the Commissioner of Education would receive application for funds for programs aimed at meeting these special needs and would allot them at his discretion. They would also be available for allotment in event of natural disasters—floods, storms, and the like—that so often wipe out school buildings and property at a total loss to the community. With appropriation of the full amount authorized, $20 million would be available for this purpose.

AVAILABILITY

Section 5 sets forth the availability of the funds. I have tried to eliminate all restriction on the States, requiring only that the Federal grant be used for education at the primary and secondary levels. However, some minimum technical requirements for handling the money are included. The State may disburse the money only through its State educational authority, to be designated by the State, and must make arrangements for acceptance of the funds, for reports to the Commissioner of Education and to Congress on how it is spent, and must provide for an annual audit. These State arrangements are listed in sections 6 and 7. I believe that Congress must require an accounting from the States as to how they have used the funds provided them and assure their expenditure in accord with proper legal procedures. But there is no test or penalty in terms of State expenditures from its own sources, no matching requirement, no directive that funds be used for public education, no requirement that funds be used for this or that part of the cost of education, and no requirement that funds be channeled to the poorest districts within the States. I have confidence in the efforts made in every State to improve its educational system. I think every State is conscientiously trying to give its children a good education and is capable of deciding how additional funds could be used most effectively within its borders. Every State knows what its problems are and where money is most needed. What they need from Congress for education is money, not advice or directives on how to spend it.

Section 8 makes provision for the challenging of allotments as made by the Commissioner of Education by a State and for court determination of disputes that may arise.

Sections 9 and 10 define the terms used herein and provide for separability.

Allocation of $500 million on basis of per-child population and $500 million in inverse proportion to average income per school-age child

State	Population aged 5-17, July 1954 (in thousands)	Apportionment of $500 million on basis of col. 2	Personal income per school-age child	Apportionment of $500 million on basis of col. 4	Total allocation per State	Allotment per child age 5-17
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Alabama	827	$11,515,540	$3,959	$20,493,267	$32,008,807	$38.70
Arizona	234	3,258,327	6,274	3,659,003	6,917,330	29.56
Arkansas	490	6,822,992	3,592	13,382,925	20,205,917	41.23
California	2,540	35,368,163	10,640	23,419,802	58,787,965	23.14
Colorado	333	4,636,850	7,592	4,303,079	8,939,929	26.84
Connecticut	441	6,140,693	11,698	3,698,435	9,839,128	22.31
Delaware	77	1,072,184	11,429	660,961	1,733,145	22.50
District of Columbia	148	2,060,822	12,736	1,140,040	3,200,862	21.62
Florida	703	9,788,905	7,558	9,125,147	18,914,052	26.90
Georgia	944	13,144,703	4,725	19,600,246	32,744,949	34.68
Idaho	156	2,172,218	5,494	2,785,656	4,957,874	31.78
Illinois	1,867	25,996,592	10,612	17,259,907	43,256,899	23.16
Indiana	943	13,130,779	8,239	11,228,674	24,359,453	25.83
Iowa	592	8,243,288	7,505	7,738,596	15,981,884	26.99
Kansas	438	6,098,919	7,801	5,508,271	11,607,190	26.50
Kentucky	767	10,680,071	4,720	15,942,067	26,622,138	34.70
Lousiana	746	10,387,657	5,028	14,555,756	24,943,413	33.43
Maine	207	2,882,366	6,415	3,165,667	6,048,033	29.21
Maryland	572	7,964,799	8,830	6,362,368	14,327,167	25.04
Massachusetts	975	13,576,362	9,709	9,851,937	23,428,299	24.02
Michigan	1,573	21,903,197	9,010	17,127,554	39,030,751	24.81
Minnesota	710	9,886,376	7,251	9,606,197	19,492,573	27.45
Mississippi	600	8,354,684	3,093	19,031,043	27,385,727	45.64
Missouri	846	11,780,105	8,418	9,859,447	21,639,552	25.57
Montana	147	2,046,898	7,279	1,981,242	4,028,140	27.40
Nebraska	297	4,135,569	7,522	3,873,600	8,009,169	26.96
Nevada	43	598,752	11,791	357,772	956,524	22.24
New Hampshire	118	1,643,088	7,483	1,547,026	3,190,114	27.03
New Jersey	1,646	14,565,000	11,251	9,120,771	23,685,771	22.64
New Mexico	214	2,979,837	5,042	4,163,918	7,143,755	33.38
New York	3,024	42,107,608	11,319	25,209,887	68,317,495	22.59
North Carolina	1,123	15,637,184	4,477	24,608,432	40,245,616	35.83
North Dakota	159	2,213,991	4,736	3,293,644	5,507,635	34.63
Ohio	1,866	25,983,068	9,267	19,754,398	45,737,466	24.51
Oklahoma	527	7,338,198	6,047	8,549,919	15,888,117	30.14
Oregon	359	4,998,886	8,025	4,388,744	9,387,630	26.14
Pennsylvania	2,315	32,235,157	8,468	26,820,163	59,055,320	25.50
Rhode Island	164	2,283,614	9,305	1,729,094	4,012,708	24.46
South Carolina	646	8,995,210	3,737	16,959,013	25,954,223	40.17
South Dakota	159	2,213,991	5,629	2,771,128	4,985,119	31.35
Tennessee	846	11,780,105	4,816	17,233,562	29,013,667	34.29
Texas	2,627	28,224,908	6,586	30,194,187	58,419,095	28.82
Utah	200	2,784,895	5,650	3,472,745	6,257,640	31.28
Vermont	89	1,239,278	5,966	1,463,518	2,702,796	30.36
Virginia	849	11,821,878	6,206	13,421,077	25,242,955	29.73
Washington	553	7,700,234	8,922	6,080,709	13,780,943	24.92
West Virginia	530	7,379,971	4,626	11,239,874	18,619,845	35.13
Wisconsin	806	11,223,126	7,677	10,299,942	21,523,068	26.70
Wyoming	72	1,002,562	7,361	959,590	1,962,152	27.25
Total	35,908	500,000,000	7,947	500,000,000	1,000,000,000	27.84

NOTE.—Col. 3 constitutes a flat grant of $13.92 plus per child.

Mr. MORSE. Mr. President, I introduce the bill and I ask unanimous consent to have the text of the bill printed in my remarks at this point.

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

The bill (S. 1134) to authorize a program of Federal financial assistance for education, introduced by Mr. MORSE (for himself and Mr. CLARK), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Education Act of 1957."

SEC. 2. Nothing contained in this act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or to prescribe any requirements with respect to any school, or any State or local educational institution or agency, with respect to which any funds have been or may be made available or expended pursuant to this act, nor shall any term or condition of any agreement or any other action taken under this act, whether by agreement or otherwise, relating to any contribution made under this act to or on behalf of any school, or any State or local educational institution or agency, or any limitation or provision in any appropriation made pursuant to this act, seek to control in any manner, or prescribe requirements with respect to, or authorize any department, agency, officer, or employee of the United States to direct, supervise, or control in any manner, or prescribe any requirements with respect to, the administration, the curriculum, the instruction, the methods of instruction, or the materials of instruction.

SEC. 3. For the purpose of more nearly equalizing elementary and secondary school opportunities among and within the States, and raising educational standards throughout all the States, there is hereby authorized to be appropriated, without any limitation of such appropriations or condition inconsistent with or contrary to the terms or purposes of this act for the fiscal year ending June 30, 1958, and for each fiscal year thereafter, the sum of $1 billion to be distributed among the States as hereinafter provided until the Congress determines that assistance is no longer needed for this purpose.

SEC. 4. (a) Ninety-five percent of the funds appropriated in accordance with section 3 of this act for each fiscal year shall be distributed among the States in the following manner:

(1) From 50 percent of such funds the Commissioner shall allot and authorize the payment to each State of an amount which bears the same ratio to the total of such 50 percent of such funds as the school-age population of such State bears to the total of the school-age populations of all the States. For the purposes of this act the term "school-age population" means with respect to any State that part of the population of such State which is between the ages of 5 and 17, both inclusive, according to the most recent estimates certified by the Secretary of Commerce.

(2) From the remaining 50 percent of such funds the Commissioner shall allot and authorize the payment to each State of an amount which bears the same ratio to the total of such 50 percent of such funds as the weighted school-age population of such State bears to the total of the weighted school-age populations of all the States. For the purposes of this act the term "weighted school-age population" means with respect to any State the school-age population of such State multiplied by the quotient obtained by dividing the personal income per school-age child of such State into the personal income per school-age child of the State having the highest personal income per school-age child. For the purposes of this act the term "personal income per school-age child" means with respect to any State the total personal income of such State, according to the most recent estimates certified by the Secretary of Commerce, divided by the school-age population of such State.

(b) From 3 percent of the funds appropriated for each fiscal year pursuant to section 3 of this act, such additional sums as may be necessary shall be apportioned by the Commissioner and paid to the District of Columbia, Alaska, Hawaii, the Canal Zone, Puerto Rico, American Samoa, the Virgin Islands, and Guam, according to their respective needs for additional funds for elementary and secondary schools, upon the basis of joint agreements made with their respective State educational authorities.

(c) From 2 percent of the funds appropriated for each fiscal year pursuant to section 3 of this act, such additional sums as may be necessary shall be apportioned by the Commissioner and paid to the States for urgent and special educational needs and programs, including but not limited to programs for mentally retarded children and specially gifted children, upon application of the State educational authority, except that no State shall be allotted more than 10 percent of the funds apportioned under this subsection.

SEC. 5. In order to improve and more nearly equalize educational opportunities, the funds paid to a State from the funds appropriated in accordance with section 3 and apportioned under subsections (a) and (b) of section 4 of this act shall be available for disbursement by the State educational authority, either directly or through payments to local school jurisdictions or other education agencies, exclusively for primary and secondary education expenses and activities. Funds appropriated in accordance with section 3 and apportioned under subsection (c) of section 4 of this act shall be available for disbursement by the Commissioner, upon application of the State educational authority, for urgent and special educational needs and programs within the discretion of the Commissioner.

SEC. 6. The Commissioner shall certify for each fiscal year the amounts to be paid under this act to each State that has qualified under section 7 of this act to the Secretary of the Treasury, who shall, through the fiscal service of the Treasury Department and prior to audit or settlement by the General Accounting Office, pay to the treasurer or corresponding official of such State the amount certified for such fiscal year in four equal installments, as soon after the first day of each quarter as may be feasible, beginning with the first quarter of the fiscal year for which appropriations made under the authorization of this act are available. Such treasurer or corresponding official shall pay out such funds only on the requisition of the State educational authority.

SEC. 7. In order to qualify for receiving funds appropriated under this act a State shall, by appropriate State action—

(1) accept the provisions of this act and provide for the administration of funds to be received;

(2) provide that the State treasurer or corresponding official in the State shall receive the funds paid to that State under this act and shall be required to submit to the Commissioner, on or before the first day of November of each year, for transmission to the Congress, a detailed statement of the amount so received for the preceding fiscal year and its disbursement;

(3) provide that its State educational authority shall represent the State in the administration of funds received;

(4) provide for an annual audit, and for the submission of a copy thereof to the Commissioner, of the expenditure of funds received under this act, and for a system of reports from local school jurisdictions and other educational agencies to the State educational authority;

(5) provide that the State educational authority shall make reports to the Commissioner with respect to the progress of education, on forms to be provided by the Commissioner, which reports the Commissioner shall transmit to the Congress with recommendations for such revisions of this act as in his judgment the Congress should consider, with particular reference to recommendations arising from changing conditions in our national economy; and

(6) transmit through its State educational authority to the Commissioner notice of acceptance and certified copies of the legislative enactments and the administrative regulations that may be issued by the State educational authority in connection with such funds, and any amendment of such enactments and revisions of regulations shall, in like manner, be transmitted to the Commissioner.

SEC. 8. In the event a State educational authority is dissatisfied with any action by the Commissioner taken with respect to such State pursuant to this act, or with his failure to take any action with respect to such State pursuant to this act, such authority shall have the right to appeal to the Commissioner to change the action he has taken or to take the action he has failed to take, and to present to him in support of such appeal such statement and other evidence as such authority may deem appropriate. If the action taken by the Commissioner on such appeal is not satisfactory to the State educational authority, or if he fails to act thereon within 90 days after he receives such appeal, such authority shall have the right to appeal to the United States district court for any district in which any part of such State is located. The court shall receive in evidence a copy of the statements and other evidence presented by the State educational authority to the Commissioner, and such further evidence as the court in its discretion deems proper; and shall have jurisdiction to enter such judgments as the facts and the law may require.

SEC. 9. As used in this act—

(1) The term "State" shall include the several States, the District of Columbia, Alaska, Hawaii, the Canal Zone, Puerto Rico, American Samoa, the Virgin Islands, and Guam;

(2) The term "State educational authority" means, as the State legislature may determine, (a) the chief State school officer (such as the State superintendent of public education, commissioner of education, or similar officer), or (b) a board of education controlling the State department of education; except that in the District of Columbia it shall mean the Board of Education, and in the Canal Zone, American Samoa, the Virgin Islands, and Guam, it shall mean the Governor; and

(3) The term "Commissioner" means the United States Commissioner of Education.

SEC. 10. If any provisions of this act or the application thereof to any State, person, or circumstance is held invalid, the remainder of the act, and the application of such provision to other States, persons, or circumstances shall not be affected thereby.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks House Memorial No. 2 of the Oregon

Legislature, dealing with the question of educational grants-in-aid.

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

House Memorial 2

To the Honorable Senate and House of Representatives of the United States of America, in Congress assembled, and to the Oregon Members of these legislative bodies:

We, your memorialists, the House of Representatives of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Whereas increasing school costs are imposing a steadily increasing burden upon the real property owners of our State; and

Whereas the present tax collection policies of the Federal Government fall heavily upon State sources, with no corresponding return to the State for the assistance of education; and

Whereas under such taxation policies the Federal Government should assume its rightful obligation to the preservation of our way of life by assisting the cause of education; and

Whereas it is the announced policy of both major political parties that the Federal Government should provide assistance in meeting building needs of various school districts: Now, therefore, be it

Resolved by the House of Representatives of the State of Oregon, That the Congress of the United States hereby is urged to provide legislation giving grants-in-aid for school building purposes to school districts in the various States; be it further

Resolved, That the Oregon Members of the United States Senate and House of Representatives promote and support such legislation; and be it further

Resolved, That the secretary of state of the State of Oregon be and hereby is directed to send a copy of this memorial to the Honorable Dwight D. Eisenhower, President of the United States, to the Honorable RICHARD M. NIXON, Vice President of the United States, to the Honorable Marion B. Folsom, Secretary of Health, Education, and Welfare of the United States, to the President and Chief Clerk of the United States Senate, to the Speaker and Clerk of the House of Representatives of the United States and to all Members of the Oregon congresisonal delegation in the Congress of the United States.

Adopted by house January 28, 1957.

RURAL LIBRARY SERVICE

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in RECORD at this point a letter from the Oregon Library Association, signed by Cora M. Miller, president, dealing with the problems of the library service.

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

OREGON LIBRARY ASSOCIATION,
Portland, Oreg., January 31, 1957.

The Honorable WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR MR. MORSE: The Oregon Library Association is proud of the commendable forward step taken by the 84th Congress in the passage of the Library Services Act and sees it as an opportunity to promote library development needed to equalize or offer library opportunities to residents of rural areas too long denied adequate library services.

The act was planned as terminal legislation, for a period of 5 years only. We were alarmed when such a small appropriation was given for the implementation of this act last year but assumed it was due to a lag in initiating the new project. We fully expected that the amount would be enlarged this year. Now, the President's budget recommends only $3 million for this year instead of the full amount of the expected yearly appropriation of $7,500,000 as legislated. This is, indeed, a blow to Oregon, especially when so much planning for improved library services has been done.

If this were not a terminal act, we would hope for a gradual increase in appropriation each year, but, since it was only for 5 years and the first one has passed, and the amount asked for, when divided into 48 States with Territories additional, is a relatively small sum geared to minimum realistic needs, we hope that Oregon legislators will ask for the full amount of the appropriation this year. You know Oregon, know how much of its area is rural, how much industrial expansion is taking place, how rapid the population is growing and you know how inadequate library services are in areas of small population. Is it asking too much to ask that the people of Oregon be granted adequate libraries that will offer both children and adults the opportunity to be better informed and educated individuals and thus be better citizens of Oregon and the Nation? As a Senator, representing Oregon, will you not ask for the full appropriation allowed for the Library Services Act for this year? Oregon librarians have carefully planned for the best use of Oregon's share of this money and we are hard at work to make library development in Oregon a reality. Won't you be a leader in working for the full appropriation of the Library Services Act? Such action would benefit libraries, not only in Oregon, but all States as well.

Sincerely,

CORA M. MILLER, *President.*

THE FACTS ABOUT EDUCATION

Mr. MORSE. I believe it is very important that we in Congress be educators on the need of Federal aid to education. It is important that we get the facts to American mothers and fathers as to what is happening to their children in the field of education.

The fact is that thousands of American boys and girls today are being denied a college education because our elementary schools and high schools in many parts of the land are so low in their standards that their graduates cannot qualify for college. They are either denied admission in the first instance, or, if admitted, they soon flunk out.

That is a terrific waste of a human resource. After all, the greatest resource we have in America, and the greatest wealth we have in America, is human talent. I have been heard to say many times on the floor that, although we cannot keep ahead of Russia in manpower, we had better keep ahead of her in brain power. We will not keep ahead of her in brain power when we look at such a statistic as this, namely, that 23 percent of the high schools of this country do not even offer a course in either physics or chemistry, and a large percentage of them offer only one of those courses. In this scientific age we had better take a hard look at the educational needs of our grade schools and our high schools and make sure that such deficiencies are corrected at once.

In the bill just introduced, we have sought to come to grips with the problem of a full development of the educational facilities of our country, not merely a development which is limited to a school-construction program. Interestingly enough the Eisenhower school-construction program will result in very little real aid to States, but rather great aid to the floaters of bonds and the interest collectors. They would be substantial benefactors from that kind of program. When I talk about Federal aid to education, I mean aid; I mean seeing to it that the money flows into the States, to be spent by the States for developing better support for the schools, including support for teachers' salaries, for the setting up of better curricula, for aid to retarded and superior children, and also for aid to the great mass of the so-called average children.

TAFT ANSWER TO FEDERAL-AID CRITICS

I close these remarks by referring again to the classic answer that Bob Taft used to give on the floor of the Senate, when the charge was made that favoring Federal aid to education would somehow, in some way, according to the critics, lead to Federal domination of the local school districts. Bob Taft used to stand on the floor of the Senate and shake his finger at us and say, "If any Member of the Senate can write language into the bill which will, in his opinion, give greater guaranties to the local school districts or greater assurance that the States will control education, let him give it to me, and I will put it in the bill." Nobody could. He said, "Nobody can, because the bill contains every guaranty that can be written into it."

Mr. President, Senators will find such guaranties in the Morse-Clark bill. It is in the provision which sets forth, in effect, that any Federal money which is given to a State shall be commingled with State money and spent by the State authorities in accordance with the State's educational policies. That is protection. That is my answer, as it was Bob Taft's answer, to those who raise the scarecrow argument and the highly fallacious argument that any program of Federal aid to education is bound to lead to the Federal Government's domination of education. There is no basis in fact to that argument. The argument has no merit. However, I am glad to introduce a bill this afternoon which reiterates the protection that Bob Taft always wrote into bills for aid to education which he and a group of us cosponsored.

JOINT RESOLUTION OF OREGON LEGISLATURE

Mr. President, I ask unanimous consent to have printed in the RECORD, on behalf of myself and my colleague [Mr. NEUBERGER], House Joint Resolution No. 2, passed by the Oregon Legislature.

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

House Joint Resolution 2

Whereas the Honorable Dwight David Eisenhower and the Honorable RICHARD M. NIXON are soon to be inaugurated as President and Vice President of the United States of America; and

Whereas the President and Vice President of the United States of America, in their positions of responsibility and leadership, are, in the eyes of the American people and the peoples of the world, the symbol of America's desire for peace and opposition to forces of tyranny and oppression; and

Whereas the President and Vice President of the United States of America are the elected leaders of all the people of this Nation regardless of their party affiliation: Now, therefore, be it

Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring), That we offer our congratulations to the Honorable Dwight David Eisenhower and the Honorable RICHARD M. NIXON as they embark on their second terms and continue to assume their positions of responsibility and leadership; be it further

Resolved, That we wish the Honorable Dwight David Eisenhower and the Honorable RICHARD M. NIXON success, achievement and the best of health during their terms of office; be it further

Resolved, That we pray that this administration may be characterized by world peace and security; and be it further

Resolved, That copies of this resolution be forwarded by the Speaker of the House and the President of the Senate to the Honorable Dwight David Eisenhower, the Honorable RICHARD M. NIXON, to the Secretary of State of the United States and to all members of the Oregon congressional delegation in the Congress of the United States.

Adopted by house January 18, 1957.

Adopted by senate January 28, 1957.

PORT OF SIUSLAW, OREG., REQUIRES IMPROVEMENT AND EXPANSION

Mr. NEUBERGER. Mr. President, Oregon's coastal seaports are assuming increasing importance in the economic life of surrounding areas. This is especially true in major lumber-producing sections of the State, where competitive market conditions have made shipping costs a critical factor in continued operation of many mills. Since the maintenance of harbor facilities is under the jurisdiction of the Federal Government, it is essential that the Congress give the fullest consideration to developing maximum efficiency of navigation installations.

The Port of Siuslaw, Oreg., is the seaport for one of the Nation's major forest-products producing areas. Yet the existing jetties which make the port channel navigable have been allowed to fall into a state of disrepair. Details of this condition have been brought to my attention in a pointed resolution adopted by the Lane County delegation to the 49th Legislative Assembly of the State of Oregon. I ask consent to have the resolution inserted in the RECORD at the conclusion of my remarks so that Members of the Senate may be apprised of the need for immediate improvement of the Siuslaw River jetties.

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

Whereas Lane County's seaport, the port of Siuslaw, is seeking rehabilitation of the existing jetties at the mouth of the Siuslaw River; and

Whereas the existing jetty at the mouth of the Siuslaw River, have since 1917, deteriorated to such an extent that they are no longer effective in maintaining a controlled depth at the mouth of the Siuslaw River; and

Whereas existing fishing and navigation interests have been operating in and out of the port of Siuslaw under most adverse and hazardous conditions, much of which is caused by lack of jetty protection at the mouth of the Siuslaw River; and

Whereas the rehabilitation of the jetties at the mouth of the Siuslaw River would substantially aid in controlling depths, thereby offering relief to existing navigation and encouraging additional use; and

Whereas the rehabilitation is necessary to maintain the present traffic and develop the full use of this resource, and must be done prior to the proposed modification of the project by extension of the present jetties; and

Whereas this modification is now pending in the United States Congress; and

Whereas the great economic value and necessity of this project has been recognized by such organized groups as the Northwest Rivers and Harbors Congress, Inland Empire Waterways Association, Lane County Chamber of Commerce, Eugene Chamber of Commerce, Springfield Chamber of Commerce, Cottage Grove Chamber of Commerce, Junction City Chamber of Commerce, Oakridge Chamber of Commerce, McKenzie River Chamber of Commerce, Florence Chamber of Commerce, Lane County Commissioners, Lane County Parks and Recreation Commission, port of Siuslaw, and generally by the people of the State of Oregon; and

Whereas the rehabilitation of the existing jetties at the mouth of the Siuslaw River must be financed from Federal Rivers and Harbors maintenance money; and

Whereas the Lane County delegation to the 49th Legislative Assembly of the State of Oregon, does hereby recognize the immediate need and urgency of the situation: Now, therefore, be it

Resolved, That the Lane County delegates to the 49th Legislative Assembly of the State of Oregon, do hereby urgently request that the rehabilitation of the existing jetties at the mouth of the Siuslaw River be given priority and the necessary funds allocated from Federal rivers and harbors funds for said rehabilitation; be it further

Resolved, That copies of this resolution be forwarded to Gov. Robert D. Holmes, Senator Wayne L. Morse, Senator Richard L. Neuberger, and Congressman Charles O. Porter, urging their concentrated support of this project.

Unanimously adopted by the Lane County delegation to the 49th Legislative Assembly of the State of Oregon, this 2d day of February 1957.

TRUMAN A. CHASE,
Oregon State Senator.
DONALD R. HUSBAND,
Oregon State Senator.
EDWIN E. CONE,
Oregon State Representative.
V. E. JOHNSON,
Oregon State Representative.
KEITH SKELTON,
Oregon State Representative.
RICHARD EYMANN,
Oregon State Representative.
GLEN M. STADLER,
Oregon State Representative.

NATIONAL ATTENTION HAS COME TO WILLIAM S. WHITE FOR HIS BOOK ABOUT THE UNITED STATES SENATE

Mr. NEUBERGER. Mr. President, national recognition has come again to William S. White, chief congressional correspondent for the New York Times. This time the occasion is publication of his outstanding new book about the United States Senate. Its title is "Citadel." Its publication has been a major event in the realm of books.

This book has been reviewed with scholarship and ability in the current issue of the Saturday Review by Sidney Hyman, of the staff of the Washington Post and Times Herald.

I believe that all Senators interested in Mr. White's splendid book—and their number is legion—will value an opportunity to read the interesting review by Mr. Hyman. Here let me add that, as something of a minor author myself, I can only admire the great talent and skill with which William S. White has demonstrated true literary craftsmanship in the writing of Citadel. His choice of words is masterful.

I ask that Sidney Hyman's review of Citadel, a review entitled "Inside the Senate," appear in the body of the RECORD.

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

INSIDE THE SENATE

(By Sidney Hyman)

William S. White, of the New York Times, has long served his readers with a daily epiphany, making plain what is hidden behind changing Senate surfaces. Now, in a book called Citadel, his aim is to state and judge the timeless forces active in the Senate—an "institution that lives in an unending yesterday where the past is never gone, the present never quite decisive, and the future rarely visible."

In the concepts it puts forward Citadel is the most revealing single book ever written about the Senate. In its esthetic aspects also, the form and movement of Mr. White's story is everywhere luminous; it glows with a special light whenever he touches—with affectionate irony—the figure of the southerner in the Senate.

But to place a full value on the book one should add that Mr. White's command of his material is not confined to the image of the Senate he reconstructs. The Senate, rather, is his metaphor for an inspired essay about American constitutional morality—the condition of its strength, how it is affected by time itself, the nature of its paradoxes, its built-in risks, and the dangers now facing it. Indeed, to miss this moral-constitutional concern is to miss the cogent reason why Mr. White calls the Senate a Citadel, and why he expects it to be worthy of the title.

In Mr. White's outlook the institutional form of the Senate both explains and comments on the actors who embody it in any hour. There is, for example, the normal fact of Senate equality of State representation regardless of size, and the Senate seniority system regardless of merit. There is the right of unlimited debate regardless of subject matter, and the right of a committee chairman regardless of his virtue. There is the fierce trust in precedent because it is a precedent, the love of small things because of their smallness, and the Senate's general readiness to respect the absolute minority of one man—provided the one man has character.

These details of Senate form produce a general Senate type, which subdivides in many ways, but most importantly, into Senate types that do or don't belong to the Inner Club, formed of men who give the Senate its real direction. Still, for all Senate Members, the very form of the Senate opens the road to gross abuses of personal power, to disorder, to arrogance toward the House and the Executive. This Mr. White states and documents, sometimes with restrained contempt and sometimes by a comic representation that purifies the truly serious and somehow draws the reader closer to its solemnity.

But he does not stop with an indictment. Mr. White goes on to observe, with powerful documentary support, that the same Senate

forms which invite abuse, can also be enlisted in the service of the highest of moral-constitutional causes. What is it? It is to uphold Calhoun's doctrine of the concurrent majority (cleansed of its original identity with the defense of slavery). For it is this doctrine which represents true constitutionalism, based not on the unchecked rule of numbers, but on a concurrence of majority and minority interests.

In Mr. White's interpretation of that doctrine, and it is one with which this reviewer is in full accord, it is the Senate's duty to see to it that policies and laws that are quite literally intolerable (and not merely repugnant) shall not be pressed on any minority by any majority, however great. It is the Senate's duty to uphold the rights even of the absolute minority of one man—to keep all pressure points on minorities within constitutional bounds, and to search constantly for ways in which a workable modus vivendi between majority and minority interests can be achieved. When it does this moral-constitutional work, it becomes the citadel of the American idea of fair play.

There are many individual heroes in Mr. White's demonstration of constitutional morality working at its best. But the figure who draws his special attention is Senator RICHARD RUSSELL, of Georgia—"incomparably the truest current Senate type, and incomparably the most influential man on the inner life of the Senate." Known to northern liberals as the field marshal of the southern Senators, and suspected by some on that account, Senator RUSSELL nevertheless has a clear and everlasting title to the gratitude of the Nation. For it was he who quietly yet heroically summoned the Senate to the defense of the Constitution in the inflamed hour following General MacArthur's removal from his Far Eastern command. It was Senator RUSSELL, above all other men, who broke the back of public hysteria and reaffirmed the authority of the constitutional idea that the civil order is supreme over the military order.

The very great danger to our constitutional morality, as Mr. White sees it, is the danger the Senate puts itself in when it abuses the right of immunity from slander and libel action, and when it abuses the 12th amendment in the conduct of its investigations. This last abuse, he reminds us, is one of which liberals and conservatives are equally guilty; the first, for example, in the course of the Kefauver crime investigations; the second, in the case of the McCarthy and McCarran investigations into communism. Both investigations violated the rights of individuals. Whether good or bad individuals were abused is beside the point. The point is that the liberals were silent when Senator KEFAUVER ignored the constitutional rights of criminals; the conservatives were silent when Senators MCCARTHY and MCCARRAN ignored the rights of individuals suspected of communism. And, worst of all, there was the shame of the Senate itself, as a guardian of the great constitutional tradition, in condoning what it [knew] was not right. "Stick to your knitting," Mr. White says to the Senate, "and the Republic will be well served in ways no other arm of the Government except the Senate can serve it. Wander from your knitting, and the great, greasy sea of conformity, of soulless bigness, of anti-individualism—indeed, of antipolitics—will be upon us."

The next best thing to having a man like William S. White in the Senate, is to have him writing about it.

ADJOURNMENT TO MONDAY

Mr. MORSE. Mr. President, pursuant to the order previously entered, I move that the Senate stand adjourned until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 6 o'clock and 46 minutes p. m.) the Senate adjourned, the adjournment being under the order previously entered, to Monday, February 11, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 7, 1957:

DEPARTMENT OF STATE

G. Frederick Reinhardt, of California, to be Counselor of the Department of State, vice Douglas MacArthur 2d.

CIVIL AERONAUTICS BOARD

Louis J. Hector, of Florida, to be a member of the Civil Aeronautics Board for the term of 6 years expiring December 31, 1962, vice Joseph P. Adams, term expired.

NATIONAL LABOR RELATIONS BOARD

Jerome D. Fenton, of Connecticut, to be General Counsel of the National Labor Relations Board for a term of 4 years.

OFFICE OF DEFENSE MOBILIZATION

Gordon Gray, of North Carolina, to be Director of the Office of Defense Mobilization, vice Arthur S. Flemming.

AIR FORCE

Brig. Gen. Marvin Edward Kennebeck, 18819A (colonel, Regular Air Force, Medical), United States Air Force, for temporary appointment as major general in the United States Air Force, under the provisions of chapter 839, title 10, of the United States Code.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Henry L. Ware, Aliceville, Ala., in place of R. H. Kirksey, resigned.

James G. Stone, Ashland, Ala., in place of K. J. White, transferred.

Jesse B. McCollum, Dawson, Ala., in place of C. T. Driskill, resigned.

Quinton A. Williams, Gulf Shores, Ala., in place of Frank Wenzel, removed.

L. Gertrude McConnell, St. Elmo, Ala., in place of J. H. Henley, removed.

ARKANSAS

Henry L. Clark, Black Rock, Ark., in place of J. N. Moore, removed.

Fred C. Seaton, Forrest City, Ark., in place of S. L. Kirkpatrick, deceased.

Don C. Jones, Jasper, Ark., in place of C. B. Casey, deceased.

Lola Mae Eppes, Madison, Ark., in place of J. R. Eppes, deceased.

Willie J. White, Mount Ida, Ark., in place of R. M. Harris, deceased.

CALIFORNIA

Lucille Peyton, Aromas, Calif., in place of L. M. Williamson, retired.

Wilda B. Keller, Boulevard, Calif., in place of W. B. Keller, resigned.

Helen M. Robertson, Cobb, Calif., in place of A. H. Robinson, resigned.

Raymond A. Hunter, Colton, Calif., in place of C. A. Ham, resigned.

Barbara P. O'Neill, Crannell, Calif, in place of H. M. Heitman, resigned.

Gladys L. Ralph, Eagle Mountain, Calif. Office established November 1, 1951.

Edward F. Fuselli, Fairfax, Calif., in place of M. L. Jordan, retired.

Thomas G. Moore, Folsom, Calif., in place of R. F. Keefe, resigned.

Frank B. Branson, Fort Jones, Calif., in place of R. B. Reynolds, Sr., resigned.

Lewis B. Miller, Moorpark, Calif., in place of E. T. Whitaker, retired.

Dorothy P. Faust, Newberry, Calif., in place of G. T. Lomker, resigned.

Albert W. Oxsen, Pleasanton, Calif., in place of R. M. Mollin, resigned.

John Redstreake, Quincy, Calif., in place of R. A. Bar, retired.

Beryl E. Carroll, Rancho Cordova, Calif. Office established May 16, 1955.

Flora R. Sproul, Redway, Calif. Office established April 1, 1953.

Lawrence Kenneth Fee, Sr., San Miguel, Calif., in place of R. E. Cruess, retired.

Mervin H. Sheppard, Sutter Creek, Calif., in place of Bess Morabe, retired.

Mary G. Hutchinson, Tecate, Calif., in place of R. C. Marks, resigned.

Orion K. Beeson, Venice, Calif., in place of L. D. Winn, resigned.

Raymond J. Schulze, Yountville, Calif., in place of G. E. Beard, transferred.

COLORADO

Sidney E. Koon, Arvada, Colo., in place of Roy Staley, retired.

Glenn A. Daniels, Castle Rock, Colo., in place of F. G. Hier, retired.

Theodore G. Hefner, Denver, Colo., in place of F. A. Pomponio, resigned.

Wilbur A. Snyder, Fountain, Colo., in place of N. M. King, retired.

Louise J. Caddell, Grand Lake, Colo., in place of R. C. Caddell, deceased.

Eva G. Woolley, Louviers, Colo., in place of Lucille Stewart, retired.

Alex J. Campbell, Norwood, Colo., in place of G. E. McCall, transferred.

Joseph P. Davis, Peyton, Colo., in place of I. G. Duncan, transferred.

CONNECTICUT

Violet A. Grape, Cobalt, Conn., in place of R. H. Clark, not commissioned.

Vincent S. Iovieno, North Branford, Conn., in place of E. J. Surprenant, transferred.

DELAWARE

Elizabeth M. Clendaniel, Lincoln, Del., in in place of M. J. Greenly, retired.

FLORIDA

Stewart H. Hawkins, Anna Maria, Fla., in place of F. I. Warttig, retired.

Lillian S. Rodgers, Bascom, Fla., in place of M. E. R. Etheridge, resigned.

Harry E. Kesler, Fellsmere, Fla., in place of V. M. Sanborn, resigned.

Huber C. Hurst, Jacksonville, Fla., in place of G. C. Blume, deceased.

Charles Wyland, Fort Myers Beach, Fla. Office established September 1, 1955.

Marshall I. Richards, Grant, Fla., in place of C. M. Gutermuth, retired.

Emmet W. Doak, Neptune Beach, Fla., in place of E. C. Hunter, deceased.

Essie M. Cogdill, Saint Marks, Fla., in place of O. P. Shields, retired.

Wayne Searcy, Tallahassee, Fla., in place of J. F. Cochran, deceased.

GEORGIA

Alex B. Greenway, Alma, Ga., in place of Howard Thompson, removed.

Guy D. McKinney, Ball Ground, Ga., in place of H. R. Cobb, retired.

Luther A. Adams, Elberton, Ga., in place of N. W. Hawes, retired.

Joseph E. Turner, Jr., Hephzibah, Ga., in place of A. D. Lindsey, retired.

Henrietta B. Dopson, Jacksonville, Ga., in place of D. T. Wilcox, retired.

Emory H. Camp, Monroe, Ga., in place of I. W. Field, retired.

Walter T. Brown, Mountain View, Ga., in place of M. B. Arman, resigned.

Thomas E. Wynne, Warm Springs, Ga., in place of W. B. Persons, retired.

ILLINOIS

John E. Parker, Deer Creek, Ill., in place of H. R. Foster, retired.

Charles H. Harker, Sr., Dunlap, Ill., in place of F. F. Colgan, deceased.

Edward J. Kleen, Elmwood, Ill., in place of C. R. Bowers, retired.

Bayard M. Wright, Lacon, Ill., in place of M. W. Dunn, removed.

Louis D. Hobaker, Mackinaw, Ill., in place of G. H. Kinsey, retired.

INDIANA

Ernest Wayne Mattox, Culver, Ind., in place of F. T. Strang, retired.

Herman Funkhouser, Hymera, Ind., in place of E. G. Moreland, retired.

Ruth Quillen, Mooresville, Ind., in place of C. H. Wilson, transferred.

Charles L. Lemonds, Otisco, Ind., in place of F. D. Sutton, retired.

William S. Hutchison, Paoli, Ind., in place of O. F. Wilson, deceased.

Anna Lee Mory, South Milford, Ind., in place of I. B. Shroyer, retired.

IOWA

Alexander Thomas Carlisle, Atalissa, Iowa, in place of W. J. Hohnke, removed.

George A. Brooks, Bagley, Iowa, in place of D. E. Wagner, resigned.

Billy M. McClanahan, Bloomfield, Iowa, in place of K. F. Baldridge, retired.

John N. Malmquist, Boxholm, Iowa, in place of M. B. Stark, retired.

Leo E. Dunbar, Brighton, Iowa, in place of O. T. Lamansky, deceased.

Charles Donald Finch, Bussey, Iowa, in place of V. M. Zylstra, transferred.

Elmer E. Brumm, Curlew, Iowa, in place of N. M. Easton, retired.

Lawrence E. Myers, Dallas Center, Iowa, in place of O. F. Ward, deceased.

Donald C. Ogden, Fonda, Iowa, in place of D. V. Farrell, retired.

Harry F. Olhausen, Hartley, Iowa, in place of R. D. McCarty, transferred.

Carl H. Kuhnle, Hiawatha, Iowa. Office established February 16, 1955.

Elmer J. Galloway, Jr., Lone Tree, Iowa, in place of M. R. Griebel, retired.

Duane A. Yeakel, Kanawha, Iowa, in place of H. J. Johnson, resigned.

Howard W. Cruise, Olin, Iowa, in place of R. M. White, retired.

Howard L. Pritchard, Pilot Mound, Iowa, in place of D. E. Peterson, deceased.

Esther B. Hass, Preston, Iowa, in place of A. H. Mohr, deceased.

Harvey Norman Wilberg, Ringsted, Iowa, in place of T. A. Helgason, resigned.

Edward H. Brandt, Sibley, Iowa, in place of A. J. Salland, retired.

Russell E. Mullins, Westgate, Iowa, in place of V. L. Coleman, resigned.

KANSAS

Orville W. Hopkins, Augusta, Kans., in place of J. C. Cox, retired.

KENTUCKY

Jessie R. Hodges, Alva, Ky., in place of H. H. Snodgrass, resigned.

LOUISIANA

Alva L. Coon, Arcadia, La., in place of W. L. Galloway, removed.

Dalton J. Richard, Creole, La., in place of Edras Nunez, Jr., retired.

Robert D. Comeaux, Duson, La., in place of L. F. Sladous, retired.

America Hahn Falgout, Meraux, La., in place of C. A. Meraux, retired.

Hannah J. Cunningham, Metairie, La. Office established January 1, 1955.

Pauline B. Cambre, Paulina, La., in place of Celia Reilly, retired.

Katherine M. Boucher, Springhill, La., in place of D. W. Payne, resigned.

Myra H. Doughty, Tioga, La., in place of M. M. Clark, retired.

MAINE

Leonora H. Good, Hampden, Maine, in place of E. L. Davis, removed.

Augustus Sylvester, Orrs Island, Maine, in place of C. F. Huff, retired.

Albert Ellsworth, Oxford, Maine, in place of I. P. Teague, retired.

MARYLAND

Olie K. Teeter, Flintstone, Md., in place of N. R. Wigfield, retired.

Dudley I. Windsor, Hurlock, Md., in place of G. V. Thompson, retired.

John R. Byers, Westminster, Md., in place of F. P. Myers, retired.

MASSACHUSETTS

Kenneth E. Keith, Bridgewater, Mass., in place of J. J. O'Brien, deceased.

Alfred K. Wilde, Edgartown, Mass., in place of A. A. Averill, retired.

Berton E. Hobart, Holbrook, Mass., in place of J. F. Megley, retired.

Charles M. Thrasher, Natick, Mass., in place of P. V. Casavant, removed.

Adelbert M. Eldredge, Northboro, Mass., in place of P. H. Sheehan, deceased.

Clifford A. E. Norrman, Plympton, Mass., in place of M. F. McDonagh, retired.

Richard H. Crittendon, Otis, Mass., in place of J. T. McManus, resigned.

Marian F. Church, Rochester, Mass., in place of E. O. Phillips, removed.

Essie H. Reynolds, South Acton, Mass., in place of J. T. Enneguess, removed.

Hazel B. Hiltz, South Ashburnham, Mass., in place of J. E. Dempsey, retired.

Albert R. Lacroix, Spencer, Mass., in place of G. A. Morin, removed.

Roger D. Scudder, Sunderland, Mass., in place of H. K. Hoxie, retired.

MISSISSIPPI

Mabel E. Burford, Coldwater, Miss., in place of T. A. Elder, removed.

Jack T. Holleman, Houston, Miss., in place of F. L. Lowry, retired.

Charles P. Gunter, Marks, Miss., in place of W. J. Pettyjohn, retired.

William R. Lea, Minter City, Miss., in place of J. N. Truitt, retired.

James William Jones, Newhebron, Miss., in place of J. C. Garner, transferred.

Rufina F. W. Gully, Preston, Miss., in place of L. D. Henderson, Jr., resigned.

Philip L. May, Silver Creek, Miss., in place of G. M. Williams, retired.

MONTANA

John C. Emerson, Stevensville, Mont., in place of P. W. Poindexter, retired.

NEBRASKA

Osyth M. Stradley, Greenwood, Nebr., in place of Elsie Kelly, retired.

Verl A. Brunkow, Murdock, Nebr., in place of L. B. Gorthey, retired.

NEW HAMPSHIRE

Edna R. Perry, Center Barnstead, N. H., in place of M. L. McAllister, retired.

Orimer Bugbee, Newport, N. H., in place of R. E. Gould, retired.

Gordon A. Cheney, Newton Junction, N. H., in place of H. E. Cheney, deceased.

Helen R. Quimby, Northwood Narrows, N. H., in place of B. A. Trickey, retired.

Lavinia Y. Ladd, West Stewartstown, N. H., in place of C. N. Young, deceased.

NEW JERSEY

John A. Beetle, Blackwood, N. J., in place of D. T. Hagans, deceased.

William H. Rule, Dover, N. J., in place of G. T. Albrecht, deceased.

Francis E. Bruce, Eatontown, N. J., in place of H. S. Price, resigned.

Edith L. Brown, Mantua, N. J., in place of J. B. Graham, retired.

NEW YORK

John C. Newkerk, DeLancey, N. Y., in place of R. C. Newkerk, retired.

Gardner A. Cross, Felts Mills, N. Y., in place of P. S. Wood, removed.

Rudolph M. Jabbonsky, Holbrook, N. Y., in place of R. F. Jones, resigned.

Loren Grace, Jr., Lodi, N. Y., in place of N. E. Harding, transferred.

Harold B. Lauster, Lyons, N. Y., in place of J. M. Collins, deceased.

Robert P. Siersma, Marcellus, N. Y., in place of J. E. Conley, resigned.

Margaret M. Fitzgerald, Maryknoll, N. Y., in place of M. V. Schrempp, retired.

William Adolph Roese, Mineola, N. Y., in place of O. L. Sause, deceased.

Clifford S. Van Valkenburgh, Jr., New Paltz, N. Y., in place of Jay Zimmerman, resigned.

Laura E. Ebmeyer, Palisades, N. Y., in place of C. T. Cahill, retired.

Donald W. Floyd, Port Jefferson, N. Y., in place of W. E. Davis, retired.

Francis M. Landau, Shirley, N. Y. Office established June 1, 1952.

Mary Eva Loomis, Smithville Flats, N. Y., in place of L. L. Fish, retired.

Harry F. Erickson, Stottville, N. Y., in place of J. C. Kopperger, deceased.

John J. Blake, Taberg, N. Y., in place of F. M. Simon, retired.

William A. Todd, Valley Stream, N. Y., in place of R. J. Buckley, retired.

Robert K. La Londe, Wantagh, N. Y., in place of C. A. Pickard, resigned.

William J. Brown, Jr., Waterford, N. Y., in place of S. H. Keating, resigned.

NORTH CAROLINA

Wren Hunter Freeman, Alexander, N. C., in place of F. E. Sluder, removed.

Raymond L. Long, Biscoe, N. C., in place of A. W. Burt, retired.

David C. Keller, Jr., Chimney Rock, N. C., in place of J. J. Meliski, resigned.

George O. Petree, Danbury, N. C., in place of M. J. Pepper, retired.

Sion Chester Rogers, Elizabethtown, N. C., in place of J. K. Clark, retired.

William T. Stokes, III, Graham, N. C., in place of A. R. Henderson, retired.

Vera N. Scarborough, Grifton, N. C., in place of J. S. Chapman, removed.

Annie B. Smith, Guilford, N. C., in place of Treva Wakefield, retired.

John Perry, Jr., Hendersonville, N. C., in place of Columbus Few, retired.

Cleveland C. Hines, Jr., Holly Ridge, N. C., in place of C. C. Hines, Sr., deceased.

Dennis G. Clifton, Lumber Bridge, N. C., in place of W. E. McGoogan, retired.

Steven Andrew Gaydek, Maury, N. C., in place of Mae Barber, removed.

Harveleigh M. White, Method, N. C., in place of A. T. White, deceased.

Ada S. Solomon, Montreat, N. C., in place of J. C. Rice, retired.

John C. Hammond, Rockingham, N. C., in place of C. R. McNair, retired.

Lola A. Woody, Saxapahaw, N. C., in place of H. M. Cates, retired.

Robert W. Loflin, Trinity, N. C., in place of C. C. Craven, retired.

Joseph W. Heath, Wade, N. C., in place of A L. McNeill, deceased.

OHIO

Robert J. Reese, Belpre, Ohio, in place of F. S. Trautman, deceased.

Ralph E. Kienzle, Bolivar, Ohio, in place of E. C. Marburger, resigned.

Winifred F. Brown, Casstown, Ohio, in place of E. L. Kinder, retired.

John Jay Gold, Dennison, Ohio, in place of Ludwig Ries, Jr., retired.

John M. Frazier, Frazeyburg, Ohio, in place of C. W. Somerville, deceased.

Karl H. Haberecht, Gates Mills, Ohio, in place of R. A. Pouttu, removed.

Elizabeth C. Watts, Highland, Ohio, in place of M. E. Allen, transferred.

Vincent J. Marcarello, Girard, Ohio, in place of T. H. Mulvey, resigned.

Donald L. Meyer, Houston, Ohio, in place of E. W. Kindle, retired.

Craig F. Barnett, Mineral City, Ohio, in place of Charles Fishley, deceased.

Paul E. Neal, Mogadore, Ohio, in place of E. C. Merkle, retired.

Otto E. Lankenau, Napoleon, Ohio, in place of Albert Daman, retired.

Eric Lester Finney, New Philadelphia, Ohio, in place of C. W. Kaiser, deceased.

Clarence C. Sanders, Port William, Ohio, in place of M. M. Knisley, removed.

Harry D. Anderson, Republic, Ohio, in place of N. U. Hawk, transferred.

Arthur C. Larimer, Sandusky, Ohio, in place of R. L. Lorenzen, deceased.

Salvatore D. Zavarella, Solon, Ohio, in place of M. A. Patterson, removed.

PENNSYLVANIA

Edgar R. Baker, Blairsville, Pa., in place of H. M. Smith, resigned.

William M. Crouse, Denver, Pa., in place of S. M. Shirk, removed.

Lloyd J. Burket, East Freedom, Pa., in place of M. C. Decker, resigned.

George L. Mosebarger, Johnsonburg, Pa., in place of E. P. McCarthy, deceased.

Anna F. Rorer, Johnsville, Pa., in place of H. L. Rorer, deceased.

George Costello, Jr., LaBelle, Pa., in place of G. B. Wellington, retired.

Arthur Z. Emery, New Berlinville, Pa., in place of F. S. Rush, deceased.

Gladys E. Ackelson, Prospect, Pa., in place of R. P. Ritchie, resigned.

Richard B. Nealer, Robinson, Pa., in place of E. M. Huston, retired.

Ralph B. Derry, Schellsburg, Pa., in place of Harper Triplett, retired.

Romert E. Doebler, Sunbury, Pa., in place of Charles Kline, retired.

Lawson Stinson, Thornton, Pa., in place of George Hunter, retired.

George Gaylord Barton, Tunkhannock, Pa., in place of S. A. DeWitt, deceased.

Kenneth C. Beener, Valley Forge, Pa., in place of Roy Wilkinson, deceased.

Wilson D. Catherman, Warriors Mark, Pa., in place of C. E. Houck, retired.

Leo W. Burr, Washington Crossing, Pa., in place of E. S. Whitesell, resigned.

Harry E. Gohn, Wrightsville, Pa., in place of M. E. Reisinger, retired.

Evelyn Mae Ray, Wyano, Pa., in place of J. V. Vanderscott, deceased.

RHODE ISLAND

Harold J. Pepler, Mapleville, R. I., in place of Frederick Baldwin, retired.

Raymond C. Holland, Tiverton, R. I., in place of C. S. Holding, removed.

TENNESSEE

Vance T. Tankersley, Cornersville, Tenn., in place of L. B. Fox, retired.

Ralph B. Gilliland, Harriman, Tenn., in place of W. R. Massey, retired.

Charles R. Sanford, New Tazewell, Tenn., in place of R. L. Oakes, retired.

Della G. Henard, Russellville, Tenn., in place of W. J. Dougherty, resigned.

VERMONT

William George Bushey, Charlotte, Vt., in place of M. M. O'Brien, retired.

VIRGINIA

Zeb Jerome Barbee, Jr., Altavista, Va., in place of F. L. Davis, retired.

Thomas M. Strickland, Chester, Va., in place of W. L. Pickhardt, resigned.

Toney S. Reynolds, Jr., Collinsville, Va., in place of M. L. Ramsey, transferred.

Allen F. Maxey, Dillwyn, Va., in place of R. B. Spencer, retired.

Drunette N. Holland, Eastville, Va., in place of E. C. Killman, removed.

John W. Leslie, Glasgow, Va., in place of L. B. Peak, retired.

Wilton E. Dunton, Hudgins, Va., in place of A. P. Stuteville, resigned.

George F. Walls, Isle of Wight, Va., in place of R. J. Atkins, deceased.

Joseph F. Downing, Jr., Keller, Va., in place of C. W. Bradford, deceased.

Paul S. Richmond, Lanexa, Va., in place of E. S. Hockaday, retired.

Doris B. Duncan, Skippers, Va., in place of A. W. Somner, retired.

Roy L. Reeve, Sperryville, Va., in place of Z. H. Sealock, retired.

Stephen K. Burns, Jr., Swoope, Va., in place of W. W. Trimble, Jr., resigned.

Samuel J. Rees, Weirton, W. Va., in place of W. S. Bambrick, deceased.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 7, 1957:

DEPARTMENT OF THE INTERIOR

Olin Hatfield Chilson, of Colorado, to be an Assistant Secretary of the Interior.

GOVERNOR OF GUAM

Richard Barrett Lowe, of South Dakota, to be Governor of Guam.

HOUSE OF REPRESENTATIVES

THURSDAY, FEBRUARY 7, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, as we daily face the duties and responsibilities of our high calling, inspire us with that wisdom which is beyond the power of man to give.

Thou alone art able to satisfy our temporal needs and our immortal longings.

Help us to cultivate those finer attitudes toward one another which will make for mutual regard and understanding.

Expand our minds and hearts with the deepest concern for the blessedness of all mankind.

Thou knowest that again and again it seems that our hearts must be wrung with sorrow and our eyes be washed with tears before we can feel and see clearly that we ought to manifest a wider sympathy and stretch forth a helping hand to stricken and struggling humanity.

Hear us in Christ's name. Amen.

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

BOARD OF VISITORS TO UNITED STATES MILITARY ACADEMY

The SPEAKER. Pursuant to the provisions of title 10, sections 1055 and 1056, United States Code, the Chair appoints as members of the Board of Visitors to the United States Military Academy the following members on the part of the House: Mr. TEAGUE, of Texas; Mr. RABAUT, of Michigan; Mr. FORD, of Michigan; and Mr. BETTS, of Ohio.

THE LATE HONORABLE THURMOND CHATHAM

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an editorial from the Winston-Salem Journal.

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

There was no objection.

Mr. KEATING. Mr. Speaker, the Members of the House who knew and loved our late colleague, Thurmond Chatham, as I did, will appreciate an editorial from the Winston-Salem Journal which follows. The author of this editorial has perfectly expressed those qualities of mind and heart which endeared our colleague to us. It is given to few to win and hold the affectionate regard of so many men and women in all stations of life. The memory of Thurmond Chatham's thousandfold unselfish kindnesses, his boundless good fellowship, and his elevation of principle above political preferment are the qualities he has bequeathed to his family and host of friends.

The editorial follows:

[From the Winston-Salem Journal of February 6, 1957]

THURMOND CHATHAM

Thurmond Chatham genuinely liked people. He liked them for what they were, not because of what they had or the places they occupied.

Because of that trait, Mr. Chatham's death has been felt in a manner which, of itself, is the finest final tribute any man can earn.

It is not, perhaps, surprising that this death has caused sadness in those places where the high and the mighty sit.

In the high places of industry Thurmond Chatham earned respect both by his accomplishments (the Chatham Manufacturing Co. grew large sized under his leadership) and by his decent honesty in dealing with his people. It is the same in the high places of government; in the Congress (where he served ably), in the Navy (where he saw active service, really distinguished service, in two world wars), in the State Department (where he fought for improvement at a time when the Department was under general attack) and in the high echelons of politics (where he was courted both because of his wealth and because of his wise counsel).

But that sadness is to be expected of any man who has served ably in important posts over a period of many years.

Yet, the impact of the death of this man reaches far beyond these places. It is felt among a range of people whom you ordinarily would not expect to share an intimate relationship with such a man.

There are cattlemen like Tom Cooley of Surry and dirt farmers like John Wright of Currituck who feel a sickness in their hearts because of Mr. Chatham's death. Old-time hunters in our coastal sounds—men like Harrison Midgette, Uncle Daniel Wright and many others—share that feeling. So do unknown men like John Seri and Magner Nausti who fished the Norwegian salmon streams and walked the dusty roads of the Eira Valley each summer with Thurmond Chatham and, in their time together, came to love him as he loved them and their simple, honest way of life.

That touch—some call it the common touch but it truly is most uncommon—is, perhaps, the best measure of Thurmond Chatham. It explains, for example, why Mr. Chatham did not hesitate to speak out for the human rights of the Negro people in a time when merely opening his mouth invited political defeat.

His belief in the dignity of human beings also explains his deep seated feeling for tradition and for family. People, he felt, must have roots to have meaning. Out of that conviction came his feeling for his own people and their traditions and for the land which produced his people and to which, in their time, they returned.

These are fundamental things. The long list of accomplishments in industry, conservation, politics, foreign service, agriculture, local, State, and regional development and all the rest merely reflect what Thurmond Chatham was and believed.

Men will come along to serve in these areas as well as Thurmond Chatham has served. They always do. But there will not be many men who will come along who possess the same essentially simple but precious traits of character. Such men are rare.

CORN ACREAGE REFERENDUM

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

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

There was no objection.

Mr. HARRISON of Nebraska. Mr. Speaker, the Agricultural Act of 1956 authorized and directed the Secretary of Agriculture to offer corn farmers in the commercial area an opportunity to decide whether they preferred, one, a corn acreage allotment of 37,289,000 with price support at $1.36 per bushel; or two, a corn base acreage of 51 million acres with price support at a level which will assist farmers in marketing corn but not encourage uneconomic production—set by the Secretary at $1.31 per bushel for 1957—provided that an acreage equal to 15 percent of the farm corn base acreage is put into the soil bank. Such acreage could be put into either the acreage reserve or the conservation reserve or a combination of the two programs.

Sixty-one and five-tenths percent of the 437,480 votes cast in the referendum on December 11, 1956, were for the lower price support and higher acreage with the requirement that an acreage equal to 15 percent of the farm corn base acreage must be put in the soil bank.

Prior to the referendum, farmers were given a written notice of the acreages allotted to their farm under both the 51 million corn base acreage and the 37.3 million acre corn allotment, the level of price support under both programs, and what would be required for participation in the soil bank under both programs.

The amendment to the act that I have today introduced would permit a corn farmer in the commercial corn area to plant within either the farm base acreage for his farm or the farm acreage allotment. Those farmers choosing to plant within the farm base acreage would be eligible for price support at a national average of $1.31 per bushel if an acreage equal to 15 percent of the farm base acreage was put into the soil bank. Those farmers planting within the farm corn allotment would be eligible for price support at $1.36 per bushel. They would not be required to put any acreage in the soil bank.

The amendment is a temporary measure to deal with the corn problem in 1957 only.

It permits farmers immediately upon passage of the act to know what they may do without further administrative work on the part of the USDA since farmers may use the same notice for planting purposes that they used to participate in the referendum.

REPEAL OF THE 20-PERCENT CABARET TAX

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

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

There was no objection.

Mr. MAY. Mr. Speaker, I rise at this time to discharge a duty which I have felt for some time to be of vital importance.

During World War I the Congress passed an emergency tax measure designed expressly "to provide revenue to defray war expenses." This tax came to be known, perhaps unfortunately, as the cabaret tax. Remaining in constant use between the two great wars, it again came into special prominence as a source of emergency revenue during World War II.

With the war over, the tax has remained, actually providing only $40 million annually to the Federal Treasury while depressing business where musicians are concerned to a point where a crisis exists in this industry today. The American Federation of Musicians feels that 200,000 jobs have been lost because of this unfair and unnecessary tax. Over 1,000 musicians have been affected in my own district of Hartford County.

Mr. Speaker, I submit that the 20-percent cabaret tax should be repealed. I am introducing a bill at this time designed to accomplish this fact. The revenue raised from this tax is not sufficient to justify its basic effect. With its repeal, many thousands of jobs would be opened up for deserving musicians. In fact, I submit that the Federal Government would in the very near future derive a greater measure of revenue from increased cabaret business and the taxes that working musicians would be able to pay.

I have often been somewhat chagrined by my Democratic colleagues' assertion that only they represent the views of organized labor. Since the Democrats have a majority in committee, a favorable report should certainly be forthcoming on this bill to repeal the 20-percent cabaret tax.

The American Federation of Musicians have long sought passage of this legislation. They deserve it now more than ever.

FEDERAL NATIONAL MORTGAGE ASSOCIATION

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

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

There was no objection.

Mr. VANIK. Mr. Speaker, there is now pending before Congress a request by the Federal National Mortgage Association that directs the Secretary of the Treasury to buy another $50 million in FNMA stock to increase the power of FNMA to buy Government-guaranteed mortgages such as the GI and FHA mortgages, which would bring some relief in the current tight-money situation.

The question I want to raise is, Are we giving proper consideration to the development of adequate debt reduction incentives? Thousands of GI loans contracted in the years immediately after World War II could be paid off today if it were good business for the debtor. But why should a GI debtor pay off a 4-percent mortgage loan when he can invest his money at 5 or 6 percent in conservative and secure investments?

If the Federal National Mortgage Association can discount mortgages at the 6- or 7-percent rate at which it purchases them, why should it not provide a debtor's discount for accelerated repayment? A discount for accelerated repayment of 5 percent would raise the needed $50 million of increased capital which it requires within 60 days.

If we provide adequate incentive for debt reduction, much of the current shortages of mortgage money would be made up by debt repayment. Four-percent mortgages would be paid up and the money could be reloaned at current rates of interest to help fill money needs in the currently expanding economy.

PROPOSED VISIT TO THE UNITED STATES OF MARSHAL TITO

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

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

There was no objection.

Mr. LONG. Mr. Speaker, Franklin D. Roosevelt once called the Nazis and Communists and their submarines the rattlesnakes of the sea, and I for one believe this. With that being true, how can we, a free and God-loving people, coddle a rattlesnake like Tito to our bosom and expect him not to strike when it suits him. It has been said by some, that the Democrats were soft on communism. If the Democrats were soft on communism, just what kind of a thing is this that the heads of our Government seem to want to invite every Communist murderer, and godless ruler to sit with us. We are not about to win them. To my way of thinking they seem to be about to win us. To my mind the most dangerous thing this country faces today is dictatorship.

In recent weeks there has been considerable speculation over the propriety of a visit to the United States of Marshal Tito of Yugoslavia. While Mr. Tito has apparently given up his idea of being an official visitor to the United States, I nevertheless wish to voice my sentiments as opposed to such a visit. There is no need for me to list again the record of Tito's activities since he came into power. That record is known to all of us and clearly speaks out against his role as a welcomed guest in our homeland.

My conscience impels me to speak out against such a visit for the same basic reasons an upright law-abiding citizen would not invite an outspoken Communist with a public record of vicious communistic activities to visit as a welcome guest in his home. Why fight communism with all our resources and at the same time extend a royal welcome to a leading exponent of communism? While at this time no official invitation has

been extended to Tito, we must not forget that it is our custom to entertain royally official visitors from foreign countries. The courtesy, the entertainment, the considerable fanfare which customarily are accorded a visiting official would be vastly amiss if bestowed upon this outspoken enemy to our democratic way of life. It would be a grievous error to dignify this Communist despot by rewarding him with an official invitation and the special treatment which would accompany an official invitation to visit the United States.

MEDICAL CORPS OF THE ARMY

Mr. FLYNT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to include a letter.

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

There was no objection.

Mr. FLYNT. Mr. Speaker, it is very seldom that I ever either speak or write to criticize the action of any agency of the executive department of the United States Government. This is the first time that I have ever done so on the floor of the House.

I have just witnessed what I consider to be a flagrant breach of good faith between the Department of the Army and a citizen of the United States. I have inquired thoroughly into this matter, and I have been assured that there is nothing in the professional record or personal background of the citizen concerned that is not excellent.

The Department of the Army, through the Secretary and the Surgeon General, has almost constantly stated that there is a great demand, indeed a crying need, for medical officers, both in the Regular Army and under the provisions of the so-called doctor draft law.

A reputable, qualified doctor of medicine, Dr. J. Watts Lipscomb, who resides in Forest Park, Ga., in the fall of 1956 applied for a commission in the Medical Corps of the United States Army. I am not a doctor and do not profess to be able to pass upon his medical and professional qualifications, but I asked the specific question of an officer in the Surgeon General's Office and was assured that this man was qualified from both a professional standpoint and the standpoint of training, background, and character.

Dr. Lipscomb received a letter from the Office of the Surgeon General, Department of the Army, Washington, D. C., dated November 15, 1956, a copy of which is inserted below. Relying upon that letter, he closed up his office; he sold his home and made his plans to enter the Medical Corps of the Regular Army early in 1957, and expected that the Department of the Army would keep its word.

The language in this letter is clear and contains no ambiguity, and I believe that any reasonable person reading this letter would construe it as preliminary tender of an appointment in the Medical Corps of the Regular Army.

Since the time of that letter, the Office of the Surgeon General and someone acting in the name of the Surgeon General has repudiated both the content and the intent of the letter that Dr. Lipscomb received, and they have apparently rejected him because some 6 or 8 years ago, Dr. Lipscomb had a minor ulcer condition in his stomach while he was on active duty as an enlisted man in the United States Army.

Subsequent to that time he completed his medical college training, and from the date of his hospitalization from 6 or 8 years ago until now, he has not missed a day from school or a day from work because of any residuals or sequelae of that condition which existed approximately 6 or 8 years ago.

Last January, Dr. Lipscomb telephoned me and asked me to inquire what had happened to his promised appointment. I made such an inquiry as courteously and respectfully as I could and was given about as thorough a runaround and evasive answer as I have ever seen.

A few days ago, the Surgeon General's Office repudiated, without cause, the previous tender of an appointment in the Medical Corps of the Regular Army to Dr. Lipscomb.

To my way of thinking, it is one of the worst and most flagrant cases of a breach of faith and repudiation of the written word that I have ever seen or known about from an agency of the executive branch of our Government in its dealings with an honorable American citizen.

The Surgeon General may have some explanation as to why he continually voices an urgent need for doctors out of one side of his mouth and almost in the same breath repudiates the tender of an appointment to the professionally qualified physician of excellent character who has closed his private office and sold his home relying on the written statement from the Surgeon General's Office that he had been approved.

The letter from the Surgeon General follows:

NOVEMBER 15, 1956.

J. W. LIPSCOMB, M. D.,
The Forest Park Clinic,
Forest Park, Ga.

DEAR DR. LIPSCOMB: It is a pleasure to inform you that your application for appointment in the Regular Army Medical Corps has been approved by the Surgeon General and your application for residency training in internal medicine has been approved to begin July 1, 1957, at the University of Virginia Hospital, Charlottesville, Va.

Prior to beginning of residency training, you will, of course, be required to attend the Army Medical Service company officer course at Brooke Army Medical Center, Fort Sam Houston, Tex., which is of 22 weeks' duration. This course is scheduled to begin January 1957 and to end July 1957.

There are certain regulatory processes which will require an additional amount of time prior to appointment in the Regular Army, such as a favorable national agency check, and Presidential and congressional action; upon the completion of which you will be contacted by The Adjutant General. From now on, all official correspondence pertaining to your application for the Regular Army will be from The Adjutant General. However, please feel free to contact me if you should have any further questions concerning your Regular Army appointment or residency training.

It will be sincerely appreciated if you will note on the attached carbon copy of this letter your intention to accept or decline a Regular Army appointment when tendered. Please understand that this is not a commitment on your part, but is necessary for planning purposes, since you may decline to accept a Regular Army commission at any time prior to the actual execution of oath of office.

Sincerely yours,

WILMOT L. GIBSON,
Major, MSC, Personnel Division.

CHECKING TUBERCULOSIS

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. FOGARTY. Mr. Speaker, one of the major concerns of the Appropriations Committee on Labor, and Health, Education, and Welfare is the health of our Nation. Each year funds are appropriated to the Public Health Service for the grant-in-aid program to the States. A substantial portion of these funds are used to further the control of tuberculosis, which still remains our major communicable disease.

Tuberculosis continues to be a serious public health problem because, among other reasons, there are few early symptoms. A person may appear, and feel, healthy, yet have active tuberculosis. The best single diagnostic procedure, in the early stages of tuberculosis, is the chest X-ray. In a city where tuberculosis is especially prevalent, as it is in Washington, it is important that every person over 15 years of age have a chest X-ray at least once a year.

Free chest X-ray will be available to Members of the House of Representatives, to their staff members, and to their families, beginning at 11 a. m. on Monday, February 11, and continuing through Thursday, February 21. During the week of February 11 the X-ray unit will be located in room 150 of the Old House Office Building. From February 18 through February 21, the unit will be located in the conference room of the Ways and Means Committee, in the New House Office Building.

This service is provided as a cooperative undertaking of the Public Health Service, the District of Columbia Department of Public Health, and the District of Columbia Tuberculosis Association. It will be under the supervision and guidance of Dr. George W. Calver, our director of medical services.

May I urge that you not only avail yourself of this health service, but that you ensure that all members of your staff have a chest X-ray during the period of the survey.

Last year, there were found on the Hill three far-advanced tuberculosis cases, 68 heart abnormalities, 3 suspected carcinomas and 52 TB and other chest abnormalities which for further study were referred to their local physicians. I think it is a worthwhile service, and I urge every Member of Congress to take advantage of it.

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

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

There was no objection.

Mr. JUDD. Mr. Speaker, I am happy to associate myself with the remarks of the gentleman from Rhode Island [Mr. FOGARTY] stressing the importance to all of us and our staff members of having chest X-rays taken when that service is available to us here in our office buildings next week.

Probably more progress has been made in the last half century in the control of tuberculosis through public health measures than any other similar disease. In our childhood, it was called the great white plague. In my State, almost half of the counties had tuberculosis sanitariums. Today, only eight remain in all of Minnesota. Eight have been closed in just the last 4 or 5 years for lack of patients. This is the splendid result of the last 20 or 30 years of teaching people to have X-rays, isolation of infectious cases, surgical measures, and so forth.

But there are many difficulties still remaining. No. 1 is that as yet we have not found a drug that is a specific cure. There is still a high mortality rate among patients who have an extensive or advanced infection.

We have some drugs that will help fight the disease process. Surgical procedures, too, will put the lung at rest to encourage healing. But there is no specific remedy for the disease in the sense that penicillin will miraculously cure most venereal diseases, lobar pneumonia, and certain other infections by killing the causative organisms.

A second difficulty is that individuals may have and spread tuberculosis without themselves knowing they have it.

Therefore, both from the standpoint of curing people who have tuberculosis, and from the standpoint of preventing their transmission of it to others unwittingly, the essential thing is early diagnosis and treatment.

There are two main ways to make such early diagnosis. One is the X-ray; and the other is the tuberculin test in children.

Mr. Speaker, we owe it to ourselves and to our families and fellow workers and to the health and well-being of our country to make sure that we ourselves do not have the disease; and we should do everything we can by our own example to assist in the programs designed ultimately to eliminate this great killer. It can be done.

INVESTIGATION BY COMMITTEE ON FOREIGN AFFAIRS

Mr. SMITH of Virginia. Mr. Speaker, I call up the resolution (H. Res. 29) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That effective from January 3, 1957, the Committee on Foreign Affairs, acting as a whole or by subcommittee, is authorized and directed to conduct a full and complete investigation and study of all matters—

(1) relating to the laws, regulations, directives, and policies including personnel pertaining to the Department of State and such other departments and agencies engaged primarily in the implementation of United States foreign policy and the overseas operations, personnel, and facilities of departments and agencies of the United States which participate in the development and execution of such policy;

(2) relating to the carrying out of programs and operations authorized by the Mutual Security Act and to other laws and measures to promote the foreign policy of the United States;

(3) relating to activities and programs of international organizations in which the United States participates;

(4) relating to the effectiveness of United States programs of assistance and information; and

(5) relating to legislation within the jurisdiction of the Committee on Foreign Affairs pursuant to provisions of rule XI of the Rules of the House of Representatives:

Provided, That the committee shall not undertake any investigation of any subject matter which is being investigated by any other standing committee of the House.

The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

For the purpose of carrying out this resolution the committee or subcommittee is authorized to sit and act during the present Congress at such times and places within or outside the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memorandums, papers, and documents as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

With the following committee amendments:

Page 1, line 1, strike out "3" and insert "4."

Page 1, line 3, strike out the words "and directed."

Page 2, line 15, strike out the colon and insert a period; and strike out all of lines 16, 17, and 18.

The committee amendments were agreed to.

The SPEAKER. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 3, line 2, strike out "or outside."

Mr. SMITH of Virginia. Mr. Speaker, with respect to that amendment, by direction of the Committee on Rules, I desire to offer a substitute amendment, which I send to the desk.

The Clerk read as follows:

Substitute amendment offered by Mr. SMITH of Virginia: On page 3, line 1, after the word "places", strike out the words "within or outside the United States."

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The SPEAKER. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 3, line 2, after the word House, strike out the words "is in session."

The amendment was agreed to.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. SCOTT].

At this time I yield myself such time as I may consume.

House resolution 29 is the usual resolution authorizing the Committee on Foreign Affairs to hold investigations of matters within their jurisdiction. There are certain amendments which have been adopted, which were adopted by the committee.

I might say to the gentleman from Pennsylvania [Mr. SCOTT], that I did not speak to him about the substitute amendment. I spoke to the gentleman from Illinois [Mr. ALLEN], and he said he would clear it with the gentleman.

Mr. SCOTT of Pennsylvania. I understand there is no objection to the substitute amendment, and there is no objection to the resolution.

Mr. HOFFMAN. Mr. Speaker, is there an amendment to the resolution, and is it subject to discussion?

Mr. SMITH of Virginia. Any amendment is subject to discussion, if the gentleman gets time. I would be happy to yield the gentleman any time he desires.

The SPEAKER. The committee amendments have been adopted.

Mr. HOFFMAN. I desire to speak out of order. However, I do not want to delay the gentleman.

Mr. SCOTT of Pennsylvania. Then, Mr. Speaker, I yield back the balance of my time.

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

Mr. SMITH of Virginia. I yield.

Mr. GROSS. I have not had the opportunity to carefully look over this resolution, but I do not see anything in it referring to the United Nations. Is it true that the United Nations is not referred to in this resolution?

Mr. SMITH of Virginia. There is no occasion to refer to the United Nations.

Mr. GROSS. I am surprised to find a resolution coming from the Foreign Affairs Committee that does not refer in some way to the United Nations; and I am happy to see that it is omitted in at least this instance.

Mr. SMITH of Virginia. I am glad the gentleman is pleased.

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

The resolution was agreed to and a motion to reconsider was laid on the table.

INVESTIGATION OF CERTAIN APPEALS FOR CHARITABLE CONTRIBUTIONS FOR VETERANS

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 65 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Whereas the American people annually contribute millions of dollars to assist veterans and their dependents and survivors,

Whereas the size of such contributions testifies to the deep sense of indebtedness felt by the American people toward the veteran,

Whereas this sense of indebtedness makes a fertile field for solicitors of charitable contributions who are unwise or unscrupulous to obtain contributions for uses not contemplated by the donor,

Whereas the Congress has a responsibility to the veterans to prevent abuses which would discourage the making of charitable contributions on their behalf: Therefore, be it

Resolved, That the Committee on Veterans' Affairs, acting as a whole or by subcommittee, shall conduct a full and complete investigation and study to determine—

(1) the extent to which appeals for charitable contributions are made to the American people, or segments thereof, in the name of American veterans by appealing to the desire of the American people to assist such veterans and their survivors or dependents;

(2) whether an undue proportion of such charitable contribution is used to meet the expenses of conducting such appeals and for other administrative expenses rather than for providing services for or benefits to veterans;

(3) whether any of such appeals are fraudulent in nature;

(4) whether additional supervision of the fund-raising activities conducted by organizations chartered by act of Congress in the name of veterans are necessary or desirable; and

(5) the existence of any other abuses connected with charitable appeals made in the name of veterans. The committee shall report to the House (or to the Clerk of the House if the House is not in session) as soon as practicable during the present Congress the results of its investigation and study, together with such recommendations as it deems advisable.

For the purpose of carrying out this resolution the committee or subcommittee is authorized to sit and act during the present Congress at such times and places within the United States, its Territories, and possessions, whether or not the House is in session, has recessed, or has adjourned, and to hold such hearings, to require the attendance of such witnesses and the production of such records, documents, and papers, to administer oaths, and to take such testimony as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee, or by any member designated by such chairman, and may be served by any person designated by such chairman or member.

The SPEAKER. The Clerk will report the first committee amendment.

The Clerk read as follows:

Page 2, line 2, strike out the word "shall" and insert "is authorized to."

The SPEAKER. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 3, line 7, strike out the words "is in session."

The committee amendment was agreed to.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. SCOTT] and yield myself such time as I may consume.

Mr. Speaker, this is a resolution from the Committee on Veterans' Affairs. This committee desires to look into a matter that has been the subject of a great deal of criticism within the last year or so because of the number of organizations that have promoted drives to raise funds presumably on behalf of the veterans.

The complaint has come to the committee in many instances that these drives turned out to be more for the benefit of the promoter than for the veteran. It is a very worthwhile subject of investigation and I hope there will be no objection to the passage of the resolution.

Mr. Speaker, I yield such time as he may desire to the gentleman from Kentucky [Mr. SPENCE].

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may have until midnight on Saturday to file a report on House Joint Resolution 209.

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

There was no objection.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, after we have listened to the gentleman from Michigan and the gentleman from Ohio whose remarks are not always seriously uttered or to be accepted with excessive gravity, I would like to return to the purpose of this bill.

As the gentleman from Virginia has said, the purpose of this resolution is to protect both the public and the veterans organizations from fraud or imposition by groups which attempt or purport to be acting on behalf of charitable activities concerned with veterans and who, in fact, are acting for themselves or for their backers, and the funds which they collect are not accounted for or are not turned in for the use of these veterans. This resolution would authorize the Committee on Veterans' Affairs to look into this matter.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time with the comment that there is no objection that I know of on this side to this resolution.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE COMMITTEE ON PUBLIC WORKS TO CONDUCT STUDIES AND INVESTIGATIONS

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 113 and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That the Committee on Public Works, or any subcommittee thereof designated by the chairman, may make investigations into the following matters within its jurisdiction: In the continental United States, its Territories, and possessions, public works projects either authorized or proposed to be authorized relating to flood control and improvement of rivers and harbors, water power, navigation, water pollution control, public buildings and grounds, as well as roads and highways; in Mexico, and in Central American countries, the Inter-American Highway and the Rama Road; and, in the Dominion of Canada, the St. Lawrence seaway project.

For the purpose of making such investigations the committee, or any subcommittee thereof, is authorized to sit and act during the present Congress at such times and places in the United States, its Territories, and possessions, whether the House has recessed or adjourned, and to hold such hearings and require by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, and documents as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

The committee may attend conferences and meetings on matters within its jurisdiction wherever held within the continental United States, its Territories, and possessions, but no more than five members of such committee may attend any meeting outside of the continental United States except trips in connection with the investigation of the Inter-American Highway and the Rama Road and matters relating to the St. Lawrence seaway project in the Dominion of Canada.

The committee shall not undertake any investigation of any subject matter which is being investigated by any other standing committee of the House.

With the following committee amendments:

Page 1, line 1, strike out "That" and insert "That, effective from January 4, 1957."

Page 2, line 22, strike out lines 22, 23, and 24.

The committee amendments were agreed to.

The SPEAKER. Without objection, the word "Sain" page 1, line 12, will be corrected to read "Saint."

There was no objection.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from Pennsylvania [Mr. SCOTT] and yield myself such time as I may require.

Mr. Speaker, this is the customary resolution authorizing the standing Committee on Public Works to conduct investigations on matters within its jurisdiction. It was unanimously reported by the Committee on Rules and I know of no objection to it.

Mr. SCOTT of Pennsylvania. Mr. Speaker, there is no objection to this resolution on this side and I yield back the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GOVERNMENT PRINTING, BINDING, ET CETERA

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 128 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Committee on House Administration is authorized, as a committee, by subcommittee or otherwise, to continue during the 85th Congress, effective as of January 3, 1957, the study and investigation, begun under H. Res. 262 of the 84th Congress, of the operations of federally operated printing services with particular reference to the administration, by rule, regulation, or otherwise of the provisions of law to Government printing, binding, reproduction, and distribution services, the sale and distribution of Government publications, and Government paperwork in general. For the purpose of carrying out this resolution, the committee, or any subcommittee thereof, is authorized to sit and act during the pres-

ent Congress at such times and places in the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by such chairman, and may be served by any person designated by such chairman or member.

With the following committee amendments:

Page 1, line 4, strike out "3" and insert "4."
Page 2, line 6, strike out "is in session."

The committee amendments were agreed to.

Mr. SMITH of Virginia. Mr. Speaker, this is a resolution providing for the continuation of a select committee that operated last year in connection with the public printing. I know of no objection to the resolution.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I know of no objection to the resolution and I yield back the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

INVESTIGATIONS BY COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 139 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That effective from January 4, 1957, the Committee on Post Office and Civil Service, acting as a whole or by subcommittee, is authorized to conduct full and complete investigations and studies with respect to the following matters within the jurisdiction of the committee:

(1) the transportation and distribution of mail matter;

(2) general administration and management in the Post Office Department and the postal field service;

(3) fiscal administration and management in the Post Office Department and the postal field service;

(4) the mailability of articles and printed matter generally, including, among other things, the mailing of unsolicited articles and matter with requests for payments or contributions;

(5) the application, operation, and effect of the laws, rules, and regulations relating to the management of civilian personnel of the Federal Government, including matters relating to (A) compensation, (B) position classification, (C) examination, (D) appointment, (E) assignment of positions excepted from the competitive service to schedules A. B, and C under rule VI of the Civil Service Rules, (F) allocation of positions to, and distribution of positions in, grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, (G) reduction in force, and (H) separation from the service by action other than reduction in force;

(6) the recommendations contained in House Report No. 1844, 84th Congress, and administrative actions taken pursuant to such recommendations;

(7) the desirability and effect of the limitations imposed by law on the performance of personal services within the Federal Government and the extent to which such limitations have caused the Federal Government to enter into contracts, agreements, or arrangements for the performance, by and through sources outside the Federal Government, of administrative and management services;

(8) the effect of the contracting practices of the Federal Government on the availability and utilization of personnel qualified for the performance of essential functions of the Federal Government;

(9) the organization, management, and operations of the United States Civil Service Commission, including the delegation of authority to the department and agency Boards of Civil Service Examiners, and the audit and control thereof;

(10) operations under the Classification Act of 1949;

(11) actions taken and directives issued as a result of the investigations and studies, conducted by the committee under authority of House Resolution 32, 83d Congress, and House Resolution 304, 84th Congress, with respect to the utilization and dual supervision of civilian employees in or under the Department of Defense;

(12) dual supervision of civilian employees, creation of civilian positions, number of civilian positions, and other matters relating to conservation of manpower, in such departments, agencies, and independent establishments of the Federal Government as the chairman of the committee may designate;

(13) the organization, management, and operations of the Bureau of the Census in the Department of Commerce; and

(14) insurance plans and programs of the Government for Government employees and related matters.

No such investigation or study by the committee under authority of this resolution shall duplicate any investigation or study which is being conducted by any other standing committee of the House of Representatives.

The committee shall report to the House (or to the Clerk of the House if the House is not in session), at such time or times during the present Congress as it deems appropriate, the results of its investigations and studies, together with such recommendations as it deems advisable.

For the purpose of carrying out this resolution the committee, or any subcommittee thereof authorized to do so by the chairman of the committee, is authorized to sit and act during the present Congress at such times and places within the United States, whether the House is in session, has recessed, or has adjourned, to hold such hearings, and to require, by subpena or otherwise, the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued over the signature of the chairman of the committee or any member of the committee designated by him and may be served by any person designated by such chairman or member.

Mr. SMITH of Virginia (during the reading of the resolution). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with and that it be printed in full in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The Clerk will report the committee amendments.

The Clerk read as follows:

Page 4, line 11, strike out all of lines 11, 12, 13, and 14.
Page 4, line 24, strike out "is in session."

The committee amendments were agreed to.

Mr. SMITH of Virginia. Mr. Speaker, I yield such time as he may desire to the majority leader [Mr. MCCORMACK].

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

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

Mr. BROWN of Ohio. Reserving the right to object, Mr. Speaker, I understand that this is with the agreement of the minority leader.

Mr. McCORMACK. Yes. There is no program for next week, as I indicated yesterday, and Members of the House may act accordingly. This is done particularly in light of the annual Lincoln Day celebrations and speeches that are made usually by Members on the Republican side.

Mr. BROWN of Ohio. I understand the House will meet for a short time on Monday in order that Members may get permission to extend their remarks in the RECORD.

Mr. McCORMACK. Yes.

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

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that for the next 2 weeks the business in order on Calendar Wednesday may be dispensed with.

Mr. HOFFMAN. Reserving the right to object, Mr. Speaker, will the gentleman tell me his best judgment as to when the first rollcall will come next week?

Mr. McCORMACK. There will be no rollcall next week. No business is scheduled for next week.

Mr. HOFFMAN. I withdraw the reservation of objection, Mr. Speaker.

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

There was no objection.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may meet this afternoon while the House is in session.

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

There was no objection.

INVESTIGATION BY COMMITTEE ON POST OFFICE AND CIVIL SERVICE

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from

Ohio [Mr. BROWN] and yield myself now such time as I may desire.

Mr. Speaker, this resolution, House Resolution 139, is the customary resolution authorizing the Committee on Post Office and Civil Service to conduct needed investigations on matters in connection with the Civil Service and the Post Office Department coming within the jurisdiction of that committee. The resolution is unanimously reported and I know of no objection to it.

Mr. BROWN of Ohio. Mr. Speaker, the minority, of course, supports this resolution which the gentleman from Virginia has explained so cogently. We feel that the Committee on Post Office and Civil Service of the House has handled a great deal of important legislation in the last few years and has been very zealous in safeguarding the money that has been appropriated for its use. In fact, the testimony before the Committee on Rules shows that the House Committee on Post Office and Civil Service turned back more than they spent in the appropriations to conduct these investigations. However, because of the important legislation which is scheduled to come before the committee, the committee must conduct certain investigations and it is here authorized through this resolution to do so.

Mr. Speaker, at this time I yield 5 minutes to the gentleman from Kansas [Mr. REES], the ranking minority member of the Committee on Post Office and Civil Service.

SAVINGS THROUGH POST OFFICE AND CIVIL SERVICE COMMITTEE STUDIES AND INVESTIGATIONS

Mr. REES of Kansas. Mr. Speaker, I strongly recommend, and I am sure the taxpayers of our Nation approve, the intent and purpose of House Resolution No. 139. This resolution authorizes the continuance of studies and investigations that would eliminate waste and inefficiency in Government. This authorization continues for the fifth consecutive year the studies that began under House Resolution 32 I introduced in the 83d Congress. This resolution, in my opinion, is one of the most important to come before the 85th Congress. It extends a total of 6 years in three consecutive Congresses a committee program that produced real results in savings for the taxpayers, as well as strengthening our Government.

The committee studies under my resolution in the 83d Congress resulted in paring nearly $1 billion from the annual cost of running the Federal Government, by striking at the roots of waste and inefficiency—duplication and overlapping, dual authority and responsibility, and other management weaknesses that swell the payroll. When we think of this saving in relation to a balanced budget its full value is clear.

The Committee program in the 83d Congress was based on analysis of the causes of rising Government costs and possible corrective measures. For a long time I have been convinced that what the Government needs is a bureau or commission of efficiency—a top-level agency, independent of pressures and special interests, responsible for a systematic, informed, and effective weeding out of wasteful and inefficient practices and the adoption of modern and effective management policies.

The way our Government is set up—the vast resources at its command and the almost unlimited demands placed on it—has become a natural breeding ground for empire building at public expense. To control this tendency requires constant surveillance by an authority completely without any self-interest—an authority that recognizes and is responsive to the interests of the taxpayers who in the final analysis pay the freight.

I introduced legislation in the 82d Congress to create a Commission on Government Efficiency, but could get no support from the administration at that time. This left no alternative but that the Congress exercise its full responsibility for legislative review. My resolution in the 83d Congress was introduced to carry out this essential legislative responsibility.

This resolution in effect was a charter for a new and militant approach to economy and greater efficiency at all levels in Government. It gave our committee broad authority to conduct studies and investigations of our 500,000-man postal operation, the Federal civil service system, and the utilization of Government civilian manpower.

We did not make the mistake of aiming for the stratosphere, which often winds up by missing the target. We dug deep into Government down through the operating levels where the expenses actually are incurred and the money spent, but kept a weather eye on the entire picture with the national interest in mind at all times.

We knew, for example, that dual supervision—that is, the same activity supervised by both military and civilian personnel—existed in the military departments. They would take no action, or even recognize the condition, until we demonstrated by a pilot study that these departments were honeycombed with dual supervision, overlapping responsibility and authority, and duplicate staffing. We presented the evidence to them with the request that they extend our study by self-appraisals throughout their operations.

Once they got started they did a commendable job of carrying out our recommendations which resulted in direct and indirect savings estimated at nearly $900 million annually. This is a continuing saving. Our committee is following up to prevent any backsliding.

The Department of the Air Force, for example, reported it had been able to increase the number of combat air wings from 106 to 110 and still continue within a reduced budget—an achievement that would not have been possible but for elimination of dual supervision and staffing.

I do not mean to imply that waste of manpower was confined exclusively to the military departments. Major improvements were made in other agencies as well. I cite these examples primarily because nearly half of all Federal civilian employees are working in the military departments.

In the final summing-up, during the period of our studies in the 83d Congress Federal employment was reduced by 230,244 positions at a yearly saving of $950 million.

Equally important, though less spectacular, economies and management improvements were made in our vast postal operation. The first committee report on postal operations, issued within 5 months after the Congress was organized and printed as House Report No. 366, 83d Congress, contained detailed recommendations as to where and how specific economies and management improvements could be made in the postal service.

It is a tribute to the management genius of Postmaster General Summerfield, and to the high caliber of the then new team in the Post Office Department, that they placed a majority of our committee recommendations in effect. The Postmaster General on July 15, 1954, reported annual savings of $70 million from these changes—a highly important economy in view of the postal deficit which at that time approached $500 million annually—and later reported still further savings of $7.5 million.

In the civil service field we directed our efforts to strengthening the merit system, promoting modern personnel programs and techniques, and bringing all employees into more active participation in the operation of their Government. Our study disclosed, for instance, that the Government lagged far behind private industry in encouraging employees' suggestions. It was not getting the benefit of the thinking of the men and women who perform the actual tasks that turn the wheels of Government.

As a result of this study a modern incentive awards program, with a single point of executive responsibility, was placed in effect by Public Law 763, 83d Congress. Frankly, the resultant savings have exceeded even my own estimate.

The first full year of operations under this law saved the Government over $102 million. The Department of the Air Force alone saved $35 million. Employees making the suggestions had their paychecks sweetened by $2.4 million. These also are recurring savings and important items in keeping the budget in balance—essential if we are to look forward to tax reductions in the future.

The second 2 years of these studies, under House Resolution 304 of the 84th Congress, brought further economies. Late in 1954 I had written the Personnel Advisor to the President, the Director of the Bureau of the Budget, and the Acting Comptroller General suggesting a periodic review, or "census," of employment by each supervisor at every operating level. The purpose was to determine what positions could be eliminated and to make certain that manpower was being utilized effectively.

In the 84th Congress each department and agency was asked to review every vacant job to see if it really needed to be filled. In just 2 months over 400 jobs were eliminated in Washington alone. This may not sound like much, but it means $2 million less in payroll expense each year. The Air Force later com-

pleted a review of 68,000 jobs and eliminated 5,711 of them which would have cost the taxpayers $25 million a year had they been filled.

We also had them ask each supervisor, all down the line, to see if he could not do with one less employee. The Commerce Department saved 133 spaces by this single step—again, not a great deal, but still over $500,000 saved each year.

Each department and agency was asked to make a manpower survey of at least one major function. Right now there is a manpower team in every department and agency making functional surveys to eliminate nonessential jobs. The Canal Zone Government, a comparatively small agency, has eliminated over 1,000 positions. The survey of the Veterans' Administration vocational rehabilitation and training program eliminated 450 jobs—14 percent of the total—despite an increase in veterans being trained. These two examples alone will save over $6 million a year. In the entire picture, 35,000 fewer employees have been hired than had been planned.

As our committee starts its 5th year of this program it is a source of considerable satisfaction that I have been privileged to take part in its inception and in making it a going concern. I have kept in very close personal touch with all phases of the studies and their implementation, and intend to continue this policy in the present Congress.

Our studies fully recognize the need to maintain a strong national defense capable of meeting the threat of any potential enemy. In fact, they have contributed immeasurably to strengthening our defense, and other essential Government programs, through better use of money and manpower and facilities.

When the committee first undertook these studies 4 years ago it was my firm conviction that a vital point of attack on waste and efficiency should be the swollen Federal payroll that had reached $2,600,000 when President Eisenhower first took office. I fully agreed with the President that the payroll exceeded any actual need. This conviction has been confirmed by our studies. I believe that all essential Government functions could be performed, and perhaps more effectively, with a payroll much closer to $2 million—without sacrificing the public interest, while saving a large part of the Federal payroll cost.

Excessive numbers of Government officials and employees do not merely inflate direct payroll cost—in itself a matter of serious concern as it approaches $11 billion a year. Many of these people spend time dreaming up new activities and fancy presentations to enlarge their share of the budget and obtain more money from the public treasury for their own pet ideas and programs. This indirect drain on the Treasury is even greater than the payroll cost.

I do not favor a "meat ax" approach, indiscriminate firings, or massive reductions in force. I am opposed to such methods. Most, if not all, reductions can be made through attrition, that is, simply by not filling needless positions when they become vacant. That has been my policy throughout the committee studies. The result has been both savings to the Government and greater job security for its employees. Today 91 percent of Federal positions in the United States are in the competitive civil service—an alltime high. The merit system has been strengthened immeasurably under this sound and equitable personnel policy.

Although substantial savings have been realized from the Post Office and Civil Service Committee studies in the past 4 years, the field by no means is exhausted. We intend to press forward even more vigorously to hold the gains we have made and to find other means of economy. House Resolution 139 is an effective and necessary instrument for the Congress to maintain a careful watch over the public purse. With this resolution our committee can continue its economy drive, do its part in helping to keep the budget balanced, and help ease the burden of the taxpayers in this country.

GENERAL LEAVE TO EXTEND

Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. CORBETT. Mr. Speaker, I wish to add my strong endorsement of House Resolution 139 and to urge its passage.

During the 83d Congress I was chairman of the Subcommittee on Manpower Utilization. At that time we initiated several phases of manpower activities now under way. We concentrated our efforts largely on the Department of Defense since they employ half the civilian manpower in the Government.

We urged that Department to study dual military-civilian supervision in order to eliminate duplication. At first, they were reluctant to take action. They did not feel that any problem existed. The General Accounting Office, at our request, visited various military installations and developed information that showed the existence of duplication.

When the Department of Defense was presented with this evidence they were quick to cooperate. Each of the services swung into action and through this and other studies savings totaling nearly a billion dollars were reported. I was pleased to note that in recent hearings Assistant Secretary of the Army Milton testified and I quote, "I think you have the most powerful Army you have ever had." He clearly felt the action had been beneficial.

The services did the work and they should receive full credit for the results. The important point is that our subcommittee energized them into taking action. This illustrates the need for congressional interest and support in these matters.

During the 84th Congress I was ranking member of the subcommittee of which my colleague, JAMES C. DAVIS, of Georgia, was chairman. Under his leadership the cooperative bipartisan program has been continued and expanded. This continuity of effort has permitted the activities which were initiated in the 83d Congress to gain momentum and to instill confidence in those who have worked with us.

Particularly pleasing to me is the recognition by employee groups and others that our efforts are directed, not only at economy, but also at obtaining a stronger Federal service that offers greater security to the individual. We advocated eliminating duplication and inefficiencies, yes, but not at the expense of the individual employee. We have urged the use of attrition; transfers to fill vacancies; planning ahead; and a constant review to see that waste is eliminated; all designed to avoid unnecessary hirings and firings.

We know, because it has been demonstrated, that what we advocate has benefited the Government, the employee, and the taxpayer. The section on manpower in the President's message on the budget was significant. With the added impetus of his expressed support much more can be accomplished. Everyone will know that ours is not only a bipartisan effort toward better Government but it is also a cooperative one between the legislative and executive branches. I also know from personal experience that congressional support and interest are necessary if the good work now started is to produce even greater benefits. For that reason, I urge adoption of House Resolution 139.

Mr. BROWN of Ohio. Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of Virginia. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON FOREIGN AFFAIRS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 30) providing for expenses of conducting studies and investigations authorized by H. Res. 29, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That effective January 4, 1957, the expenses of conducting the studies and investigations, authorized by House Resolution 29, 85th Congress, incurred by the Committee on Foreign Affairs, acting as a whole or by subcommittee, not to exceed $75,000, including expenditures for the employment of such experts, clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee, signed by the chairman of the committee, and approved by the Committee on House Administration.

With the following committee amendment:

On page 1, line 1, following the word "That" insert "effective January 4, 1957."

The amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON ARMED SERVICES

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 68), to provide for the expenses of the investigation and study authorized by House Resolution 67, and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That effective from January 4, 1957, the expenses of the investigation and study to be conducted pursuant to House Resolution 67, by the Committee on Armed Services, acting as a whole or by subcommittee, not to exceed $150,000, including expenditures for the employment of a special counsel, investigators, attorneys, experts, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee, signed by the chairman of such committee and approved by the Committee on House Administration.

With the following committee amendment:

Line 1, following the word "That" insert "effective January 4, 1957."

Mr. LECOMPTE. Mr. Speaker, will the gentleman from Texas yield to me for just 2 or 3 minutes?

Mr. BURLESON. I am glad to yield to the gentleman.

Mr. LECOMPTE. Mr. Speaker, the House, a few minutes ago, unanimously adopted several resolutions for investigations by several of the standing committees of the House. It now, of course, becomes incumbent upon the Committee on House Administration to present resolutions providing the money for these investigations inasmuch as the resolutions for the authorizing investigations have passed the House today and on previous days by unanimous vote. Since these authorizations were unanimously passed, I assume that the entire House membership is in favor of the investigations. The Committee on House Administration has very carefully gone into the budgets that have been presented by the chairmen and ranking members of the several committees. The Subcommittee on Accounts, of which the gentleman from Maryland [Mr. FRIEDEL] is chairman, scrutinized all of the requests very carefully, and in some cases have reported a slight reduction in the amount that has been sought. I think it can truthfully be said that every committee has been asked to justify the amount of money sought for these investigations. While the amount will run into a considerable sum of money, the investigations have been ordered by the House and I see no position that we can take except to vote to furnish the money to have the investigations made. The membership may feel assured that the House administration has examined the requests very carefully.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. BROWN of Ohio. It is my understanding that all of these resolutions were not only cleared with the minority members of your committee but with the minority Members of the House.

Mr. BURLESON. Yes. In response to what the gentleman from Iowa [Mr. LECOMPTE] has just said, in all instances the subcommittee, in examining the budget before them, the chairman and the ranking minority members in all instances have agreed to the amounts requested, and the work to be covered and the matters to be investigated.

Mr. BROWN of Ohio. Is it the gentleman's understanding that it has also been cleared with the minority leadership of the House?

Mr. BURLESON. That is correct.

The SPEAKER pro tempore (Mr. COOPER). The question is on the committee amendment.

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING FUNDS FOR INVESTIGATIONS BY THE COMMITTEE ON BANKING AND CURRENCY

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 87) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That, effective January 3, 1957, the expenses of conducting the studies, investigations, and inquiries authorized by House Resolution 86, 85th Congress, incurred by the Committee on Banking and Currency, acting as a whole or by subcommittee, not to exceed $100,000, including expenditures for employment, travel, and subsistence of accountants, experts, investigators, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House, on vouchers authorized by such committee or subcommittee, signed by the chairman of such committee, and approved by the Committee on House Administration.

With the following committee amendment:

Page 1, line 1, strike out "January 3, 1957" and insert "January 4, 1957."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING FUNDS FOR INVESTIGATIONS BY THE COMMITTEE ON WAYS AND MEANS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 105) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 104, 85th Congress, incurred by the Committee on Ways and Means, acting as a whole or by subcommittee, not to exceed $250,000 including expenditures for the employment of such experts, clerical, stenographic, and other assistants, effective January 4, 1957, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee, signed by the chairman of the committee, and approved by the Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING FUNDS FOR INVESTIGATIONS BY THE COMMITTEE ON PUBLIC WORKS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 114) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That, effective January 3, 1957, the expenses of the studies and investigations to be conducted pursuant to House Resolution 113 by the Committee on Public Works, acting as a whole or by subcommittee, not to exceed $125,000 including expenditures for the employment of investigators, attorneys, and experts, and clerical, stenographic, and other assistants, and all expenses necessary for travel and subsistence incurred by members and employees while engaged in the activities of the committee or any subcommittee thereof, as the chairman deems necessary, shall be paid out of the contignent fund of the House on vouchers authorized and signed by the chairman of such committee and approved by the Committee on House Administration.

SEC. 2. The chairman, with the consent of the head of the department or agency concerned, is authorized and empowered to utilize the reimbursable services, information, facilities, and personnel of any other departments or agencies of the Government.

With the following committee amendment:

Page 1, line 1, strike out "January 3, 1957" and insert "January 4, 1957."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING FUNDS FOR INVESTIGATIONS BY THE COMMITTEE ON THE JUDICIARY

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 125) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That, effective January 4, 1957, the expenses of conducting the studies and investigations authorized by House Resolution 107 of the 85th Congress, incurred by the Committee on the Judiciary, acting as a whole or by subcommittee, not to exceed $200,000 including expenditures for the employment of experts, special counsel, clerical, stenographic, and other assistants, and all expenses necessary for travel and subsistence incurred by members and employees while engaged in the activities of the committee or any subcommittee thereof, shall be paid out of the contingent fund of the House on vouchers authorized by such committee signed by the chairman of such committee and approved by the Committee on House Administration.

With the following committee amendment:

Page 1, line 5, strike out "$200,000" and insert "$190,000."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CERTAIN ADDITIONAL EMPLOYEES

Mr. BURLESON. Mr. Speaker, I offer a privileged resolution (H. Res. 126) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That the Committee on Ways and Means is authorized, until otherwise provided by law, to employ 2 additional professional staff employees and 2 additional clerical employees to be paid from the contingent fund of the House at rate of compensation to be fixed by the chairman in accordance with section 202 (c) of the Legislative Reorganization Act of 1946.

With the following committee amendment:

Line 5, strike out the word "rate" and insert the word "rates."

The committee amendment was agreed to.

The resolution was agreed to and a motion to reconsider was laid on the table.

FUNDS FOR EXPENSES OF INVESTIGATIONS AUTHORIZED BY HOUSE RESOLUTION 94

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration I offer a privileged resolution (H. Res. 127) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That, effective January 4, 1957, the expenses of the investigations to be made pursuant to House Resolution 94 by the Committee on Interior and Insular Affairs (now comprised of the six former Committees on Insular Affairs, Territories, Public Lands, Irrigation and Reclamation, Mines and Mining, and Indian Affairs), acting as a whole or by subcommittee, not to exceed $60,000, including expenditures for the employment of stenographic and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration.

With the following committee amendment:

Line 7, strike out "$60,000" and insert "$57,500."

The committee amendment was agreed to.

The resolution was agreed to and a motion to reconsider was laid on the table.

COMMITTEE ON THE DISTRICT OF COLUMBIA

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration I offer a privileged resolution (H. Res. 136) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That in carrying out its duties during the 85th Congress, the Committee on the District of Columbia is authorized to incur such expenses (not in excess of $10,000) as it deems advisable. Such expenses shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on House Administration.

With the following committee amendment:

Line 4, strike out "$10,000" and insert "$7,000."

The committee amendment was agreed to.

The resolution was agreed to, and a motion to reconsider was laid on the table.

COMMITTEE ON THE POST OFFICE AND CIVIL SERVICE

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 140) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That effective from January 4, 1957, the expenses of conducting the investigations and studies pursuant to House Resolution 139, by the Committee on Post Office and Civil Service, acting as a whole or by subcommittee, not to exceed $50,000, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee or subcommittee, signed by the chairman of such committee, and approved by the Committee on House Administration.

SEC. 2. The official committee reporters may be used at all hearings held in the District of Columbia if not otherwise officially engaged.

The resolution was agreed to, and a motion to reconsider was laid on the table.

COMMITTEE ON VETERANS' AFFAIRS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 143) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the expenses of the investigation and study authorized by House Resolution 64 of the 85th Congress incurred by the Committee on Veterans' Affairs, acting as a whole or by subcommittee, not to exceed $50,000, including expenditures for the employment of experts, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof and approved by the Committee on House Administration.

SEC. 2. The official stenographers to committees may be used at all hearings held in the District of Columbia unless otherwise officially engaged.

With the following committee amendment:

Line 1, after the word "that", insert: "effective January 4, 1957."

The amendment was agreed to.

The resolution was agreed to and a motion to reconsider was laid on the table.

OFFICE OF THE SERGEANT AT ARMS

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 144) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the Sergeant at Arms of the House of Representatives is authorized and directed to protect the funds of his office by purchasing insurance, in the amount necessary to protect against loss with respect to such funds. Until otherwise provided by law, premiums on such insurance shall be paid out of the contingent fund of the House on vouchers signed by the Sergeant at Arms and approved by the Committee on House Administration.

The resolution was agreed to and a motion to reconsider was laid on the table.

SELECT COMMITTEE

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration I offer a privileged resolution (H. Res. 146) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That effective January 4, 1957, the expenses of the study and investigation to be conducted by the select committee created by House Resolution 56, not to exceed $250,000 including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on House Administration.

With the following committee amendment:

Line 3, strike out "$250,000" and insert "$225,000."

The committee amendment was agreed to.

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

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

There was no objection.

Mr. EVINS. Mr. Speaker, certainly I support the chairman of our committee, Mr. PATMAN, and the members of the House Administration Committee who have recommended and approved an allocation of $225,000 for continuing the work of the House Select Committee on Small Business. This sum is a modest amount considering the importance of the work to be done.

The committee, during the last session of the Congress, conducted a number of important investigations and prepared reports to various legislative committees in which detailed and specific recommendations were made for assisting the small-business economy of the Nation.

In addition, Mr. Speaker, the chairman, members of the committee and the staff handled more than 700 requests for Members of this House in the area of personal problems confronting constituents of individual Members in matters of assisting the small-business men of the Nation.

I am sure that we are all aware that with the tight money policy prevailing and high interest rates that the squeeze on small business is being felt and that there is a need for a continuous investigation and assistance.

Department of Commerce figures indicate that small business failures last year were 16 percent higher than in 1955. According to Dun & Bradstreet reports, more than 12,700 businesses failed last year. This was even greater than the number that failed during the World War II period when the draft and material shortages resulted in killing off thousands of small business concerns of the Nation.

So, I repeat, Mr. Speaker, this fund is needed for continuing studies and investigations and to keep a check upon the activities of the Small Business Administration, the Federal Trade Commission in its administration of the antitrust laws, the Department of Defense in its procurement programs and policies, and other agencies of Government as they relate to and affect the small business economy of the Nation.

I trust that there will be no dissent and the full amount of the appropriation approved.

The SPEAKER. The question is on the resolution.

The resolution was agreed to and a motion to reconsider was laid on the table.

TO PROVIDE FUNDS FOR NECESSARY EXPENSES OF THE COMMITTEE ON HOUSE ADMINISTRATION

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration I offer a privileged resolution (H. Res. 150) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That, in carrying out its duties during the 85th Congress, the Committee on House Administration is authorized to incur such expenses (not in excess of $5,000) as it deems advisable. Such expenses shall be paid out of the contingent fund of the House on vouchers authorized and approved by such committee, and signed by the chairman thereof.

The resolution was agreed to and a motion to reconsider was laid on the table.

GRANTING 1 YEAR'S SALARY TO THE ESTATE OF EDWARD JOSEPH MARSHALL, LATE AN EMPLOYEE OF THE HOUSE OF REPRESENTATIVES

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration I offer a privileged resolution (H. Res. 151) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Helen V. Scott, daughter; Alfred Stanley Marshall, son; and George E. Marshall, Jr., grandson; one-third share each, as relatives of Edward Joseph Marshall, late employee of the House, an amount equal to 1 year's salary at the rate he was receiving at the time of his death.

The resolution was agreed to and a motion to reconsider was laid on the table.

PROVIDING FOR EXPENSES OF INVESTIGATIONS AUTHORIZED PURSUANT TO HOUSE RESOLUTION 99

Mr. BURLESON. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 152) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That effective from January 4, 1957, the expenses of the investigations and studies conducted pursuant to House Resolution 99, by the Committee on Interstate and Foreign Commerce, acting as a whole or by subcommittee, not to exceed $100,000, including expenditures for employment of investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman of such committee, and approved by the Committee on House Administration.

The resolution was agreed to and a motion to reconsider was laid on the table.

SHIPPING OF OIL TO EUROPE

The SPEAKER pro tempore (Mr. COOPER). Under previous order of the House, the gentleman from Texas [Mr. IKARD] is recognized for 60 minutes.

Mr. IKARD. Mr. Speaker, in recent weeks there has been a great deal of criticism directed against our domestic oil industry.

This has been occasioned by two developments. First, the commitment of our Government to supply oil to Europe, now short of fuel because it has become dependent upon Middle East oil as a source to heat her homes and power her factories and automobiles. The second development is the recent increase in the price of crude oil.

As to the first development, by some process of imagination, the Texas Railroad Commission and the independent producers have been blamed for the oil shortages in Europe. This simply is not true.

The administration assumed the responsibility of furnishing oil to Europe and then immediately delegated that responsibility to 15 major oil companies along with immunity from antitrust action. To this very moment the administration, or these 15 major oil companies, have not requested the Railroad Commission of Texas in person, by letter, phone, or telegraph any particular form of action. This is really amazing in view of the fact the high administration officials have been so quick to criticize the commission, yet they have not seen fit to discuss their plans or commitments with the commission. Do these high officials of the administration expect the members of the Texas Railroad Commission to be psychic, or do they prefer for the commissioners to find out the plans of the administration from the press?

The members of the Texas Railroad Commission are three dedicated public servants who have pioneered the field of petroleum conservation and, without their efforts, this Nation could very well today be short of this vital fuel. The commissioners are just as honest and just as conscious of their responsibilities to the national security as any Federal employee. Their responsibility transcends Texas and encompasses the entire Nation.

There have been charges in the press and by administration officials that the railroad commission has held down production of crude oil in Texas at a time when Europe was cut off from its main source of oil supply and depending upon United States production to see it through the crisis.

Some of the distortions of fact which have been made with respect to this situation are difficult to comprehend. There have appeared in the press editorial charges that Texas, and other oil-producing States, are reducing oil output in the face of the European shortage. Contrary to this, Texas, Oklahoma, and Louisiana, the three major producing States in the Southwest, have increased production for the last 3 months and have ordered a fourth increase in production for the month of February.

In regard to Texas, with which I am more familiar, the railroad commission has increased the allowable 230,000 barrels daily since November 1956. The increases are reflected in the following allowables, in thousands of barrels daily:

November	3,314
December	3,443
January 1957	3,421
February	3,544

Since October, when the Suez crisis began, domestic production of crude oil has increased by 449,000 barrels daily—a substantial portion of which you can see is from Texas. In February, regulatory officials in both Texas and Louisiana have ordered additional increases, resulting in total production this month of almost 600,000 barrels daily more crude oil than in October 1956.

The Texas Railroad Commission was given authority in the petroleum field by law which was predicated on a need for the conservation of a vital natural resource, and it must act in conformity with that law. It is not a freewheeling, irresponsible organization accountable only unto itself.

The Texas Railroad Commission has one chief concern, and that concern is conservation. Based on engineering and technical data as to maximum efficient rates of production, and taking into account the market demand for oil, the railroad commission determines the allowable production on a basis of nondiscrimination as between fields and between producers. This determination is made in public hearings each month.

Conservation, as applied to oil and gas production, does not mean the locking up or hoarding of these natural resources. On the contrary, conservation of oil and gas means wise use of the reservoir energy which drives the oil through the sands and rocks to the well and on up to the surface and the prevention of waste of petroleum itself.

Texas statutes, no matter what may be said to the contrary, forbid the waste of crude oil and define waste as production in excess of market demand and transportation facilities. Thus, under present conditions, the railroad commission could not, without violating Texas law, have increased Texas allowables any more than has been done.

Mr. BURLESON. Mr. Speaker, does the gentleman prefer to conclude his speech now or yield for a question at this point?

Mr. IKARD. I yield to the gentleman from Texas.

Mr. BURLESON. Will the gentleman discuss later, in his very able and very analytical speech, the difficulty the independent oil operator is having, particularly in the western part of the State of Texas, in pipeline connections which are largely, if not all, controlled by these 15 major oil companies? Will he point out the transportation difficulties long experienced by the independents and the penalties they suffer in having to get their oil to tidewater in some way other than by pipeline connection?

Mr. IKARD. I mention that matter a little later on in my remarks. I thank the gentleman for calling it to my attention.

Mr. BURLESON. I certainly shall be listening with the greatest of interest.

Mr. IKARD. In addition, Texas law requires the commission to allocate the demand for Texas crude fairly among the various fields and wells of the State and all purchasers must take equitably from the fields wherever they buy or produce petroleum.

As an example of how the conservation laws may work to the advantage, not only of the oil producer and to Texas but to the security of the Nation, let me cite what has been done in the east Texas field.

That field was discovered in 1930 and at that time the experts estimated one to one and a half billion barrels of crude oil ultimately recoverable. The fact is that by carefully preserving and conserving the reservoir energy, 3,225,000,000 barrels of oil had been produced from that field through 1956. Not only that, but now it is estimated that, providing the same care is taken in conserving the pressure, there are nearly two billion barrels more of crude oil recoverable in the field.

That, my friends, is conservation.

By these methods by this conservation pioneered by the orders of the railroad commission oil was saved to propel the tanks that swept from the beaches of Normandy to ultimate victory in Berlin. Oil was saved to power ships and planes that were to sweep the Japanese from the sea and air in the South Pacific. Oil was saved for our use in Korea to stem the surge of the Communist imperialism, and oil will be saved for our own great industrial development.

I cite one other example of how conservation works to increase the available oil supply and thus benefit the entire American economy.

Prior to studies by the Texas Railroad Commission, two billion cubic feet of gas was wasted each day in Texas through flaring, a process of burning off the gas that pushed the oil to the surface. By 1954, the commission had stopped 98 percent of the flaring in the State. Thus, much of this gas that previously had been wasted is now being used to repressure or maintain the pressure in the oil reservoir. In other words, it is put back into the reservoir to help lift more oil and increase the availability of the oil in the well.

The past substantial increases in oil production have been made in consonance with sound conservation practices. I know that Texas and the 29 other oil-producing States stand ready, willing and able to supply additional oil for any real and true need.

Mr. Felix Wormser of the Department of the Interior has publicly blamed the oil-producing industry in the United States for the administration's failure to meet the commitments which apparently have been made to European nations. We know such commitments have been made, but I have nowhere heard them spelled out in a manner which would indicate a necessity to open up Texas oil production when we now have in a record amount of total petroleum and petroleum products in storage for this time of year.

If this need exists, then it is the responsibility of the administration, not 15 major American oil companies whose interests lie both in the development of Middle East crude oil reserves and in the pipelines which carry domestic production to market to point out that need to the Texas Railroad Commission which they have not yet done.

Before such action can be taken, however, it should be established that there is a need that transcends good conservation practices and the orderly progress and growth of the domestic industry. It should be ascertained whether or not crude and residual stocks in Europe are at such a level as to require immediate supplementation. If it is found that those stocks are at such a level, then it should be ascertained where the most readily available supply can be found from the point of quickest transportation.

It is known that the tanker route from the Caribbean to Europe is much shorter than the route from the United States gulf coast to Europe. It seems to me that the Government, being disturbed as it is about oil shortages in Europe, should turn its attention to the 15 foreign major operating oil companies to which it has delegated the responsibility for meeting those shortages.

These 15 companies filed a schedule of action to provide Europe with the oil it says it sorely needs. This schedule was approved by the administration. It provides, among other things, for the diversion to Europe of Latin American oil which normally is shipped to the United States.

Yet, in spite of this schedule, Caribbean imports of crude oil into the East and gulf coasts of the United States continue to increase. For instance, as the table below will show, Venezuelan imports of crude oil into this country in November and December—after the Suez crisis—exceeded the imports from that source during the third quarter of 1956 and in October of that year. Thus it was that even before the present grumblings were heard complaining about the lack of consideration for the problem by the Texas Railroad Commission, Venezuelan crude oil was pouring into ports of the United States at an increasing rate.

Venezuela (crude imports)

[All figures in barrels daily]

Pre-Suez:	
October	462,500
November	476,400
Post-Suez:	
December	502,100

Obviously the only diversion to the European shortage area has been Middle East oil formerly imported into the United States, a diversion which has been quickly and fully replaced by domestic oil. The administration's Middle East Emergency Committee could supply Europe with all the oil it needs by simply diverting the crude which is now being imported to the United States there instead of bringing it into this country where it goes into storage. Such a diversion of Caribbean oil would also be quickly and fully replaced by domestic production.

It is also interesting to note that those same members of the Middle East Emergency Committee who are so interested in imports also control a substantial portion of the refinery capacity and pipeline facilities of the United States.

There have been violent complaints that the Texas Railroad Commission has failed in its duty by not abandoning its policy of retable taking, a policy which in effect means that producers and buyers shall take their oil equitably from all fields.

There are several reasons in the interest of conservation why this should not be done. For instance: If this policy were abandoned and the wells and fields closest to tidewater were allowed to produce unlimited quantities of oil, they would soon be exceeding their maximum rates of efficiency, that rate which dictates the optimum amount of oil that can be produced from a well and still gain the most oil from that well. In other words, they would be gutted and of no further use to the industry and the Nation. This would be returning to a practice that experience has taught us is the most inefficient and wasteful method of producing oil. The Texas oil producers learned this lesson well during the boom days of Spindletop, in the early days of the industry when the wells were produced to their limits in order to get to market the quickest with the mostest.

Another reason for not opening the chocks full wide in the areas closest to tidewater is that this practice would discourage any development of areas remote from this transportation facility. Who would risk capital in a venture in which there was little chance of getting his product to market? Would you? Even now, there are more than 8,000 wells in Texas without pipeline connections. If this policy of ratable taking were abandoned, this number would grow to tenfold in a very short time. Thus, not only would the domestic industry suffer from lack of wells drilled and eventually lack of production, but the entire Nation

would find itself without the necessary petroleum to face a national emergency.

This issue of pipeline connections is a serious one. It affects not only the supply but also the price the producer receives for his oil. There are many producers in Texas who own unconnected wells on one section while the wells on the next section are connected to pipelines. Thus, although producers of oil from both wells receive the same price for their oil, the producer with the unconnected well must give up anywhere from 25 to sometimes 45 and 50 cents a barrel to have his oil trucked to a transportation facility. In other words, the producer with the unconnected wells is deprived of that much of the revenue from his wells.

Since they control most United States pipelines, one must assume that if the companies in the Middle East Emergency Committee wanted the domestic oil industry to supply Europe with the oil it needs, they would first see to it that as many unconnected wells as could be economically connected to pipelines were so connected, thus assuring an adequate supply of domestic production.

There is another responsibility the companies on the Middle East Emergency Committee have. These companies own and operate most of the refining capacity in the United States. Today, in the third month of the European oil shortage, these companies are refining too much gasoline. They could immediately reduce their gasoline output and thereby make large volumes of unneeded crude oil available to Western Europe.

I repeat, Mr. Speaker, the administration has assumed the responsibility for oil shipment to Europe and has delegated that responsibility to 15 big companies who operate worldwide, and who incidentally, have an economic interest in these movements of oil.

As you know, prior to the Suez crisis the administration threatened these same companies with a limitation on imports into the United States. The Director of the Office of Defense Mobilization indicated he intended to follow through on his efforts to limit imports once the Suez crisis is over.

Now, adding 2 and 2, it would seem if imports are limited down the road, which they should be, they may be limited at the then existing rate. The purpose being served in present excessive and unneeded oil imports, therefore, is to hold the import level at a high base in the event of such Government action.

I have been disturbed by newspaper reports saying a committee of the House was going to investigate the failure of domestic oil producers to move sufficient oil to Europe.

I submit, Mr. Speaker, that if an investigation is made along this line, it should be directed at the Government's own proxy, the Middle East Emergency Committee. That is where the responsibility lies. That is where the facts can be made known. That is where we can find out why oil imports to the United States continue to increase while our European friends are burning kindling wood and walking instead of riding.

It is this same Middle East Committee which has, in effect, told the Texas Railroad Commission and the independent domestic producer that he should grab his hat full of oil and run with it to Europe while the members of the same Middle East Committee pour imported oil into the United States by the barrelful.

When this whole question is explored—and it should be fully explored—I am certain the domestic petroleum industry will be vindicated. I am not so sure that the administration and its Middle East Emergency Committee of international oil companies will not be embarrassed.

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

Mr. IKARD. I yield.

Mr. BURLESON. Will the gentleman agree that the main reason the major importers of crude oil refrain and/or refuse to supplement the shortage in Europe is in order to hold the death grip they now have on the United States markets, to the detriment of independent oil producers? Will the gentleman agree that that is a logical conclusion?

Mr. IKARD. That is right. They want to keep the level high here, as the gentleman has pointed out. I agree with him wholeheartedly.

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

Mr. IKARD. I yield.

Mr. HALE. The gentleman is perhaps aware that the Committee on Interstate and Foreign Commerce is holding hearings on this very subject today?

Mr. IKARD. Yes, sir; I think it is a subject that should be heard, I will say to the gentleman.

The recent long-overdue increase in crude-oil price is a result, not a cause, of inflation. The oil industry has been a casualty of—not a contributor to—inflation.

Now, I would like to give you some specifics.

The search for and production of oil for our expanding economy and the Nation's security is no small job. It is conducted by more than 12,000 individuals and companies engaged in the oil- and gas-producing activities in 36 States, according to an October 1956 Bureau of the Census report on oil and gas companies.

These 12,000 oil and gas producers employ more than 300,000 persons in the production phase of the industry alone. These are industrious, responsible citizens who are just as conscious of the inflationary pressures on their pocketbooks as are any Congressmen here today.

It is deplorable that some people take it upon themselves to make this industry and those who strive so diligently in it the whipping boy for every abuse, imagined or real, which is perpetrated in this country. I know of no industry that has given more of itself in times of emergency than the domestic oil industry. It was, during times of war, able to provide this country with the most vital ammunition with which to throw back a stab-in-the-back attack and go on to ultimate victory.

I know of no other industry which provided the United States with the power to avert a possible third world war. It was not necessary for this country to throw its troops into the powder keg of the Middle East because its domestic fuel supply was more than adequate. Without this industry, the United States would have, in all probability, had no choice but to join Britain and France in their attack on Egypt following seizure of the Suez Canal and the shutting down of the vast supply source of fuel.

And yet, this industry, when it follows, not leads, the inflationary trend, is lampooned and pilloried across the country as gougers.

The domestic petroleum industry utilizes millions of tons of heavy industrial machines and additional millions of tons of steel pipe in the drilling for and production of oil. Steel, labor, and machinery are, therefore, primary items in the exploration, drilling, development, and production activities of the petroleum industry.

Mr. Speaker, as I mentioned in my opening remarks, there were two developments which had occasioned this great flood of unwarranted criticism against the domestic petroleum industry. The second development, the recent increase in the price of crude oil, I would like to discuss for a few moments.

On January 3, the price of crude petroleum in the United States was advanced for the first time in 3½ years. This increase averaged about 25 cents a barrel, or less than 10 percent.

However, as a result of this price change, necessitated and justified by spiraling costs, the oil producing industry has been subjected to an uproar of emotional criticism and has been charged with price gouging. In reality, if the critics could but put down the red flags for a minute and take a look at the record, they would see that this industry which they so roundly criticize has contributed nothing to the inflationary pressures of the past 3½ years.

There have been demands for investigations and even suggestions that the Federal Government take command of the oil business. Those who make such suggestions seem to think the oil business operates in an economic vacuum, completely immune from the influences of our general economy.

I think all of you know me well enough to know also that I am as concerned about inflationary tendencies as any Member of Congress. However, I fail to understand how the petroleum industry can be expected to exist outside these pressures. The oil producer is no more insulated against rising costs than any other American businessman, and he has been absorbing increasing costs for a number of years.

I share the concern of the administration, and of many in the Congress, over inflationary pressures; however, I do not concur in the singling out of one industry which, out of necessity, had to finally succumb to these pressures and raise its prices to stay in business.

If there are to be investigations here in this Body, they should get to the root of the problem. It can solve nothing by investigating only oil prices. Any fair investigation will show, I am confident, that crude oil prices are not only fair but insufficient to cover the cost of find-

ing and producing oil in an economy where a dollar is worth but 40 cents.

Since some here are proposing investigations, let us investigate the causes and not merely the effects. Whenever there has been a tragic airline crash or mine disaster, the safety inspectors do not investigate the background of the casualties. They go to the plane or the mine itself to find out the reasons behind the crash or the disaster.

Mr. ROGERS of Texas. Will the gentleman yield?

Mr. IKARD. Yes, I yield.

Mr. ROGERS of Texas. At that point I want to say that the gentleman knows, from his great knowledge of the oil industry, that in the latter part of 1950 a paper was prepared by the Legislative Reference Service, which indicated that by 1960 we would be using about 8 million barrels of oil a day. If that point was reached, we could not possibly find sufficient reserves to meet that demand. We have passed that point in 1956—not in 1960—but the oil and gas industry in this country went out and found reserves and now has reserves to back it up, where we are not dependent on foreign oil.

Mr. IKARD. We have not only reached that point as the gentleman so ably pointed out, but we have reserves on hand that are at a near all-time high.

Mr. BURLESON. Mr. Speaker, will the gentleman yield further?

Mr. IKARD. I yield.

Mr. BURLESON. If the gentleman will permit me to add, more than 80 percent of new oil discoveries are made by some little operator who is comparable to the small-business man, but these little operators who have gone bankrupt in the process of discovering these new reserves. I can point out to you in my area some of the men the magazines talk about as being rich oilmen who cannot pay their debts or their taxes today; they are broke, and plenty of them have gone completely broke in the process of trying to find new reserves. They are not numbered among these 4 or 5 fabulously rich men the newspapers and magazines tell about. People overlook that fact when talking generally about the oil business.

Mr. ROGERS of Texas. If the gentleman will yield, in keeping with what the gentleman from Texas [Mr. BURLESON], has said, only this morning in our committee on Interstate and Foreign Commerce it was pointed out by Mr. Stewart of the Interior Department that this increase of drilling that has been necessary in order for the oil industry to find these reserves so badly needed not only for our own consumption but for the security of this Nation, there has been a tremendous increase in the number of dry holes that have had to be drilled in order to find those reserves; and those dry holes cost money.

Mr. IKARD. I thank the gentleman very much.

Now I want to get to some figures that show what has happened in the matter of costs.

According to the latest figures of the Bureau of Labor Statistics, these major items of cost have increased as follows, as compared with oil prices including the latest crude-price adjustment:

Item and percent increase since December 1947

	Percent
Average hourly wages paid	66.3
Oilfield-machinery prices	55.6
Oil-well casing (carbon)	77.8
Oil-well casing (alloy)	87.5
Line pipe (carbon)	117.8
Finished-steel products	80.7
Automobiles	45.9

Crude-oil prices in the same period including this last raise have gone up only 31 percent.

Since the last previous crude-oil price adjustment in June 1953, the oil-producing industry has absorbed 5 rounds of increases in basic steel prices, and 4 rounds of wage increases. I do not intend to infer that these increases were unnecessary. I do intend to infer and again emphasize that the oil-producing industry has been slow in passing these increased costs along to the American consumer and, if anything, deserves the applause and appreciation of Government for an obviously burdensome job of resisting the onslaught of inflation.

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

Mr. IKARD. I yield.

Mr. KILGORE. I would like to see if I am correct in analyzing the gentleman's figures to this extent: The gentleman has just pointed out that the oil industry has been slow to pass on its increased cost by increasing the cost of oil. Do I understand that even though there has been only one increase since June 1953, that increase was in the amount of only something less than 10 percent?

Mr. IKARD. On the average a little below 10 percent. As the gentleman knows, of course, we have different grades of oil, and everything considered it spells out to about 25 cents a barrel.

Mr. KILGORE. As a matter of fact the items which the gentleman just read in the matter of increased costs of production and costs of exploration to the oil industry, those increases to the industry range anywhere from 21 to 117 percent.

Mr. IKARD. That is correct.

Mr. KILGORE. But the price increase on the part of the industry since 1953 is something less than 10 percent.

Mr. IKARD. Yes.

Mr. KILGORE. In other words the industry has been slow to pass on its costs and lags behind other industries in this regard.

Mr. IKARD. It is behind almost all the other industries.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield for another comment on that particular point?

Mr. IKARD. I yield.

Mr. WRIGHT. In the gentleman's statement thus far he has not mentioned another very important item of cost to the oil industry, and that is the cost of money, vast sums of which must be borrowed to conduct these exploratory drilling operations. The cost of money has increased almost 100 percent because of higher interest rates, and this is certainly an appreciable item.

Mr. IKARD. I thank the gentleman for bringing out that point. I mention it a little later on in my manuscript. That, of course, is a very vital and important cost to any oil operator and in any oil operation; and, as the gentleman from Texas [Mr. BURLESON], pointed out, contrary to the comments of most slick magazines, most of the oil industry operators in my district are either broke or fast getting into that shape, and what they pay for their borrowed money is a very important item in their cost—the interest they pay.

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

Mr. IKARD. I yield.

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

Mr. IKARD. I yield to the gentleman from Texas.

Mr. YOUNG. I would like to say at the outset that I, like 99.9 percent of other Texans, own only the oil in the crankcase of my automobile and the last time I checked that was a quart low. I want to concur with the speaker in his fine, studious remarks concerning the condition of the domestic oil industry. It should be apparent to everybody that this cost-price squeeze that we see here in the Nation today affecting so many other factors of our economy has not let the domestic oil out. I wonder how many of us realize that our domestic companies frequently have as much as $1.10 per barrel cost of that oil in the ground as compared, for instance, with the Mid East, which is in competition, of something like 2 cents per barrel cost in the ground? The gentleman has certainly put his finger on it when he points out that the surplus products today in this Nation are at an alltime high when, as a matter of fact, they should be expected to be at a low. It is anticipated that in April the needs of this Nation will be something like 176 million barrels of refined products whereas in January of this year the industry already had on hand 191 million barrels and could look forward to many more millions of barrels before April comes.

It is simply this in a nutshell, and I thank the gentleman for this time: The Europeans do not want our finished products to use, they want our oil to run through their refineries for their profit. I thank the gentleman.

Mr. IKARD. I appreciate the gentleman's statement.

Mr. BURLESON. Mr. Speaker, will the gentleman yield again?

Mr. IKARD. I yield to the gentleman from Texas.

Mr. BURLESON. May I clarify one point. In response to the question by the gentleman from Texas [Mr. KILGORE], you referred to certain recent price increases on crude oil. Is it not true that the recent increase includes a 7-cent per barrel decrease which occurred several weeks ago. In other words this slight increase should have a 7-cent per barrel deducted from it. No logical or reasonable condition existed to justify the earlier decrease.

Mr. IKARD. That is right.

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

Mr. IKARD. I yield to the gentleman from Texas.

Mr. POAGE. As the gentleman knows, I happen to be the only Democratic Representative from Texas who lives in a district that does not produce oil in substantial quantities. Every other Democrat from Texas represents a district which produces a substantial amount of oil. As the gentleman from Corpus Christi suggested, I am not personally a producer of oil and my people do not produce oil, nor does the district I have the honor of representing. We are all purchasers of oil.

However, we believe that a sound program of conservation is in our interest just as well as it is in the interest of those who are actually producing and selling oil. We have felt over the years that the policy of the Texas Railroad Commission in prohibiting the production of oil which would result in waste has contributed mightily to the maintenance of a stable, fair price structure, not only for Texas but for the whole of the United States. I think that the figures are perfectly conclusive in that respect. I think it is clear that those that did not have the vision to establish programs of conservation in years gone by have seen their resources lost and are now insignificant factors in the oil production of America, whereas the State of Texas which more than 23 years ago established a policy of conservation of oil has been able to maintain production in fields which under wild and unlimited production would not be producing a barrel today.

Is it not true that the only way Texas could comply with the request that certain people have been making, the request they have made that we come to the rescue of the folks who do not want to buy gasoline but want to buy the crude and make the profits from refining, is to open our wells and imperil production for years to come?

Mr. IKARD. I think that is right. And, it is also an interesting thing, I will say to my friend, from what information I have, other than the official formal notices that they get once a month in the Department of the Interior and other than having asked the chairman of the commission to come to Washington at the beginning of this crisis for a brief meeting, at which no fundamental final decisions were made, that the requests that you speak about were made entirely through the press and over the radio, and I know as of about 8 o'clock last night that the Railroad Commission of Texas had not received any request, any petition, or anything from anybody in a position of responsibility about what they would like for the Railroad Commission or the oil producers of Texas to do, how much oil they wanted to produce or anything else. As I say, I think this whole thing has been handed over to this committee composed of the 15 big international oil companies who also, by the oddest coincidence, control the world market, the world transportation facilities, and maybe this did not fit into their scheme to let the Railroad Commission in on what the plans are. I do not know.

Mr. POAGE. Might it not very well be that there are people stationed somewhere around who would like to see the Texas oil fields drained and who would like to see the day come when we could not supply the United States with the oil that we need in case of an emergency?

Mr. IKARD. I hate to think that is true, but I am afraid it is.

Mr. POAGE. I mean across the water—as well as a few at home.

Mr. IKARD. Yes. That is right.

Mr. POAGE. Is that not quite probable?

Mr. IKARD. I think it would be very probable, unless we practice the methods that history has taught us are sound conservation. Now, it is of great importance to this country that we maintain great reserves of oil and gas. If we ever get to the point where we are dependent on oil out of the Western Hemisphere, I am afraid that whoever our enemies in the world might be at the time, whether the Communists or otherwise, they will pull the string on us in 30 days, and we will be out of business.

Mr. POAGE. It seems to me it is so true that some of these people who know nothing about the methods of producing oil are telling us that we ought to open those wells without regard to the effect it will have on our ultimate recovery, a thing that we will do in case the United States of America is involved in a war; but a thing which could be most costly to our country. They are asking us to do that today, asking us to open those wells and jeopardize the Texas fields at the very time when we are importing a very substantial amount of oil.

Mr. IKARD. Yes; not only a substantial amount, but the imports are going up.

Mr. POAGE. Exactly. And, if, in fact, they are only concerned with the welfare of the people in Europe, why do they not concentrate their criticism upon those major oil companies that are bringing that oil into this country and urge them to divert that oil to Europe instead of taking the oil from Texas to Europe?

Mr. IKARD. I could not agree with the gentleman more, and I also think that there is an analogy in this, and that is the gentleman's fine work through the years and his efforts to conserve the soil in this country and soil conservation. I think he will agree with me when I say that one of the reasons we find ourselves where we are today is that good conservation just is not very sensational and does not make very good headlines, either in the conservation of oil or the conservation of soil.

Mr. POAGE. I think the gentleman is so right. They are both essential to the maintenance of the prosperity of this country.

Mr. IKARD. I think the gentleman is absolutely right.

I would like to examine for a moment the result of the petroleum industry's resistance to inflation. It could and would be costly to the Nation, if the rapidly closing gap between costs and prices of crude oil is not materially widened.

Most of these 12,000 companies are small, independent producers. According to the latest edition of the Oil and Gas Journal, these small companies drilled more than 82 percent of the wildcat, or exploratory wells, in the search for new oil reserves in the United States in 1956. The so-called major companies drilled the rest.

If we are to maintain our security to which oil is so vital, Mr. Speaker, it is important that these thousands of independent producers stay in business. The only way we can meet our expanding oil needs is through the drilling of increasing numbers of wells, year after year. The amount of oil found in America has been in direct proportion to the expenditures for exploration, drilling, and development.

Oil producers have two sources for investment capital. These are market and price. Because of the unusual risk involved in oil exploration, the industry can obtain financing from outside money markets only to a limited, and sometimes dwindling degree.

For more than a year now, oil country bankers have been advising their independent domestic oil producer customers: "If you have a good solid bank connection, do not go shopping around for a better loan position."

As far back as last August, bankers from Denver to Houston to Chicago were advising independents that the future did not look very bright for them. One banker reported:

> The price of crude is wholly inadequate in general and one company has reported to me that it's cheaper to buy production than to drill it.

Another oil-country banker reported:

> You can't have foreign crude at 30 to 40 cents a barrel below domestic price and maintain a healthy domestic situation.

As the ratio of loans to deposits began to widen, the money problem of the small producer increased, and more and more independents were told by their bankers not to make any long-term commitments. Even the supply of money for wildcatting ventures outside the usual financial families has begun to dwindle. One southwestern banker has reported that the money sources for wildcatting were completely dry and that the only money available to him was coming from secondary sources.

As you can understand, Mr. Speaker, all the factors that affect the domestic producer's income, such as increasing costs, less net operating income, any wavering in the market, and increasing imports all affect his ability to increase his loan structure.

For almost 2 years, there has been evidence of an increasing inadequacy of capital as a result of depressed crude-oil prices. During 1956, for example, the domestic industry was unable to maintain a volume of drilling in keeping with either the demand for, or production of, oil. Total drilling of domestic wells increased 2.2 percent. Production and consumption both increased on the order of 5½ percent.

This is a shocking and disturbing trend. At a time when a sound domestic

petroleum industry has been proven vital to our own national security and to that of the free world, we cannot afford a slackening in the drilling for, and development of, increased petroleum reserves. To do so is to invite America into the situation now faced by Europeans—where denial of Middle East oil suddenly thrusts millions into the prospect of shivering out the winter in unheated homes and of being immobilized for lack of gasoline.

Fortunately, the United States had not only enough oil for itself, but some to spare for its allies.

If we are to maintain this position in future emergencies, we cannot deny the oil-producing industry a price which compensates for the cost of finding and developing oil.

Americans are not only assured adequate oil—but only because of an abundance of oil—they also pay low prices for petroleum products. Gasoline today sells for an average of 22 cents a gallon at United States service stations. Added to this price is 9 cents in State and Federal taxes.

Gasoline prices, except for increased taxes, had held unchanged for 3 years prior to the nominal increase this year.

And here let me put the record straight. If those who had screamed in anguish had but waited a few weeks, they would have had nothing to scream about. Already in many areas of the country that small increase, which was fully justified from all cost standpoints, is being wiped from the books.

In contrast to what the United States consumer pays, gasoline in Great Britain is 84 cents a gallon, and in many areas of Europe it is $1 a gallon. These are some of the prices which result from being dependent upon foreign oil for survival.

The charge has been made, Mr. Speaker, that in advancing the price of crude oil the domestic oil industry was taking advantage of our allies.

This statement is made ridiculous by the fact that Middle East oil from Saudi Arabia on which Europe was dependent, was increased twice during 1956 for a total of 33 cents a barrel, at the eastern Mediterranean port of Sidon.

Also, during 1956, Venezuelan crude oil was increased on numerous occasions by up to as much as 28 cents a barrel.

These increases took place months ahead of the adjustment in domestic crude oil prices in the United States. I do not recall any howls of protest, in behalf of our European allies, when these price increases for foreign crude oil were effectuated.

Mr. Speaker, I have other detailed information with which I will not now burden you. I do wish to say that by any and every standard which could be applied, the recent small adjustment in crude oil prices was both necessary and justified.

If it assists in generating additional expansion of our oil producing capabilities in these critical times, then it will be small investment indeed.

I again say that any investigation that we should make which singles out the petroleum industry will serve no useful purpose unless it also delves into the underlying causes and effects of these inflationary pressures to which the oil industry has fallen victim.

We cannot hold back the flood by slapping at the waves; we must build the dam from the bottom.

CREATING OFFICE OF GUEST MEMBER IN SENATE AND HOUSE

Mr. CHELF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

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

There was no objection.

Mr. CHELF. Mr. Speaker, I appear before you today in the interest of my bill (H. R. 4371) which seeks to create the office of guest Member in the Senate and in the House of Representatives of the United States for former Presidents. In the future, under this legislation, there will always be the possibility of one or more ex-Presidents in the House and Senate, no matter what his political beliefs may be.

Gentlemen, if there ever was a time during the history of our Nation that the combined talents, know-how, experience, and training of our two living former Presidents are needed to help us solve the many complex problems with which we are presently confronted—this is that time. Let us make no mistake about it or lull ourselves to sleep over the international situation because, quite frankly, our relationship, at the present time, with the various countries of the world is most precarious.

At this time our country is particularly blessed in having two splendid gentlemen who have served as Presidents of the United States of America. One of these distinguished gentlemen is a Republican, a conservative, and truly an elder statesman; while the other outstanding gentleman is a Democrat, inclined to be liberal, and is a real American.

The Honorable Herbert Hoover has had long and varied experience as a public servant. In addition to his having served as the President of the United States, he has served in various capacities throughout the years both prior to his term as President and since that time as chairman of various boards and commissions which have added luster to his good name. You will recall that during World War I, President Wilson designated Mr. Hoover to distribute adequately, efficiently, and humanely food, clothing, medical supplies, and other aid to stricken peoples, scarred and marked by the ravages of war.

Mr. Hoover recently served as active Chairman of the Commission on Organization of the Executive Branch of the Government, and, as usual, made a most valuable contribution to his country.

No doubt, at this juncture, you are asking yourself the question: well this all may be very true, but what does Mr. Hoover think of this legislation? This is a good question. Although I wrote Mr. Hoover a letter asking for his comments, I must confess he replied that while he appreciated my sentiments and remarks, he asked that I do him the "kindness of leaving him out of the discussion." In other words, Mr. Hoover quite clearly takes the attitude that since he is involved in the legislation, he ought not to be embarrassed by being requested to make a statement. While I am unable to give you Mr. Hoover's reaction, I am informed that a similar plan, such as I propose, received the weighty endorsement of former President Hoover in 1949. Mr. Truman has stated publicly several times that he is not adverse to my plan.

The Honorable Harry S. Truman served as United States Senator from the great State of Missouri for approximately 10 years. He gained national stature and prominence by serving as chairman of the Truman Investigating Committee. In 1944, he was nominated and elected by the people of this country to serve as Vice President under President Roosevelt. He had hardly settled down into his office as Vice President when President Roosevelt was summoned to his reward by the Master of all nations, lodges, and men and suddenly and without warning, Mr. Truman found himself being sworn in as President of the United States.

Whether we agreed with Mr. Truman's politics, his policies, his methods or his achievements, there is one thing that I feel that all of us will be bound to admit, he served our Nation fearlessly and honorably and at a most crucial time in our history.

In my opinion, no man ever was confronted with the decisions that he had to make as Commander in Chief of approximately 12 million men to conclude successfully World War II and to help lead our country and the world, for that matter, which was tottering on the brink of destruction and despair, back to a sound, sane post-war status.

My colleagues, it was President Harry S Truman who had to make the decision as to whether or not the atom bomb would be dropped on Hiroshima and on Nagasaki. I know and you know that this good man had to take decisions of such magnitude to the Good Lord in prayer. Frankly, I do not think that any person could make such a momentous decision without calling on Almighty God for help and guidance.

Mr. Speaker, I feel very deeply about this particular situation. In my heart, I know full well that there are tens of thousands of our young men who are living in happiness today due to the decision made by President Truman to drop these bombs, each then carrying death and destruction equivalent to 50,000 tons of TNT.

It took real courage to issue that order that acted as a certain death warrant to thousands of civilians. Nevertheless, we were at war, a horrible bloody war and it was either the Japanese or our soldiers who had to die. Had not Mr. Truman made the decision at the time, place and manner in which he did, World War II would have continued longer and the million casualties in blood and the billions in gold and treasure that we lost might conceivably have been doubled.

Mr. Speaker, I have spoken to several of my colleagues about this legislation. I have urged their support of this bill. I am happy to report that 4 out of 5

favor it overwhelmingly because they agree with me that unless this legislation is enacted now during the time in which both former Presidents are active and alive, it will never be done.

The small amount of opposition that I have encountered to the legislation is, unfortunately, due to prejudice against one or the other of the two former Presidents. Such an attitude is strictly unfair because you and I know that we cannot legislate by prejudice.

Any man who has served his country in as many capacities as these two distinguished men and, in addition, has served as President of the United States is entitled to have the floor privileges of the House and the Senate. Their advice, counsel, views and ideas on domestic and foreign policies ought on request be made readily available to all of us on Capitol Hill. As guest members of the House and Senate, without a vote, our two former Presidents would be not only easily available to us for assistance but in addition thereto this legislation would give to them an honorable, working, active retirement. I do not know of anything that could be either more cruel, short-sighted or tragic than to place our former Presidents on an inactive dole that firmly but yet so gently relegates them and their talents into oblivion.

At the present time, our former Presidents are somewhat reluctant to visit Washington, or to speak out on matters of foreign and domestic interest. I am sure that they would be happy to say what was on their minds and in their hearts—if only asked.

As a guest member in the House and Senate, the country would have the full benefit of their services, and their vast experience without any embarrassment to themselves. If we allow this chance to tap this storehouse of knowledge and experience to go "over the hill" shame on us for we will have truly missed the gangplank and with it the boat. I think it would be a healthy thing for the country to have at least 1 or 2 persons who upon invitation could sound off on an issue without having to worry about his reelection or any voter repercussions. Truly it would be refreshing and beneficial to have these elder statesmen sitting amongst us. It would be America at her best and in her finest tradition. As a democracy we either come up with new ideas occasionally or we wither down and die on the vine of progress.

On April 15, 1955, the Louisville Courier-Journal printed an editorial entitled "A Senate Seat for Hoover and Truman." Later, on April 25, 1955, that splendid newspaper printed another editorial entitled "A Forum Is Needed, Not Just a Pension."

The editorial dated April 15, 1955, among other things, had the following to say:

> But they (Truman and Hoover) would hold positions of recognized distinction instead of being relegated to relative oblivion. They would be, in every case, men inclined by training and circumstances to think in national rather than in more local or regional terms. Freed of all thought of elective harassment, and representing the people at large, they could at their best provide the country with a continuous wealth of experienced statesmanship. It is an asset that should not go begging. Congress could make this a memorable session indeed by reintroducing us all to Senator Hoover and Senator Truman, and preparing us, in time, to meet Senator Eisenhower.

From the editorial dated April 25, 1955, I quote the following excerpt:

> It is politically improbable that Congress ever would pass a bill affecting former Presidents of the United States except at a time when ex-Presidents of the two political parties were alive. The 84th Congress has such an opportunity now while Herbert Hoover and Harry Truman are active and alert. * * * Bills introduced by West Virginia's Harley Kilgore and Kentucky's Representative FRANK CHELF, would make all ex-Presidents nonvoting Members of the Senate for life terms. * * * It seems to this newspaper that making our former President's experience and wisdom officially useful in the United States is more important than method. * * * But of the two plans (the civil-service pension plan) the Kilgore-Chelf proposal appeals to us more. It imposes no inflexibility on the pattern of service. It gives official and active status to those former Presidents who desire to use it. It removes any suggestion that the old gentlemen have been pensioned off to pasture—which is quite the opposite of what is intended.

There is a great deal more that I could say with respect to the qualifications of these outstanding Americans and why they ought to be permitted to sit along beside us with floor privileges—but since I realize I am speaking to men who understand and appreciate the accomplishments of our former Presidents it would, therefore, waste your valuable time to go into further detail. Let us give to our former Presidents an honorable, active, useful, retirement and not sentence them to an inactive, useless, unproductive handout or dole.

The Bible says:

> * * * A city that is set on a hill cannot be hid.
>
> Neither do men light a candle, and put it under a bushel, but on a candlestick; and it giveth light unto all that are in the house.

I urge you to support H. R. 4371.

A NEW APPROACH TO IMMIGRATION

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

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

There was no objection.

Mr. RODINO. Mr. Speaker, some 30 Members of Congress, meeting together, I, among them, have hammered out an omnibus, overall revision of our immigration law. It has not been an easy matter to arrive at changes that not only would remove discriminations in the law, but work out solutions that would not only be just, but be workable. A good-looking blueprint may be fine on paper, but we have to be sure that out of these plans a livable house can be built. So it is with the new immigration bill I have introduced. Just doing away with the national origins theory upon which our present entry laws are based was not enough. We had to seek for and find a new formula which would guarantee not only that one country would not be given preference over another, but that immigration into this country would not fall into conditions of chaos and confusions, once the national origins theory was discarded.

Here, then, is the formula which took a bit of imagination, much research, much soul searching, and many, many forms until we found what we were looking for—a bill that would do justice to American humanity and conscience, and yet would neither confound nor confuse.

The overall annual quota for all peoples, everywhere, seeking entrance into the United States would be 250,000 each year. The figure, of course, is larger since spouses and minor children of American citizens would be permitted in addition to the 250,000. A further addition to the 250,000 will be parents of United States citizens and professors of academic schools. Now, then, these 250,000 will be distributed among 5 classes of people without regard to any census count in the United States, without regard to where the immigrant was born or to his citizenry. The one limitation with reference to country is that no more than 15 percent of the annual allocation could be issued to inhabitants of any one single country. As to the five classes, they are as follows:

First: Family unification.
Second: Occupational.
Third: Refugee asylum.
Fourth: National interest.
Fifth: Resettlement.

By the resettlement class, we mean those who have no ties in this country who fall into neither of the four other classes, but who seek to emigrate for economic reasons or because they seek to begin again in a new country.

Who will make this distribution? Each year, the President of the United States, after consulting with the Departments of State, Commerce, Labor, and with the Attorney General will submit to the Congress a detailed plan setting forth how each of the 5 categories will be filled; that is, how many of the 250,000 shall go into the first class, or the third class or the second. The plan will then also set forward how many will be permitted entry from each country. After this plan is submitted each year to the Congress, the Congress will have 60 days in which to act; that is, the plan goes through if in 60 days the Congress has not vetoed it. If the Congress does not agree with the allocations, the plan submitted the year before goes into effect.

Now, let us see how this formula actually works with a country, say, like Italy. Under the present law, Italy is allotted an annual quota of 5,645. In keeping that number in mind, we must also keep in mind that the entire 5,645 must be of Italian origin, so that if a thousand Italians emigrate to Australia, for example, and then wish to emigrate further to the United States, that thousand is subtracted from the total. Under the new proposal, Italy could be allotted, if all the 5 categories were filled, as high as 37,500 per year—and certainly Italy's population composition is such that her peoples could fill each of these categories within the 15 percent limitation. That would, of course, de-

pend upon the President and the concurrence of the Congress. Moreover, we must remember that if Italians emigrated to another country and then these desired to come to the United States, they would not be chargeable to the Italian quota, but to the quota of the country or countries of which they are inhabitants. Of all the countries in the world, I believe that Italy's population, native, citizen, or resident can more fully reach into all of the five classes than any other national unit.

The chart which follows gives a graphic picture of how the formula can work:

Examples of maximum proposed quota, sec. 201 (b)

	Present quota	1st preference	2d preference	3d preference	4th preference	Resettlement
Australia	100	18,750	7,500	7,500	7,500	3,750
Chinese racial	105	18,750	7,500	7,500	7,500	3,750
China [1]	100	0	0	0	0	3,750
Germany	25,814	18,750	7,500	7,500	7,500	3,750
Great Britain	65,361	18,750	7,500	7,500	7,500	3,750
Greece	308	18,750	7,500	7,500	7,500	3,750
Israel	100	18,750	7,500	7,500	7,500	3,750
Italy	5,645	18,750	7,500	7,500	7,500	3,750
Poland [1]	6,488	[1] 18,750	(?)	(?)	(?)	(?)
Spain	250	18,750	7,500	7,500	7,500	3,750

Examples of maximum proposed quota, alternative plan, sec. 201 (c)

	Present quota	1st preference	2d preference	3d preference	4th preference	Resettlement
Australia	100	7,500	7,500	7,500	7,500	7,500
Chinese racial	105	7,500	7,500	7,500	7,500	7,500
China [1]	100	0	0	0	0	0
Germany	25,814	7,500	7,500	7,500	7,500	7,500
Great Britain	65,361	7,500	7,500	7,500	7,500	7,500
Greece	308	7,500	7,500	7,500	7,500	7,500
Israel	100	7,500	7,500	7,500	7,500	7,500
Italy	5,645	7,500	7,500	7,500	7,500	7,500
Poland [1]	6,488	7,500	7,500	(?)	7,500	(?)
Spain	250	7,500	7,500	7,500	7,500	7,500

[1] At the present time, it is possible that certain relatives within 1st preference classification might be permitted to depart from Poland or some of the other Iron Curtain countries—occupational preference groups, refugees, etc., would not probably seek visas in Iron Curtain countries. China would have no visas allotted to inhabitants of her territory until diplomatic relations are set up and visa issuance in American consulates there would be resumed. (Note also that the maximum quota of 37,500 would be available to no more than 6 countries.)

These figures are, of course, maximum figures giving an indication of how the formula could work in these selected countries. I wish to emphasize that these are the maximum figures subject, of course, to the built-in flexibility of the formula itself and to the President's appraisal of domestic and external needs.

Under this formula, there will be a net gain for all countries of low quota numbers because no longer will there be a quota of some sixty-five-odd thousand to Great Britain alone. Great Britain would have to take her place along with all the other countries of the world. No longer would some 80,000 precious visas be lost to mankind because Great Britain did not use her huge slice of the immigration pie. Great Britain could not stand with folded hands while so many other hands stretched out in vain. It was not Great Britain's doing that so precious a gift was handed to her, a gift she could not take nor use. Our law said it was hers and belonged in that measure to nobody else. It was a gift she could not take nor give to anyone else.

Today the allocation of quota is fixed and rigidly fixed. Year after year, since 1924, it has stayed that way and allotments could not be moved though wars, floods, and famine drenched the world. Our own needs and the needs of other countries could not break through the barrier of the quota bonds. Emergency refugee legislation there was, but a price was exacted both in the nature of the legislation enacted and in the administration of that legislation. Each time emergency legislation was called for, the Congress acted painfully and reluctantly, under the new proposals, the allocations are flexible, capable of being moved around within the orbit of American needs and the needs of other peoples. Each year the President may take into account what is happening in the corners of the world, adjust the allotments as justice and conscience dictate. Where in the world are the worst population pressures? Where are the largest influx of refugees? What labor do we need—construction workers, tailors, mathematicians, scientists, diamond cutters? He can ask, "Isn't it human and right and decent to reunite families?" All these questions may be asked and answered with the knowledge that we can do something about them without the agonizing frustration of the fixed number—the fixed 308 for Greece, the 865 for Hungary, the thousand or so for Denmark. Into the immigration picture, if we can get this legislation passed, will be added the one ingredient that is most conspicuously absent, that of humanity.

Let me pass on to other features of the bill we propose.

Under the present law, we have a two-headed system where officials of the Department of State issue visas to both immigrants and nonimmigrants abroad, while officers of the Department of Justice determine at ports of entry whether the holders of visas are admissible to the United States. This is an antiquated, cumbersome, and expensive system. It creates anxiety and uncertainty in the minds of the immigrants and nonimmigrants alike, and it causes friction between two governmental agencies operating independently in the same field and stepping on each other's toes.

Under my proposal, the entire administration of our immigration and nationality laws will be placed in the hands of a Director of Bureau of Immigration and Citizenship, who will be an Assistant Attorney General, subject to confirmation by the Senate. His officers, acting as immigration attachés, will be stationed at our consulates abroad and will issue immigrant and nonimmigrant visas after a finding is made that the recipient of a visa is found to be eligible actually to enter the United States.

In addition to simplification of procedures and elimination of dual standards, as well as uncertainty in the minds of immigrants or foreign visitors, my proposal will automatically open visa issuance to administrative review in the Department of Justice by the well-qualified and trusted Board of Immigration Appeals. The issuance of diplomatic visas will, of course, remain a function of diplomatic officers of the Department of State.

I believe that the administrative system which is proposed will not only provide a more efficient and more equitable issuance of visas abroad, but that it will also bring a great saving to the American taxpayer.

Note we have taken away the life and death power of some consul whose final word on the fate of an applicant cannot be challenged. No longer will the fate of a prospective immigrant be dependent upon the personal whims, caprice or prejudice of a consul who, knowing his judgment cannot be questioned, succumbs almost inevitably to the dehumanizing temptations of absolute power. This is wrong, all wrong, and must be changed.

I want to note a few of the other changes we made—changes, while not as dramatic as the elimination of all traces of the national origins system yet which are just as necessary if we are to feel any pride in a just and workable immigration law. Where statutes of limitation have been rubbed out in the present law, we replaced them so that nobody could be deported for an act done 20, 30, or even 50 years ago. We have reworded the law, too, so that there will be no additional grounds for loss of United States citizenship by naturalized citizens which could not apply to native-born citizens as well. We have eased the restrictions on adoption. We have liberalized the administration of deportations so that nobody need prove, as he does today, that his deportation would cause exceptionally and extremely unusual hardship, a curious set of words that brought much needless tragedy to some people facing deportation. We have revised the sections of the law that led to useless separation of families. We have given the courts the power to review not only deportation cases but exclusion cases as well.

It has taken many years, many beginnings, many false turns to arrive at a proposal which does justice to all, but we believe we have found the right one now. This is the first proposal made—and there have been others seeking a

good law—that completely, but completely, wipes away all traces of the national origins system. Even the proposal that our quota be based on the 1950 instead of the 1920 census has its roots in the national origins theory, even though there would, under such a count, have been an increase for low-quota countries. The 15 percent limitation we have placed on each country is the assurance that no one country can overshadow another by the mere edict of law. If there are miscalculations in one year's allotment, they can be corrected the following year. Once this law is enacted, the watchful eyes of Congress having given its consent to a just law, will not permit unbalanced or unjustified allocations of quotas anywhere.

We have a goal to reach—an immigration policy that bespeaks the generosity and the warmth of the American people and which, withal, is mindful of America's own interest. That goal we must reach, each of us, in his way, pulling together to reach it.

RESOLUTIONS OF UNITED NATIONS GENERAL ASSEMBLY IN REGARD TO HUNGARY

Mr. BENTLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and to include a letter and a memorandum.

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

There was no objection.

Mr. BENTLEY. Mr. Speaker, under leave to revise and extend my remarks, I wish to include the text of a memorandum dated January 9, 1957, from the Assembly of Captive European Nations and concerning the necessity of effective measures to enforce the resolutions adopted by the United Nation General Assembly in regard to Hungary.

I also wish to include the text of a letter dated February 5, 1957, from the Department of State in specific comment on the forementioned memorandum. It will be noted that the Department admits that the great majority of U. N. members at present would not be likely to support enforcement measures against the Soviet Union.

Mr. Speaker, it seems indeed farcical that there is at the present time talk of U. N. sanctions against the State of Israel because of that Government's failure to surrender certain territory in the Middle East without adequate guaranties as to its own national security. On the other hand, to judge from the contents of the Department's letter, there is not even the slightest thought of sanctions against the Soviet Union. It only proves, Mr. Speaker, what I have all along contended: If you are a little country, the U. N. will discipline you, if you are a great power, the U. N. will lecture you, nothing more.

DEPARTMENT OF STATE,
Washington, February 5, 1957.

The Honorable ALVIN M. BENTLEY,
House of Representatives.

DEAR MR. BENTLEY: I have received your letter of January 23 requesting the comments of the Department on the memorandum prepared by the Assembly of Captive European Nations with respect to the enforcement of the resolutions on the situation in Hungary adopted by the General Assembly of the United Nations.

From the very outset of the crisis in Hungary this Government has sought, in the United Nations and through other means, to take every practicable action in relation to the situation. In our judgment the various General Assembly resolutions, adopted in each case by an overwhelming majority, constitute an important expression of judgment by the international community with respect to the intervention of the Soviet Union in Hungary. The actions of the Assembly have left no doubt as to where the responsibility lies for the tragic course of Hungarian events. The present five-member Assembly committee on Hungary, currently at work in New York taking testimony and collecting documentary evidence, should supply in its anticipated reports to the Organization an indisputable factual record that can be used to refute Soviet propaganda regarding the origin of the situation in Hungary. Incidentally, that Committee has already begun hearings at which the escaped leaders of the Hungarian revolutionary movement are scheduled to be, or have already been heard, as proposed in the memorandum accompanying your letter.

Naturally it continues to be a source of regret and concern that more tangible results have not been produced as a result of United Nations actions with respect to Hungary, and particularly that the Soviet and Hungarian authorities have continued to defy the Assembly's recommendations. Suggestions such as those made by the Assembly of Captive European Nations are being given careful study both here and in New York.

However, certain practical considerations must be borne in mind with respect to the possibility of enforcement action in a case such as that of Hungary. One fundamental point relates to the authority of the General Assembly which, under the charter, has recommendatory power and not the power to order. While this does not mean that the Assembly cannot recommend enforcement measures under certain circumstances, it does make essential that any such recommendation receive overwhelming support from the great majority of members in order to insure its effectiveness. In the Hungarian situation such support for enforcement measures seems unlikely in present circumstances. Another equally crucial point is whether limited enforcement measures would produce the desired results or whether they would seriously risk the precipitation of general hostilities. Regardless of one's individual estimate on this point the fact is that here, too, the requisite majority of United Nations members is not prepared to support such action. Nevertheless this Government is continuing to study the question whether there may not be available additional measures that the General Assembly could undertake with a view to bringing about the achievement of United Nations objectives in Hungary.

The suspension or expulsion of Hungary from membership in the United Nations would be subject to the veto in the Security Council, which means that the Soviet Union could block action on such a move. In these circumstances the general feeling has been that no useful purpose would be served by such a proposal. Moreover, there is at least some practical advantage in Hungary's continued membership in the Organization because it means that Hungary remains bound by its charter obligations, thereby maintaining grounds upon which the United Nations can base its efforts to bring the full force of world public opinion to bear upon the situation in Hungary. Incidentally, you may be interested to know that the General Assembly has taken no action to approve the credentials of the present Hungarian delegation whose status consequently remains strictly provisional.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary
(For the Secretary of State).

MEMORANDUM CONCERNING THE NECESSITY OF EFFECTIVE MEASURES TO ENFORCE THE RESOLUTIONS ADOPTED BY THE U. N. GENERAL ASSEMBLY IN REGARD TO HUNGARY

1. Eleven weeks have passed since the United Nations was first seized with the Hungarian question. During this period the General Assembly has adopted not less than 10 resolutions providing, among others, for the dispatch of United Nations observers to Hungary, for the cessation of Soviet intervention, the withdrawal of Soviet armed forces and the holding of free elections.

2. Both the Soviet Union and the authorities in Hungary have completely ignored the resolutions of the General Assembly. The conspicuous lack of resolve on the part of the United Nations to take measures for the enforcement of its decisions has certainly encouraged the Soviet Union in this defiant attitude.

3. Among the measures ordered by the General Assembly there was one which could have been implemented independently of any cooperation from the Soviet and Hungarian authorities. We refer to the action provided for in point 4 of the operative part of Resolution 1004 (ES–II), of November 4, 1956, in which the Secretary General was asked (a) "to investigate the situation caused by foreign intervention in Hungary, to observe the situation directly through representatives named by him, and to report thereon to the General Assembly at the earliest moment," and (b) "as soon as possible suggest methods to bring an end to the foreign intervention in Hungary in accordance with the principles of the Charter of the United Nations."

4. In discharging the first of these tasks, the Secretary General addressed on November 8, 1956, an aide-memoire to the Kadar government asking the latter whether it was willing to permit observers designated by the Secretary General of the United Nations to enter Hungary and report to him on their findings.

The procedure followed by the Secretary General raises two questions. Was it necessary to request permission or would a mere notice to the Hungarian authorities of the arrival of the United Nations observers have sufficed? In choosing the first way did not the Secretary General suggest that the question of whether to comply or not with a decision of the U. N. General Assembly was left to the discretion of the foreign-imposed and controlled Kadar government?

5. It should be noted that despite proddings from the General Assembly (resolutions of November 9, November 22, December 4), the Secretary General confined his action to interventions with the Hungarian and Soviet Governments to permit the Secretary General or his observers to enter Hungary. Other existing factfinding possibilities were not used. For instance, although the resolution adopted on December 4 authorized the Secretary General to dispatch observers to other countries than Hungary, this authority has never been made use of notwithstanding the fact that the Austrian Government had given its consent to the entry of U. N. observers to investigate on Austrian territory, through hearings of refugees, the situation in Hungary, and the deportations of Hungarian nationals by the Soviet authorities.

6. As regards the second task conferred upon the Secretary General by the resolution of the General Assembly of November 4, 1956, no suggestion has come so far from the highest official of the U. N. concerning meth-

ods to bring an end to foreign intervention in Hungary.

In the view of the ACEN, the fact that no investigation was held does not seem to justify inaction. To hold the contrary view would be to condemn the United Nations to ineffectiveness. It would indeed be tantamount to acknowledging that an organ of the United Nations is in all events barred from making proposals for action before it is able to investigate the pertinent facts. This would mean that no such proposals can be presented even when the essential facts have already been established by the General Assembly and when it is within the power of the guilty party to prevent investigation and thereby foil action.

7. In asking the Secretary General to suggest methods to bring an end to foreign intervention in Hungary, the resolution of November 4 mentions that it was to be done in accordance with the principles of the Charter of the United Nations. This can only mean that the Secretary General was invited to present proposals concerning the most appropriate measures that could be taken under the U. N. Charter to bring an end to foreign intervention in Hungary. Such measures range from negotiations and conciliation to military measures against disturbers of the peace.

8. It would be hard to deny that all measures short of sanctions have already been taken and have failed to "bring an end to foreign intervention in Hungary." It would be equally hard to deny that the Soviet and Hungarian authorities have shown themselves determined to defy the General Assembly and to refuse any cooperation with the Secretary General in his attempts to discharge the task conferred upon him by the charter. Therefore, under the specific terms of the November 4 resolution, no alternative seems to be left to the Secretary General but to propose enforcement measures under articles 5, 6, 41, and 42 of the charter. This duty of the Secretary General, it must be stressed, in no way diminishes the responsibility of the General Assembly under the terms of the charter and of the uniting-for-peace resolution.

9. In his report of January 5, 1957 (A/3485), the Secretary General suggested the establishment by the General Assembly of "a special ad hoc committee which would take over the activities of the group of investigators established by the Secretary General and follow them up under somewhat broader terms of reference." The Assembly of Captive European Nations welcomes any step designed to establish an authoritative, detailed record of events in Hungary. But it feels dutybound to warn against any attempt to use such investigation as a substitute for effective action or an excuse to further defer long-overdue enforcement efforts.

10. The essential facts of Soviet aggression against Hungary, of Soviet intervention in the internal affairs of Hungary, and of deportations of Hungarian nationals to the Soviet Union have already been established by the General Assembly. Therefore, the Secretary General is not only entitled but also obligated to carry out without delay the second task entrusted to him by the November 4 resolution.

11. Independently of the action the Secretary General may undertake, it is to be hoped that the United Nations will take the initiative of enforcement action. The most urgent and longest overdue, such action is a decision to suspend Hungary (as represented by the Kadar regime) from the exercise of the rights and privileges of membership under article 5 of the charter.

12. Recent developments in Hungary prove that the failure of the United Nations to enforce its resolutions has given the Soviet Union and its puppets the assurance that they have no disagreeable consequences to fear whatever they may do in Hungary. We refer to the fact that following a conference held in Budapest, from January 1 to 4, 1956, high-ranking representatives of the Communist parties and governments of the Soviet Union, Bulgaria, Czechoslovakia, Romania, and Hungary announced in a public communique, a new line of policy in Hungary. This policy can be best described as a full return to unrestricted Stalinist dictatorship by terror. It constitutes without any doubt a further instance of political aggression against Hungary and foreign intervention in the internal affairs of the Hungarian people.

13. The very substance of the resolutions adopted by the General Assembly indicates that the Hungarian question is no longer at the fact-finding, but rather at the enforcement stage. Nevertheless, if the General Assembly were to order a detailed investigation of Soviet intervention and other Soviet crimes in Hungary, it may derive useful information from escaped leaders of the Hungarian revolutionary movement. According to the Hungarian National Council, a member of our Assembly, Miss Anna Kethly, member of the Imre Nagy government, General Bela Kirely, military leader of the Hungarian revolution, and Jozsef Kovago, former mayor of Budapest, would be the most appropriate witnesses. We respectfully suggest that they be given a hearing either in the General Assembly or in a public meeting of one of the Assembly's committees.

14. In conclusion the Assembly of Captive European Nations trust that, independently of any investigation the General Assembly may order and of any action the Secretary General may initiate pursuant to point 4 of Resolution 1004–ES II, the General Assembly will (a) forthwith suspend, on the basis of article 5 of the Charter, Hungary (as represented by the so-called Kadar government) from the exercise of the rights and privileges of membership; (b) urgently consider collective measures under articles 42 and 43 and sanctions, under article 6, with the view of exhausting all the means provided by the Charter to bring about compliance with the resolutions of the United Nations.

PREVENTION OF URBAN BLIGHT ON A BUSINESS BASIS

Mr. O'HARA of Illinois. Mr. Speaker, I have asked for this time in order to bring immediately to the attention of my colleagues the contents of a letter that I received today from E. G. Shinner, chairman of the Shinner Foundation. In his letter Mr. Shinner reviews the various phases of the question of urban blight and city slums and makes suggestions that I am sure will receive the careful and the thoughtful attention of the Members of this body, especially those charged with the responsibility of the study of housing and the drafting of legislation in that field.

Mr. Shinner will be remembered by the Members of the House because of his authorship of the Shinner small farm plan. He was a most successful businessman, and having acquired a large fortune by reason of his industry and his ability, and being still in his prime, he retired to devote unselfishly his fortune and his time to serving the public. Coming from such a source his communication on the present subject of the rehabilitation of our metropolitan areas will prove, I am sure, of informative and stimulating value to us in the Congress.

Mr. Shinner's letter follows:

MY DEAR MR. O'HARA: The question of urban blight and city slums is a matter in which I know you are deeply interested. I have a new thought on the subject which I herewith submit for your consideration.

It is my observation that it is an easily demonstrable fact that the numerous redevelopment projects (tear down and rebuild) and/or public housing—even when coupled with the best available city planning—fall far short of meeting the national need.

The Hyde Park-Kenwood redevelopment project, involving an area of 900 acres surrounding the University of Chicago, is a case in point. This project, designed to meet the specific needs of the university area, is both well conceived and ably administered. It will be a great credit to the university, as well as to the city of Chicago, if and when it is finally completed; however, impartial observers, local business and professional men in the area, and even some of those who most actively interested in this development, admit that the pattern which is being followed cannot be successfully used or accepted for city or nationwide adoption.

First, the cost is prohibitive; secondly, the problems encountered are endless; and in many cases, are insurmountable.

This project does provide, however, an object lesson as to what is really needed. I list below, two fundamental lessons learned from this noble experiment:

1. City slums must be made unprofitable through rigid code enforcement. This is presently not being done; slums, as a result, are still profitable.

2. To arrest blight, it must be made economically feasible for individual private owners to improve their property. Under existing conditions, rehabilitation can be undertaken only at a known financial loss.

Now, the question arises: How can this second situation be reversed? The answer, it appears, can best be stated in two parts:

First, the prime need is to develop a program which would enlist the active support and cooperation of millions of property owners—a program in which they might participate, with the prospect of at least a nominal profit. In short, the prevention of blight should be undertaken on a straight out-and-out business basis, rather than by a piecemeal process involving continuous Government grants.

One positive way to develop incentive would be through Federal income tax relief.

The Federal Government, as you know, has been granting a rapid writeoff to corporations engaged wholly or partly in Government work, to encourage the construction of new factories. The economic or practical value of this rapid writeoff program need not be debated; suffice to say that here we have established a precedent.

I would reverse this whole procedure. I would allow the owners of all residential property—property beyond a certain age (possibly 10 to 15 years or older), a rapid writeoff of, say, 3 to 5 years as they may elect, for money spent on repairs and rehabilitation. Such writeoff would be a deductible item on Federal income tax returns.

Appropriate regulations governing the rehabilitation of residential property could be established by and made to function through the Federal Housing Administration.

I have talked to many businessmen and contractors about this idea and they have unanimously voiced their approval. The plan which I am proposing would be available to millions of property owners throughout the Nation, whereas the present scheme of allowing a 5-year writeoff on new buildings benefits only a few corporations, at best.

Such a change in the income tax law would be of great assistance to property owners in raising money for improvements through strictly conventional mortgages and other presently available sources.

While the easing of conventional forms of obtaining money for rehabilitation would admittedly be of tremendous help, it is my belief that it would still be inadequate to fully cope with the problem involved.

In addition to tax relief, long-term capital must be made available. As a means of supplying this financing, I propose an organization which, for the purpose of description, I shall call the Urban Redevelopment Finance Corporation; a detailed outline of the scope, source of funds, and so forth, is described in chapter VII of my pamphlet, Arresting Slums Through Private Enterprise.

As previously stated, the problems encountered in a redevelopment project, such as Hyde Park-Kenwood, are endless. I list herewith just a few which are among the most baffling:

1. In the redevelopment area, there is presently marked for demolition in excess of 1 million square feet of commercial floor space—space devoted largely to retailing. Under the redevelopment plan, it is contemplated to reduce this space to 125,000 square feet; hence, at best, 80 percent of the merchants will be permanently displaced. As a matter of practical fact, they will all be displaced. In view of the cost of erecting new stores ($17 to $20 per square foot), it will be found necessary to consider only major corporations as tenants for the newly created shopping area. Only by leasing to financially strong national institutions can this new project (the shopping center) be financed. Such leases become part of the collateral back of the loan which provides the necessary funds. Thus the old merchants will be almost completely eliminated. This phase alone tends to discredit the whole scheme when applied to the vast areas of slums and blighted properties of the Nation; it is about on a par with the principle of abandoning the family farm in favor of corporate farming.

2. The Hyde Park-Kenwood project and all similar undertakings involve a period of planning of from 3 to 10 years, and another indefinite period while the program is being carried out. This means a period of complete stagnation—no improvement in stores, shops, streets, etc., no new leases and no sale or resale of property—a penalty on property owners and businessmen which it is extremely difficult to justify.

3. This, and all similar projects, involve the moving of all residents—both tenants and homeowners—housing in the properties marked for demolition. In the Hyde Park-Kenwood project, 3,800 dwelling units are involved. These people are being left to shift for themselves, with the result that since their economic status is impaired through this process they, to a large extent, contribute to further downgrading their new locations; in other words, they become a factor in creating additional slums elsewhere.

4. The Hyde Park-Kenwood project involves the redevelopment of only 20 percent of the total buildings in the area. When it is finally completed, the other 80 percent will be left to its fate. I submit that no epidemic can be cured (blight and slums are epidemic in all big cities) by treating only 20 percent of those afflicted, and leaving the other 80 percent untreated and neglected. This fact again points to the need for a complete new approach.

5. At a recent panel discussion sponsored by the National Association of Home Builders, on the subject of redevelopment, it was disclosed that the resale of cleared land to private builders has proven so difficult that in many cases it has been abandoned. The South East Chicago Commission (the Hyde Park-Kenwood project) is presently confronted with such a difficulty. The University of Chicago has under consideration a plan whereby it hopes to interest public-spirited citizens to take an equity position in land which has been cleared—land unsalable in the open market.

6. The cost, if a similar approach were applied to the entire blighted areas of the city of Chicago, would run upward of $6 billion—obviously a financial impossibility.

This review of the difficulties encountered in the Hyde Park-Kenwood project is in no way intended to disparge the undertaking. The intent is to point out that its usefulness is largely confined to local communities spearheaded by a major institution, such as the University of Chicago, rather than as an answer to city or nationwide problems of slums and blighted areas.

So, we find the problems involved in such a redevelopment are not only big and unending, they baffle all presently known means of solution.

The building and maintenance of residential property is and must ever be of utmost importance—important from an economic, financial, cultural, and social standpoint. The Nation's total investment in residential property is estimated to be in excess of $500 billion. The need for protection of this huge national asset through proper care and maintenance is obvious. Furthermore, it is the one and only available means whereby the constant creation of additional slums can be arrested. To deny or ignore the need of a national policy directed toward these ends is simply to admit that there is no solution.

There is ample precedent for Federal action of a conservational nature. Federal laws and funds provide for the conservation of wildlife, forests, soil under cultivation, water resources, oil and mineral deposits, etc. I submit the prevention and arresting of slums and blight are of equal, if not greater, importance.

In the final analysis, the most important aspect in the control and eradication of urban blight and city slums is one of prevention. In the city of Chicago, slums are being created at the rate of 7 to 8 blocks per month. I repeat, to stop this rapid deterioration, certain positive measures are indicated—rigid code enforcement, a permanent source of mortgage money, a rapid writeoff of the expense involved, plus the active cooperation of all landlord and homeowners.

Your earnest consideration of the foregoing is respectfully urged.

Sincerely,

E. G. SHINNER,
Chairman, the Shinner Foundation.

Mr. Speaker, I give back the remainder of my time.

FACTORS AFFECTING PRICE OF STANDARD FOOD PRODUCTS

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

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

There was no objection.

Mr. ASHLEY. Mr. Speaker, I have just introduced a resolution which, if passed, would authorize the Joint Economic Committee to conduct a full, complete, and impartial investigation into the various factors affecting the prices of standard food products sold to consumers.

I rather imagine, Mr. Speaker, that should a poll be taken of the Members of Congress, it would be discovered that every single Member had received numerous complaints from constituents about the continuing advance in the cost of living. In addition, I know that those Members who have farm constituents have likewise received a host of communications about the drop that has occurred in farm income.

The existence of considerable discontent among the citizens of our Nation reflects a need with which all of us here must be concerned. The Consumer Price Index continues its steady march upward. In 1952, to go no further back, the index stood at 113.5. According to the most recent figures released by the Department of Labor, it is now at 117.8—the highest point it has reached since the index was first established. In the last 10 months alone the index has soared 3 points—and each point has cost the American people $2½ billion.

Of the items on which the Consumer Price Index is based, food is certainly one of the most important—and, of course, insofar as the consumer is concerned, it is very nearly the most important item. It is true that the food index fell slightly at the time the last figures were released, but it is still at almost record heights. In 1950, the food index stood at 101.2. Today, according to the Bureau of Labor Statistics, it has reached 112.9. But people must still eat, and for those groups and individuals in our Nation whose income is fixed or has otherwise failed to keep pace with this phenomenal rise in the cost of living, the inevitable result has been a sharp decline in their standard of living—and this at a time when the Nation is supposed to be experiencing the greatest prosperity in its history.

Anyone looking at the figures I have just quoted would suppose that if food prices have risen in such spectacular fashion, then obviously the farmers' income must also have gone up. But what are the facts? Precisely the opposite is true. In terms of current prices and again using the figures of the Bureau of Labor Statistics, net farm income reached a high in 1948 of $3,049 per farm. During the third quarter of 1956 it had dropped to $2,370.

Mr. Speaker, there simply has to be some reason, some explanation, for the fact that American consumers are today paying the highest food prices in history, while farm income—the prices received by American farmers—is $700 below the 1948 level. Each year American taxpayers are called upon to spend billions of dollars in direct and indirect support of our farm economy, yet they receive no plausible explanation for the ever-widening gap between the prices they pay and the prices received by food producers.

Mr. Speaker, both the American people and Congress are entitled to the facts. On last January 29th I introduced a resolution calling for a complete investigation into the wage-price-profit relationships in our basic industries. Now I am introducing what is, in essence, a companion measure designed to bring to light the facts related to the rise in the cost of the food we eat. I cannot urge the passage of these two resolutions too strongly.

MIDDLE EAST RESOLUTION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. DINGELL. Mr. Speaker, recently, I voted for the Middle East resolution sponsored by the administration. I did so with great reluctance because I felt that this resolution impaired the basic constitutional relationship between the President and Congress. Moreover, the Congress was compelled to act on the resolution because of Mr. Dulles' previous ineptness. The resolution conferred on the President powers which everyone, including the committee reporting the matter, conceded were already his. Mr. Dulles conceded it did not attack the real problems in the area. At the time the matter was voted upon in the House, the resolution appeared to be both hasty, ill timed, and ill conceived. It mixed foreign policy with foreign aid authorizations, a thing which should never be done. Nevertheless I voted for the proposition on the premise that failure to do so would make America appear weak and indecisive on policy in this vital area.

In the time since this matter was brought before the House, we are learning how the administration proposed to use this power. The administration, it is reported, is already preparing to expend funds authorized in countries which have a substantial oil income. For example, Saudi Arabia, whose oil resources are about $360 million a year; and Iran, which has an oil revenue of about $150 million a year. There is strong evidence that Mr. Dulles' creature, Nasser, is to receive substantial aid under this program. Thus we witness a situation where the United States is about to aid the real trouble makers in the area.

Consideration of the matter has disclosed that the threat of Soviet armed intervention used to rush this matter through Congress was nonexistent and probably will not materialize in the foreseeable future. Indeed, according to recent statements of the President, Mr. Dulles and Admiral Radford, this danger now appears nonexistent.

It further appears that Mr. Dulles is now considering application of economic sanctions on Israel because that nation seeks guaranties that her right to peaceful existence and access to international waterways will be respected.

It is unnecessary to point out that real aggressors with blood-soiled hands like Russia in the Hungarian affair, or India in its seizure of Kashmir are not threatened with sanctions by our braggadocio Mr. Dulles. Only little Israel, which is virtually friendless, in this world of oil and power politics, receives this unwelcome attention. A strange scale of value for a virtuous, sanctimonious, and hypocritical administration to apply. If the Secretary continues to show his present attitude in his anti-Israel declarations, many of us will probably be compelled to vote against any conference report on this resolution.

THE AGRICULTURAL SITUATION IN THE UNITED STATES TODAY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. CHRISTOPHER] is recognized for 60 minutes.

Mr. CHRISTOPHER. Mr. Speaker, I sought this time to discuss the agricultural situation in the United States today and compare it with what it has been in the past several years and in the very recent past.

The number of farmers in the United States is getting less all the time. The farmer is entrusted with one of the most vital services being performed in this country. It is his duty to feed and clothe this Nation and to produce an exportable surplus to care for our friends and, incidentally, perhaps, some of our enemies abroad. I maintain that he has been discharging this duty well.

He is entrusted with another thing that too many of us overlook. In his hands and keeping is the little film of topsoil that overlies the clay and rock and shale in this Nation. That soil is in his care and in his keeping. It has been estimated by some of our professors of soils in our agricultural colleges, including Dr. Albrecht of the agricultural college in my home State at Columbia, Mo., that already 50 percent of the topsoil of the United States has been lost through wind and water erosion. That loss is what is building the delta of the Mississippi out into the Gulf of Mexico. This Nation and the future food supply of this Nation are bleeding away from Vancouver all the way around to the mouth of the St. Lawrence.

The farmer has learned in rather recent years how to tie his soil down with grass, how to build terraces, grass waterways, concrete structures, galvanized steel down pipes, to try to keep this soil at home.

He has made strides in that direction. But all these things take money, they take labor, and they take time. Unless the farmer can sell the food and fiber that he produces for more than the cost of production, in order to stay on his farm he is going to mine the fertility out of that land. He is going to fail to build those terraces, he is going to fail to rotate his crops, and sod down his fields as he should.

If you think that because your office is on the 33d floor of a New York skyscraper you are not interested in soil conservation, you are just making one of the greatest mistakes any man or woman in the United States ever made.

All life in this country, from the birds in the air to man himself, depends on that little thin film of topsoil for his existence, and that little film of topsoil will nurture our great-grandchildren and their great-grandchildren in this country or they will not be nourished. That is why I take the position that soil conservation is a problem not only of the farmer but of every American who loves his country and loves that country's future.

Two hundred years ago the great city of Pittsburgh, that great steel city in western Pennsylvania, was an outpost in the wilderness. The Revolutionary War was still 20 years in the future. It was almost 100 years after that that gold was discovered in California. But in the geological history of nations and continents what does 200 years mean? It is only a watch tick in the age of the earth.

Two hundred years ago from here to the Rocky Mountains there was river valley after river valley where the streams ran deep and clear and were bordered by some of the finest hardwood forests that ever grew in the world. Grass grew over the plains where now the dust flies, bluestem short grass, grama and bunch grass, had the soil tied down, and the Lord had placed there the deer, the buffalo, and the antelope to graze this grass. It was a hunter's paradise. It was a land where man could grow and expand with his children and his grandchildren.

But I say to you today, Mr. Speaker, that the last river valley has been taken. The sod of that last prairie, like Texas, Oklahoma, Kansas, Nebraska, and the Dakotas, has been turned to produce wheat. We have been to the Pacific coast and come back across our country looking closely to see if perhaps we missed something worth having as we went across the first time.

The die is cast and the edict has gone forth. So far as we, the American people, are concerned, for food and fiber, we will live or die, survive or perish, right where we are. There is no longer a frontier. There is no longer in these United States a place where the Government will bet you 160 acres of land that you cannot stay on it for 5 years. There is no such place any more. I can remember back past the turn of the century when I was plowing Missouri soil before 1900 with a 16-inch walking plow and a pair of old draft horses. I have lived my life on and with the soil. I speak to you this evening, my colleagues, from almost a lifetime of experience. I remember very vividly the things that have happened to agriculture in the last half century because I was a part of it. Because the bread I ate and the clothes I wore and the house that sheltered me from the elements depended on what I could dig out of that land and my very existence depended on the price which the products of that land had to be sold for. I remember the so-called good old days that were neither good nor old—year after year of them. Back in 1907 when I was trying to go to college on nothing, when there were 4-cent hogs and 26-cent to 30-cent corn and 60-cent wheat and a dollar a day for a man to pitch hay from the time the dew dried off of it in the morning until as late as you could see that night, in harvest weather. I lived through it. I am not talking to you about things that I have lived and experienced. I want to say to you today that the first time I ever saw the farmers of the United States get a price that was comparable to the labor that they had to put into it to produce this food and fiber was when Woodrow Wilson was President of the United States in 1913 to 1920. That was the first time I ever saw the farmers of the United States get anything that compared to decent wages for the work that we were doing.

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

Mr. CHRISTOPHER. I yield.

Mr. McCORMACK. Mr. Speaker, the gentleman from Missouri (Mr. CHRISTOPHER) is making one of the most effective

and one of the most constructive speeches I have ever heard in my 29 years as a Member of this body. The gentleman is not only making a powerful and a convincing speech from the historical angle, but it is doubly powerful and convincing because it is based on his own personal experience. The gentleman is bringing out very forcefully the vital importance of agriculture in the life of the Nation. I represent a district that does not have a farm in it, but from my experience and from my contacts with my colleagues in my efforts to try to learn a little, I have one firm conviction in my mind and that is that many a great nation has come and gone in the past as a result of the destruction of the topsoil to which the gentleman has so eloquently referred. Fortunately, we are a great nation both because of our industry and manufacture and because God has blessed our country. It is incumbent upon us to see that the blessings that we have received are preserved and that we not only continue to have a strong industrial and manufacturing life, but that we have a virile, dynamic, and strong agricultural life. Even from the selfish point of view, a man who works in the city ought to recognize, and I can state that they do recognize that the lot of the worker in the factory and of those who toil on the soil are not independent of each other, but are in fact interdependent and directly related one to the other. In fact, they are one. When the farmer has his days of depression and when he has to curtail his purchases, it is only a matter of time that the worker in the city feels the effect and manufacturing has to be curtailed to meet the law of supply and demand. Unemployment comes and reduces the purchasing power of the farmers very quickly under our economic system and transmits itself to the worker in the city and to industry. It affects not only the worker, but it affects management as well. The gentleman from Missouri as a Member of the House of Representatives has brought to me one of my pleasant associations as a result of his sound, progressive, and forward-looking outlook. The speech he is making today should be heard by everyone without regard to whether they toil on the soil or not. But, particularly those who toil on the soil—the farmers whether they own a farm or just work on it, whether the farm is large or small, they should read the speech made by the gentleman from Missouri.

May I say further the people of the gentleman's district are justified—if I might compliment the gentleman and not flatter him because flattery to me is a form of insult—but, as I was saying, the people of the gentleman's district are justified in the confidence they have placed in their Representative, and I say this so that they might know for whatever it might be worth to them, the profound respect in which the gentleman from Missouri [Mr. CHRISTOPHER] is held by his colleagues in the House of Representatives. The people of his district are justified in being profoundly grateful to him for the character of service that he renders, because he attracts me, who comes from a district that has no farms, to study the problems of agriculture. He attracts those of us in the city to view the problems of agriculture and the farmer from a national angle. The people of the gentleman's district are justified in feeling proud of him. The best evidence of it is the eloquent, practical speech, not only historical but from the angle of experience, that the gentleman is giving the House today on one of the most fundamental subjects that concerns our country.

Mr. CHRISTOPHER. I thank the gentleman from Massachusetts.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I would like to express my deep appreciation of the gentleman's speech. I have a great many city dwellers and a great many farmers in my district. What the gentleman says about protecting the farmers is very true. Studies are being made about flood control, soil erosion, and other things affecting the farmers. I would like to thank the gentleman for that part of his speech, and to thank him for his great work in the Committee on Veterans' Affairs. He is a tower of strength wherever he moves.

Mr. CHRISTOPHER. I thank the lady for her kind remarks.

Mr. DORN of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield.

Mr. DORN of South Carolina. I would like to add my congratulations and associate myself with all the words of appreciation of my colleagues for bringing this matter to the attention of the House.

Mr. CHRISTOPHER. I thank the gentleman.

Now, if I may return to the matter I came here to discuss, most of the things that I have said are more or less in the nature of generalities, but I do have some cold, hard facts to present to you today.

When the gentleman from Massachusetts [Mr. MCCORMACK] asked me to yield, I was discussing the fact that the first time in my memory the farmer ever had anything approaching a fair price for the labor and the thought and the capital that he used in feeding and clothing this country was in 1914, 1915, 1916, and on through to 1920. That is absolutely true. But after 1918 and 1919 that was changed. That change began in 1920. In June 1921, corn was selling for $1.80 a bushel in Missouri. In December of that same year, it was selling for 56 cents a bushel. The following August it was selling for 26 cents a bushel. That was deflation with a vengeance. The farmer was considered then, as he is considered in some quarters now, as a section of our population that was expendable. A bond salesman who was working in my district in the State of Missouri last summer said, "It does not make any difference about the farmers. They are only about 13.3 percent of our population anyway, and this country can remain prosperous with them or without them."

Many people had that idea in the 1920's. So farmers dragged along, borrowing more money from the banks, increasing their mortgage debt just as they are doing now.

The stock market went up and up and up and burst out through the ceiling. Interest rates went up and up and up and the price of beef, pork, milk, eggs, and wheat produced on the American farms did not go down gradually, it fell down in 1922 and 1923 and just went along at bankrupt prices until the farmer could no longer buy the products of labor and industry. Then factory chimneys ceased to smoke and 9,976 banks went broke with no deposits in them guaranteed. The railroads went into receivership, and our big life-insurance companies went on a moratorium; they could not lend you your cash or loan value of your life-insurance policy. Life-insurance companies in my home county in the State of Missouri scaled their mortgages down 20, 30, and some of them even 50 percent. Two life-insurance companies and one big English estate owned the most of my county in 1933.

Those things happened. Now, I have a listing sheet here that is very recent. It comes from the Production Economies Branch of the Department of Agriculture. It is a little cumbersome, but it is interesting.

Do you realize that in 1932 the net income of all the farmers in the United States was $2 billion? Two billion dollars only? This year it is $11.7 billion. That includes not only the income from the farms but all the income of the farmers who work off the farm. That is the entire farm income, whether it is earned on the farm or whether it is earned in the factory, that is all of it, $11.7 billion. But that is a tremendous difference from $2 billion.

There is another thing that stands out in this listing sheet. In 1952 the value of the livestock on American farms—and these are not my figures, these are from the Department of Agriculture, from the Production Economies Branch, presided over by Mr. Norman J. Wall.

The value of the livestock on American farms in 1952 was $19.5 billion; in 1956 it was $10.8 billion. That is a considerable inventory loss for the American farmer to take in 4 years, and that is one of the facts that I want you gentlemen to take out of the CONGRESSIONAL RECORD and note. Whatever figures I give you here today will either be taken from the Agricultural Statistics published by the Department of Agriculture, or they will come from the Production Economies Branch under Mr. Wall, or they will be taken from the report of the President's Committee of Economic Advisers. If those figures are not available I do not know where we can find reliable figures in the United States.

Look what happens to our net income. Our net income for the 10 years, the average of the 10 years preceding 1952, was $14.2 billion, and preceding 1952 there were 11 years during which the average price of the food and fiber produced on the American farms was more than 100 percent of parity for 11 years without a break. In fact, for that 11 years it averaged 107 percent of parity.

What has happened to the net farm income since 1952? The average for the 10 years just preceding 1952 was $14.2 billion, but in 1953 it was $12.8 billion;

in 1954, $12.3 billion; in 1955, $11 billion. It got a little bit better this year, mostly with soil-bank payments. In 1956 it was $11.7 billion.

So if you will take the 10-year average previous to 1952 as base, the American farmer has lost $9 billion in net income in the last 4 years. While he was losing that $9 billion in net income he suffered also a loss in the value of his livestock of $8,700,000,000. That is something over $18 billion lost in the inventory value of his livestock and in his net income in 4 years, 1952–56, inclusive. Again let me stress these are not my figures.

We had a price-support program that worked. We tried to reenact it in the House, and we did reenact as far as the House was concerned last year. The Senate accepted it. But it went over to the White House and got vetoed. Mr. Benson was left in the Department of Agriculture to continue to deflate the American farmer and drive him into bankruptcy.

The only way I hold the President of the United States responsible for this is: it is my firm belief he is responsible for Mr. Benson, and Mr. Benson is responsible for the condition farmers are in today. That is not a direct responsibility, but it is still a responsibility.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. Does the gentleman attach any importance to the fact that in this period of time the Korean war had ended and, therefore, a factor that might have had some artificial stimulus on the price of agricultural products is no longer with us and that that, perhaps, might be responsible for some reduction in farm prices?

Mr. CHRISTOPHER. Does the gentleman contend that in order for the farmers of the United States to have a fair price for their food and fiber, we have to have a war?

Mr. RHODES of Arizona. No. I thought that is what the gentleman from Missouri was saying. I certainly did not say that.

Mr. CHRISTOPHER. Well, we had a program that worked, there is no question about that, and it did not cost a bankrupting amount of money to the Federal Government.

Here are some more figures that are very interesting. On December 31, 1952, the Commodity Credit Corporation had $1,399,000,000 in outstanding loans on food and fiber stored either on farms or in commercial warehouses, and an inventory of $1,053,000,000 a total of $2,452,000,000.

What has happened to the Commodity Credit Corporation in the last 4 years? On December 31, 1956—that is the 31st of December just past—that $1,399,000,000 had risen to $2,319,000,000, and an inventory that was $1,530,000,000 had risen to $5,892,000,000. In other words, the Commodity Credit Corporation had in storage food and fiber to the value of $2,452,000,000 4 years ago. Now it has $8,211,000,000 worth of it.

I do not think it was necessary for Ezra Taft Benson to keep all that food and fiber with the Commodity Credit Corporation if he had wanted to sell it. The Honorable JAMIE WHITTEN, of Mississippi, demonstrated beyond doubt that the Secretary of Agriculture had to be driven to sell cotton. He sold a lot of it in the last year. He could have been selling it for the previous 3 years. Ezra Taft Benson has indicated by every action he has taken that it was his intention to destroy the price-support program in the United States in its entirety: lock, stock, and barrel.

Now, the Department of Agriculture tells me, Mr. Speaker, that there were 14,609,000,000 man-hours of labor used in the United States in 1955 to produce food and fiber that was produced on the American farm during that period. Well, if the farmer had a net income of $11,100,000,000, he worked for 75 cents an hour and did not get a cent interest on his investment. And, we have a $1 minimum wage. All right. If he was paid 5 percent on his investment, he worked for 31 cents an hour. Mr. Benson says it is too much. If he does not say it with his lips, he says it with his actions, because he seeks by every action he takes to drive the price of farm products lower and lower. And, we already have a farm depression, and if we have it long enough, we will have a nationwide depression. Even our Secretary of the Treasury says that if we are not careful, we will have a depression that will curl our hair.

Now, while the farmer has been taking cuts like that in his income and in the inventory value of his livestock, what has happened to his debts? Well, instead of paying the banks anything in the last 4 years, he has borrowed $3.1 billion more from them. Instead of paying anything on his mortgage, he has gone to the loan companies for $3.8 billion more mortgage money. That is costing him $375 million a year more interest than he was already paying. One of these days you are going to say that the farmer has gone on a buyer's strike. Sure. He will soon be to the place where he will not have any money; he will not have any more unpledged collateral at the bank, and his mortgage will be as high as the loan company will take it, and at that time he will go on a buyer's strike. At that time your factory chimneys will not smoke any more and your laborers will not draw the more than $2 an hour that they are now drawing.

What has happened to the population in the United States? In 1952 there were 155.5 million of us in the United States. Now, these figures came from the Bureau of the Census yesterday. They are reliable and they are current. In 1952 there were 155.5 million of us and 24.1 million lived on the farm. In 1956 there were 169.9 million of us and only 22.5 million of us on the farm. While the overall population increased 14.4 million in 4 years, the farm population decreased 1.5 million in the same 4 years.

What does that mean? To me it means babies are being born on the farm just the same as they always were, but just as soon as they get big enough to get off the farm they go to the city where they will get that $2 an hour and let the old farm grow up in brush. I do not blame them. Do you know that less than 50 percent of the farm homes in the United States today have a telephone? That is what I was told yesterday by the Bureau of the Census—less than 50 percent of the farm homes have a telephone. I can remember when they had no electric refrigeration, no electric lights, no roads from town to the farm except a ditch between two fences that was mud when it rained and hard ruts when it did not. I have lived it.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield.

Mr. RHODES of Arizona. I am wondering why the farmers who do not have telephones did not get them during those lush years when the other agricultural program was in effect.

Mr. CHRISTOPHER. The telephone companies in many instances said that it was not feasible to put lines in there, that there would not be enough subscribers. That is the reason we have REA telephone programs. When the telephone companies skimmed the cream off the crock of milk, they just left 60 to 70 percent of the farmers down in the skim milk because they did not figure it would pay them enough to build those lines out over the hills and over those roads.

Mr. RHODES of Arizona. Mr. Speaker, would the gentleman yield further?

Mr. CHRISTOPHER. I yield.

Mr. RHODES of Arizona. I agree that is a very fine program, but I did not think it had too much to do with the support price for farm products.

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

Mr. CHRISTOPHER. I am glad to yield to the Speaker.

Mr. RAYBURN. One of the reasons why we did not have telephone lines out on the farm is that the people who controlled the telephones would not build them. And they will not build them now. The only reason we get any telephones out on the farms is because of legislation that we passed here in the House. Free enterprise had the opportunity for 50 years of electrifying the farm homes of this country. When we passed the rural electrification bill in 1934 less than 3 percent of the farm homes in the great Southwest had the comforts and the conveniences of rural electrification; because they would not build the lines. Then we loaned this money to these farm cooperatives and now, in my neighborhood, instead of fewer than 3 percent of the farm homes being electrified, more than 90 percent of them are electrified. The reason for that is the laws that we passed.

Let us get back to one more thing, and this is not about the Korean war. The facts stare us in the face that in the first 4 years of the Eisenhower Administration, farm income in the United States went down more than $4 billion.

Mr. CHRISTOPHER. Mr. Speaker, it is $9 billion according to the latest figures that I have. I thank the distinguished Speaker whom I love very much.

In passing I want to say that the farmers and the ranchers of the State of Texas have lost $1 billion since 1952; I have checked the figure and it is a little

over $1 billion in those 4 years. Still they voted for Eisenhower last fall, and if the Speaker knows why, he knows a lot more about his folks than I have been able to find out.

Mr. RAYBURN. Let me say this to the gentleman about my own experience in the cattle business. Nineteen hundred and fifty-three was the last year that I made a dollar raising and marketing cattle. I have taken substantial losses every year since.

Mr. CHRISTOPHER. I would like to say to the Speaker that in 1952 my farm sent 200,000 pounds of grade A milk to Kansas City, and it sold for $6 in Kansas City and retailed for 20 cents a quart. In 1955 I sent 170,000 pounds of the same kind of milk to Kansas City, which sold delivered for $4 a hundred and retailed for 21 to 23 cents a quart. Somebody put 1 to 3 cents a quart on the price of that milk to the people who drink it and took $2 a hundred off the price that they gave me.

I said in a speech in Kansas City that I like to sell my milk, not give it away, but if I must give it away I would like to have the privilege of giving it to the people who drink it, and I could not even do that.

We are traveling the same road we traveled in the twenties. Interest is going up. I cannot agree with the people that say that the way to control inflation is to raise interest rates and make money harder to get and make everything cost the people more. I can no more agree with that than I can agree with Secretary Benson when he says the lower you drive farm produce prices the less you will have as a surplus. That applies only when it takes the farmer completely out of business.

If 100 head of No. 1 butchers will pay my overhead I will raise 100 head of No. 1 butchers. If it takes 200 head in order to get that money that I must have, I will strain a point to raise that 200 head, if possible, rather than have the disgrace and the ruin of having my home sold at the east front door of the courthouse; and every other farmer will do the same. The lower you drive the prices the more the farmer will try to produce in order to exist. One of those theories is just as faulty as the other.

There is a school of thought in the United States that holds money is a commodity to be bought, sold, hoarded, cornered, or manipulated for the exclusive benefit of the 3 percent of our population that have it in abundance. There is another school of thought that believes that money is a medium of exchange, something to trade for goods and services. That is the philosophy I have of money. There ought to be enough money and enough credit to take care of the business of the country. Hard money will drive us into a depression quicker than permitting the goods and services of the United States to flow to the people so it can be used.

The trouble was in 1952 the American farmer had had 100 percent of parity so long that he had argued himself into the belief that he could vote the Republican ticket and still have it, but you cannot do it. We demonstrated it in the 1920's and we have demonstrated it again since 1952.

COL. DEAN HESS, UNITED STATES AIR FORCE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. HENDERSON] is recognized for 10 minutes.

Mr. HENDERSON. Mr. Speaker, this afternoon, I wish to call to the attention of the House of Representatives the work of Col. Dean Hess of the United States Air Force whose activities and career symbolize the finest traditions and ideals of our Armed Forces. These principles combine a deep understanding of this Nation's dedication to the cause of freedom and humanity with the will to serve in the advancement of that cause.

Colonel Hess is a citizen-soldier who has dedicated his life to the opposition of tyranny and the assistance of his fellow men innocently involved in those actual battlefield areas where the continuing struggle has erupted into warfare and bloodshed. He is a minister of the Church of Christ-Disciples who has left his pulpit twice to fight the predatory advance of those nations whose avowed purposes would destroy all semblance of Christian doctrine. His return to the ministry awaits the removal of those perils which now threaten the enslavement of the world in a godless conspiracy.

This fine gentleman is a native and resident of Marietta in Ohio's 15th Congressional District and is a graduate of Marietta College, that excellent educational institution on the banks of the Ohio River which has produced so many leaders in all walks of life for more than a century. I am privileged to know Colonel Hess and to have had the opportunity to share with him in conversation some of his notable experiences.

Like millions of other young Americans, Colonel Hess entered military service following Pearl Harbor to become a combat pilot in the Air Force, flying 63 missions over Germany in World War II. In 1950, this "flying parson" began his assignment of developing the South Korean Air Force to defend that tragic nation in its fight for survival against Communist aggression.

In Korea, Colonel Hess saw the extreme suffering of the people of that valiant nation. He shared the anguish felt by all of our servicemen there over the destruction which was wrought as the conflict raged up and down that small peninsula. The most tragic aspect of that destruction was the homeless, starving children orphaned in the death and confusion of war. These were the hapless pawns left friendless to live or die by their wits. They knew only battlefield and the vague recollection of the security of a home and parents before this new environment had burst forth with such awful suddenness.

Even in the urgency of combat, Colonel Hess and his men in the Fifth Air worked to find some means to care for the Korean children who wandered in their makeshift orphanage. At last, more than 1,080 children had crowded into the crude facilities. Then, another peril endangered their survival. The following is Quentin Reynolds' report of these events in the current issue of the Reader's Digest:

In December it became clear that Seoul would fall to the Communists. Hess was flying 8 hours a day and worrying about those helpless kids the other 16. Somehow they had to be evacuated. But where could they go? Suddenly Hess remembered hearing about an abandoned agricultural school on the island of Cheju. He phoned Korean Naval headquarters, blurted out the desperate need, and was promised an LST to transport the children to the island. It would arrive the next morning.

At dawn, the children were taken to the dock. Between missions that day Hess watched for the LST. None came. Then in the late afternoon he got the bad news: the ship was needed to evacuate hard-pressed Marines from the Hungnam area.

In desperation Hess appealed to the Fifth Air Force headquarters. The kids had been huddling on the dock in freezing weather now for 12 hours, and 7 had died of exposure. The Fifth Air Force couldn't promise anything, but told him to move the children to Kimpo airport and they'd do what they could. Hess rounded up some trucks and put the weakest ones in them; the others had to trudge the long 10 miles to the airstrip. There they waited, with no shelter, shivering in the icy blasts.

Hess prayed that help would come before it was too late—and then he heard the sound of engines. Three big C–54's appeared in the sky. Before they had taxied to a stop, more C–54's appeared. There were 15 in all, and Hess could only stand and wonder at the miracle. The planes had been sent by Gen. Earl Partridge, commanding officer of the Fifth Air Force.

Flight nurses, doctors, orderlies carrying blankets and medical supplies piled out and started the rescue mission that became known as "Operation Kiddie Car." Within an hour more than a thousand ragged little figures had been bundled into the planes and shipped off to Cheju.

This was one of the more dramatic events in the crusade of Colonel Hess. Even though the guns are stilled on those battlegrounds, the wounds of human misery in Korea are slow to heal and this Air Force officer continues to work for the orphan children.

His book, Battle Hymn, recounting these experiences, is an inspiring testimonial to Colonel Hess' deep dedication to humanity. It has now been made into a motion picture which I have been privileged to see. The proceeds from both the book and its movie version have been directed by Colonel Hess for the support of Korean orphans.

We in southeastern Ohio are honored that the first public showing of this film will occur in Marietta on February 14. It has been made the occasion of important civic events wherein the city of Marietta and Marietta College will combine in honoring Colonel Hess. Ohio's Gov. William O'Neill, himself a native of this city, Governor Underwood, of West Virginia, and the Ambassador of South Korea to the United States will join with many other dignitaries and well-known personalities to make this occasion a truly memorable one in tribute to this eminent and modest Ohioan.

PRICE OF CRUDE OIL IN OHIO

Mr. HENDERSON. Mr. Speaker, I cannot help but remark after the speech

made earlier in the afternoon by the gentleman from Texas [Mr. IKARD] that the great State of Texas is not the only one which is producing oil—that Ohio, although not on as grand a scale as Texas, is also an important producer of oil. The daily production is approximately 12,960 barrels a day.

The gentleman from Texas [Mr. IKARD] has mentioned that the production of oil and the price of oil are some of the questions of public interest. I am pleased to know that an investigation into some of these matters is going to be made in the near future, particularly on why the price of petroleum has gone up.

Mr. Speaker, I can point out a fact which is known not only to oil producers in Ohio, but also to farmers and landowners of southeastern Ohio who are receiving royalties from oil production which serve to supplement their incomes from the hilly farms. And that fact is this: that while the price of oil and petroleum products may be in some cases increasing, in Ohio the price of crude oil has decreased. In 1948 the price of Buckeye-Pennsylvania grade was $4.79 a barrel. Now it is $4.23 a barrel—a decrease of 12 percent. In 1948 Corning oil was $3.10. Now it averages $2.94—a decrease of 5 percent. These two grades of oil account for 11,000 of the State's 12,960 barrels of average daily production.

While the people of this country are wondering why the price of petroleum and petroleum products has increased, there are farmers in southeastern Ohio who are even more amazed at the increase in view of the fact that they are receiving less for oil today than they were in 1948.

The Marietta Daily Times in its editorial of February 5, 1957, presents this paradox in a very interesting manner and concludes as follows:

> Investigators should have little difficulty uncovering these changes in operating costs. As for the motorist, whose consumption of crude oil is mostly in the form of highly refined gasoline, a big portion of the price he pays continues to be tax, State and Federal. In Ohio it is 8 cents on a gallon. The national average is a little higher. That amounts to more than a dollar on a tankful.

COMMITTEE ON WAYS AND MEANS

Mr. COOPER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file a report on H. R. 4090.

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

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. O'HARA of Illinois, for 15 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HAYS of Ohio and to include extraneous matter.

Mr. ABBITT (at the request of Mr. SMITH of Virginia) and include extraneous matters.

Mr. RIVERS and to include a statement by Representative MASON before the Judiciary Committee.

Mr. CELLER.

Mr. BRAY (at the request of Mr. BASS of New Hampshire) in two instances and to include extraneous matter.

Mr. KILGORE and to include a speech made by Mr. HOLIFIELD.

Mr. WILLIS (at the request of Mr. PRICE).

Mr. HILLINGS (at the request of Mr. BASS of New Hampshire) in two instances and to include extraneous matter.

Mr. ELLIOTT (at the request of Mr. COAD) and to include extraneous matter.

ADJOURNMENT

Mr. COAD. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; and accordingly (at 2 o'clock and 32 minutes p. m.), under its previous order, the House adjourned until Monday, February 11, 1957, at 12 o'clock noon.

COMMITTEE EMPLOYEES

COMMITTEE ON AGRICULTURE

JANUARY 14, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from June 30, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John J. Heimburger	Counsel	$7,399.98
Francis M. LeMay	Staff consultant	6,808.86
Mabel C. Downey	Clerk	7,399.98
George L. Reid, Jr.	Assistant clerk	7,399.98
Lydia Vacin	Staff assistant	3,843.54
Pauline E. Graves	do	3,483.90
Betty M. Prezioso	do	3,338.31
Gladys Ondarcho	do	3,074.30
Diane Johnston	do	604.68

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	28,951.98
Amount expended from June 30, 1956, to Dec. 31, 1956	5,256.76
Total amount expended from Jan. 1, 1955, to Dec. 31, 1956	34,208.74
Balance unexpended as of Dec. 31, 1956	15,791.26

HAROLD D. COOLEY,
Chairman.

COMMITTEE ON APPROPRIATIONS

JANUARY 11, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Charles G. Haynes	Director of surveys and investigations.	$5,991.42
Richard F. McIlwain	Assistant director of surveys and investigations.	5,991.42
Ralph W. Horton	Investigator	5,805.66
Rose Marie Borda	Stenographer	2,587.90
Ethel P. Powers	do	2,310.72
John J. Bachmann	Consultant	3,240.00
John J. Donnelly	do	5,151.50
Engelhardt, Engelhardt, Leggett and Cornell.	do	4,000.00
Marion N. Hardesty	do	6,650.00
Alvin C. Loewer, Jr.	do	2,362.50
John B. St. John	do	400.00
Daniel D. Whitcraft, Jr.	do	5,550.00
REIMBURSEMENTS TO GOVERNMENT AGENCIES		
ATOMIC ENERGY COMMISSION		
Albert P. Pollman	Investigator	$3,037.46
FEDERAL BUREAU OF INVESTIGATION		
Carl L. Bennett	do	5,265.68
Harold H. Hair	do	4,352.40
Thomas J. Jenkins	do	3,577.45
Hugh B. McGahey	do	3,582.59
Richard A. Miller	do	5,265.68
Robert M. Murphy	do	5,157.35
James E. Nugent	do	6,383.56
Robert E. Rightmyer	do	5,719.06
John A. Rubl	do	4,180.39
Andrew J. Shannon	do	3,346.37
Glenn A. Trofast	do	3,582.59
Samuel E. Virden II	do	3,936.91
GENERAL SERVICES ADMINISTRATION		
Howard K. Chapman, Jr.	do	3,162.98
John W. Flatley	do	2,083.84
John H. Holmead	do	2,903.40
W. Trigg Miller	do	1,014.47
Robert J. Rickey	do	665.00
Joseph E. Vaughan	do	631.92
HEALTH, EDUCATION, AND WELFARE, DEPARTMENT OF		
Majorie C. Hymans	Stenographer	847.12
McGuire, James N.	Investigator	1,080.42
Travel and miscellaneous expense.		18,112.59

EXPENDITURES IN PREVIOUS PERIOD NOT REPORTED AGAINST 1956 APPROPRIATION

REIMBURSEMENTS TO GOVERNMENT AGENCIES		
General Services Administration:		
W. Trigg Miller	Investigator	$362.31
Federal Bureau of Investigation:		
Carl L. Bennett	do	844.12
Richard A. Miller	do	844.12
Robert M. Murphy	do	826.75
James E. Nugent	do	1,003.63
Robert E. Rightmyer.	do	916.80
Travel and miscellaneous expenses.		4,663.54
Total		9,461.27

Funds authorized or appropriated for committee expenditures	$500,000.00
Amount of expenditures previously reported	
Amount expended from July 1, 1956, to Dec. 31, 1956	137,930.35
Total amount expended from July 1, 1956, to Dec. 31, 1956	137,930.35
Balance unexpended as of Dec. 31, 1956	362,069.65

CLARENCE CANNON,
Chairman.

COMMITTEE ON APPROPRIATIONS

JANUARY 11, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Corhal D. Orescan	Clerk and staff director.	$7,399.98
Kenneth Sprankle	do	7,399.98
Paul M. Wilson	do	7,399.98
Jay B. Howe	Staff assistant	6,808.86
Ross P. Pope	do	6,808.86
Robert M. Moyer	do	6,808.86
Carson W. Culp	do	6,808.86
Samuel W. Crosby	do	6,808.86
Harris H. Huston	do	6,808.86
Frank Sanders	do	6,288.66
Eugene B. Wilhelm	do	6,288.66
George S. Green	Clerk to minority	6,325.80
E. L. Eckloff	Clerk to majority	6,325.80
Robert P. Williams	Editor	5,917.14
Robert L. Michaels	Staff assistant	5,322.60
G. Homer Skarin	do	4,727.94
Earl C. Silsby	do	4,564.44
Lawrence C. Miller	Assistant editor	3,723.66
Francis G. Merrill	Staff assistant	3,552.42
Samuel R. Preston	Junior staff assistant	3,124.26
Donald R. Bridges	Clerical assistant	2,353.50
Donald F. Berens	do	2,267.88
John C. Pugh	Consultant	1,461.00
Randolph Thomas	Janitor-messenger	1,601.52
Delores Cropper	Clerk-stenographer to the chairman.	2,610.42
Julia M. Elliott	Clerk-stenographer	2,610.42
Rose Ann Nimitz	do	2,610.42
Mary A. Vaughan	do	2,610.42
Phyllis N. Troy	do	2,610.42
William J. Neary	do	2,610.42
Shirley Rae Colley	do	2,610.42
Catherine D. Norrell	do	2,610.42
Mildred Burnham	do	2,175.35
Ruth M. Young	do	2,610.42
Donald L. Bernard	do	2,610.42
Agnes Norton	do	2,610.42
Edwin A. Sheehan	do	2,610.42
Molly O'Day Saguto	do	2,524.78
Rose Marie Kline	do	1,626.12
Margie H. Trew	do	2,610.42
James W. Dudley	do	2,610.42
John G. Clevenger	do	2,610.42
Charles C. Andersen	do	2,610.42
Gladys Kofmehl	do	2,610.42
Frank B. Melchior	do	2,507.64
Monica Smith	Clerk-stenographer to the ranking minority member.	2,524.80
Frank Mentillo	Clerk-stenographer	2,353.50
Lenore Cummings	do	1,961.25
Baert Devos Brand	do	1,968.18
Margaret D. Lane	do	2,032.65
Roma E. Jaques	do	1,396.68
Jane Andrews	do	1,176.75
Luman H. Long	do	1,740.28
Barbara Grey	do	870.14
Elaine M. Hopkins	do	392.25
Barbara J. Groves	do	392.25

Funds authorized or appropriated for committee expenditures	$435,000.00
Amount of expenditures previously reported	
Amount expended from July 1, 1956, to Dec. 31, 1956	196,918.14
Total amount expended from July 1, 1956, to Dec. 31, 1956	196,918.14
Balance unexpended as of Dec. 31, 1956	238,081.86

CLARENCE CANNON,
Chairman.

COMMITTEE ON ARMED SERVICES

DECEMBER 31, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to January 3, 1957, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Robert W. Smart	Chief counsel	$7,400.00
John R. Blandford	Counsel	7,366.00
Charles F. Ducander	do	7,310.45
Philip W. Kelleher	do	7,310.45
Janice G. Angell	Clerical staff	3,209.88
Berniece Kalinowski	do	3,209.88
Oneta L. Stockstill	do	2,811.67
L. Louise Ellis	do	2,811.67
Marie M. Abbott	do	2,262.89
James A. Deakins	do	2,610.43
John J. Courtney	Special counsel	7,523.31
Edward T. Fogo	Staff assistant	5,260.21
Lloyd R. Kuhn	do	4,081.75
Dorothy Britton	Secretary	4,828.08
Katherine Staggs	do	2,653.93
Adeline Tolerton	Clerk	2,653.93
Ethel L. Mott	do	2,653.93
James Woolls	Staff assistant	756.32

Funds authorized or appropriated for committee expenditures	$150,000.00
Amount of expenditures previously reported	91,302.17
Amount expended from July 1, 1956, to Jan. 3, 1957	30,807.64
Total amount expended from Jan. 4, 1955, to Jan. 3, 1957	122,112.81
Balance unexpended as of Jan. 3, 1957	27,887.19

CARL VINSON,
Chairman.

COMMITTEE ON BANKING AND CURRENCY

JANUARY 1, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to January 1, 1957, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Robert L. Cardon	Clerk and counsel	$7,399.98
Orman S. Fink	Professional staff	7,399.98
John E. Barriere	do	7,399.98
Elsie G. Whitney	Deputy clerk	4,951.08
Helen E. Long	Assistant clerk	3,723.66
Mary W. Layton	Secretary	3,723.66
Employees pursuant to H. Res. 203 Subcommittee on Housing:		
Eleanor Hamilton	Research assistant	4,100.46
Alberta Masumiam	Secretary	3,021.48
John J. McEwan, Jr.	Housing economist	6,500.46
Robert R. Poston	Chief counsel	7,399.98
Betty B. Ridgell	Clerk	3,329.76

Funds authorized or appropriated for committee expenditures	$150,000.00
Amount of expenditures previously reported	63,248.41
Amount expended from July 1, 1956, to Dec. 31, 1956	31,328.54
Total amount expended from July 1, 1955, to Dec. 31, 1956	94,576.95
Balance unexpended as of Dec. 31, 1956	55,423.05

BRENT SPENCE,
Chairman.

COMMITTEE ON THE DISTRICT OF COLUMBIA

DECEMBER 31, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
W. N. McLeod, Jr.	Clerk	$7,400.00
Wendell E. Cable	Minority clerk	6,258.96
George R. Stewart	Attorney	6,808.86
Ruth Butterworth	Assistant clerk	4,031.94
Margaret S. Rogers	do	2,473.44
Dixon D. Davis	do	1,851.68
William Gerber	Special attorney (appointed July 9, 1956).	7,071.09
George W. McCown	Research analyst (appointed July 1, 1956).	2,439.13
Leonard O. Hilder	Investigator (appointed July 9, to Oct. 31, 1956).	3,126.89

Funds authorized or appropriated for committee expenditures	$2,000.00
Amount of expenditures previously reported	74.08
Amount expended from July 1 to Dec. 31, 1956	1,801.09
Total amount expended from Feb. 24, 1955, to Dec. 31, 1956	1,875.17
Balance unexpended as of Dec. 31, 1956	124.83

JOHN L. MCMILLAN,
Chairman.

EDUCATION AND LABOR COMMITTEE

JANUARY 11, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Fred G. Hussey	Chief clerk	$7,399.98
Russell C. Derrickson	Chief investigator	7,399.98
James M. Brewbaker	General counsel	7,399.98
John O. Graham	Minority clerk	7,399.98
Kennedy W. Ward	Assistant general counsel.	7,399.98
Kathryn Kivett	Assistant clerk	3,226.98
Jeanne Thomson	Assistant clerk—minority.	3,226.98
Gloria Ann Gaysden	Assistant clerk	3,226.98
Marion O. Riddiford	do	3,226.98
Mary Lynn Venuto	do	268.91
Michael T. Taylor	Staff assistant	1,675.80

Funds authorized or appropriated for committee expenditures	$125,000.00
Amount of expenditures previously reported	36,025.12
Amount expended from July 1 to Dec. 31, 1956	13,934.91
Total amount expended from Jan. 1, 1955 to Dec. 31, 1956	49,960.04
Balance unexpended as of Dec. 31, 1956	75,039.96

GRAHAM A. BARDEN,
Chairman.

COMMITTEE ON FOREIGN AFFAIRS

DECEMBER 31, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Boyd Crawford	Staff administrator and committee clerk.	$7,399.98
Roy J. Bullock	Staff consultant	7,106.10
Albert C. F. Westphal.	do	7,106.10
Dumond Peck Hill	do	[1] 4,990.07
Sheldon Z. Kaplan	do	7,106.10
June Nigh	Staff assistant	3,723.66
Winifred G. Osborne	do	3,638.04
Helen C. Mattas	do	3,638.04
Myrtie M. Melvin	do	3,638.04
Helen L. Hashagen	do	3,638.04
Mary L. O'Brien	do	2,952.96
Roosevelt Taylor	Messenger	[2] 839.01

Funds authorized or appropriated for committee expenditures	$75,000.00
Amount of expenditures previously reported	10,583.29
Amount expended from July 1, 1956, to Dec. 31, 1956	12,150.81
Total amount expended from Jan. 1, 1955, to Dec. 31, 1956	22,734.10
Balance unexpended as of Dec. 31, 1956	52,265.90

[1] For period Aug. 15 to Dec. 31, 1956, inclusive.
[2] For period July 1 to Sept. 30, 1956, inclusive.

JAMES P. RICHARDS,
Chairman.

COMMITTEE ON GOVERNMENT OPERATIONS

JANUARY 23, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to January 3, 1957, inclusive, together with total funds authorized or appropriated and expended by it:

Expenses, July 1, 1956 through Jan. 3, 1957:	
Full committee	$4,377.92
Special Donable Property Subcommittee	10,463.41
Special Government Activities Subcommittee	25,993.79
Legal and Monetary Affairs Subcommittee	39,560.49
International Operations Subcommittee	22,641.54
Public Works and Resources Subcommittee	42,654.94
Intergovernmental Relations Subcommittee	18,719.32
Military Operations Subcommittee	37,582.27
Executive and Legislative Reorganization Subcommittee	23,450.24
Special Government Information Subcommittee	30,044.75
Special Water Resources and Power Subcommittee	18,647.82
Salaries, full committee, July 1–Dec. 31, 1956:	
Orville S. Poland, general counsel	6,853.98
Christine Ray Davis, staff director	7,399.98
William Pincus, associate general counsel	7,180.38
Martha C. Roland, staff member	5,694.18
J. Robert Brown, staff member July 1–31, 1956	887.10
Dolores Fel'Dotto, clerk-stenographer	3,937.80
Ann E. McLachlan, clerk stenographer Sept. 1–Oct. 31, 1956	1,075.66
Mona Keating, clerk-stenographer	2,760.30
Earle J. Wade, staff member	3,496.74
Helen M. Boyer, minority staff director	6,437.28
John Philip Carlson, minority counsel	5,694.18

Expenses, July, 1, 1956, through Jan. 3, 1957.—Continued	
Full committee	$4,377.92
Executive and Legislative Reorganization Subcommittee, Hon. WILLIAM L. DAWSON, chairman:	
Elmer W. Henderson, counsel	6,166.86
William A. Young, professional staff member	5,789.08
Emmet V. Mittlebeeler, professional staff member, July 1–Aug. 31, 1956	1,338.28
David Glick, investigator	4,324.72
Ann E. McLachlan, clerk-stenographer, July 1–Aug. 31, 1956; Nov. 1, 1956–Jan. 3, 1957	2,205.10
Clara Armstrong, minority-clerical	2,740.97
Expenses	885.23
Total	23,450.24
Military Operations Subcommittee, Hon. CHET HOLIFIELD, chairman:	
Michael P. Balwan, staff director, July 1–Aug. 17, 1956	1,777.87
Herbert Roback, director of investigations, July 1–Aug. 31, 1956; staff director, Sept. 1–Jan. 3, 1957	6,922.34
James Eckhart, assistant counsel	4,640.51
Earl J. Morgan, investigator	4,640.51
Robert J. McElroy, investigator	3,568.07
Sylvia L. Swartzel, clerk-stenographer	3,285.09
Mollie Jo Hughes, clerk-stenographer	3,285.09
Arlene Roback, clerical (special project, months)	839.30
Library of Congress, reimbursement for salary of Carey Brewer, Aug. 1–Dec. 31, 1956	3,768.74
Expenses	4,854.75
Total	37,582.27
Intergovernmental Relations Subcommittee, Hon. L. H. FOUNTAIN, chairman:	
James R. Naughton, professional staff member	5,184.70
Delphis C. Goldberg, professional staff member	5,109.12
Francis X. McLaughlin, investigator	3,698.67
Eileen M. Anderson, clerk-stenographer	3,089.22
Mary E. Davis, clerk-stenographer, July 16–Aug. 31, 1956	588.37
Expenses	1,049.24
Total	18,719.32
Public Works and Resources Subcommittee, Hon. EARL CHUDOFF, chairman:	
Arthur Perlman, staff director	6,922.34
James A. Lanigan, counsel	6,620.15
John B. O'Brien, Jr., investigator	5,033.60
Miles Q. Romney, professional staff member	4,577.09
Clarence A. Winder, consultant	1,002.74
Irene Manning, clerk-stenographer	3,010.90
Joan Heinly, clerk-stenographer	2,288.29
Expenses	13,199.83
Total	42,654.94
International Operations Subcommittee, Hon. PORTER HARDY, Jr., chairman:	
Maurice J. Mountain, staff director	6,620.15
Walton Woods, investigator	5,273.86
Charles Rothenberg:	
Special counsel, July 1–Aug. 31, 1956	1,774.20
Consultant, Sept. 1–Dec. 31, 1956	2,514.02
Phyllis Seymour, clerk-stenographer	3,285.09
Angela Hall, clerk-stenographer, Aug. 1–Dec. 31, 1956	1,875.65
Mary E. Davis, stenographer, July 1–15, 1956	196.13
Expenses	1,102.44
Total	22,641.54
Legal and Monetary Affairs Subcommittee, Hon. ROBERT H. MOLLOHAN, chairman:	
Curtis E. Johnson, staff director	6,922.34
Jerome S. Plapinger, counsel	6,922.34
Stanley T. Fisher, accountant-investigator	5,184.70
Hal M. Christensen, associate counsel	4,723.66
John L. Anderson, investigator	4,590.68
A. Carl Carey, Jr., assistant counsel	4,590.68
Elizabeth D. Heater, clerk-stenographer	3,010.89
Barbara L. Tork, stenographer	2,131.58
Expenses	1,483.62
Total	39,560.49
Special Government Activities Subcommittee, Hon. JACK BROOKS, chairman:	
Vernon McDaniel, staff director	6,922.34
William Huskey, investigator	4,264.57
John E. Moore, investigator	3,694.34
Irma Reel, clerk-stenographer	2,740.97
William Townsley, counsel	5,139.37
Expenses	3,232.20
Total	25,993.79

Expenses, July 1, 1956, through Jan. 3, 1957.—Continued	
Special Subcommittee on Donable Property, Hon. JOHN W. MCCORMACK, chairman:	
Ray Ward, staff director	$6,922.34
Margaret O'Connor, clerk-stenographer	2,786.66
Expenses	754.41
	10,463.41
Special Subcommittee on Government Information, Hon. JOHN E. MOSS, chairman:	
Samuel J. Archibald, staff director	6,922.34
John J. Mitchell, chief counsel	6,809.00
J. Lacey Reynolds, senior consultant	5,637.99
William Fairfield, investigator, July 1 to Sept. 12, 1956	2,099.33
Helen K. Beasley, clerk-stenographer	3,010.90
Catherine Hartke, clerk-stenographer	3,010.90
Expenses	2,554.29
Total	30,044.75
Special Subcommittee on Water Resources and Power, Hon. ROBERT E. JONES, chairman:	
William C. Wise, staff director	6,922.34
William A. Lang, Jr., investigator	3,697.04
Roy F. Bessey, consultant	2,600.00
Ann A. Dominek, clerk-stenographer	2,810.64
Sally Wise, stenographer	907.02
Expenses	1,710.78
Total	18,647.82
Funds authorized or appropriated for committee expenditures	995,000.00
Amount of expenditures previously reported	621,766.18
Amount expended from July 1, 1956 to Jan. 3, 1957	274,136.49
Total amount expended from Jan. 4, 1955 to Jan. 3, 1957	895,902.67
Balance unexpended as of Jan. 3, 1957	99,097.33

WILLIAM L. DAWSON,
Chairman.

COMMITTEE ON HOUSE ADMINISTRATION

JANUARY 15, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Langston, Julian P	Chief clerk	$6,808.86
Savage, Marjorie	Assistant clerk	6,437.29
Watson, Jack W	do	5,322.62
Cannon, Lura	do	4,564.46

Funds authorized or appropriated for committee expenditures	$10,000.00
Amount of expenditures previously reported	751.48
Amount expended from July 1, 1956, to Dec. 31, 1956	710.15
Total amount expended from Jan. 30, 1956, to Dec. 31, 1956	1,461.63
Balance unexpended as of Dec. 31, 1956	8,538.37

OMAR BURLESON,
Chairman.

SUBCOMMITTEE TO STUDY FEDERAL PRINTING AND PAPERWORK OF THE COMMITTEE ON HOUSE ADMINISTRATION

JANUARY 7, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the

following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Billings, Philip B.	Legal counsel	$5,694.18
Campaine, Olga Marie.	Research analyst	1,734.53
Fodor, Susan Agnes	do	477.89
Haley, John F.	Staff director	6,065.76
McWhorter, Julian H.	Technical adviser	5,694.18
Poore, Asselia S.	Research analyst	3,295.50
Prout, Marjorie A.	do	2,439.18

Funds authorized or appropriated for committee expenditures	$75,000.00
Amount of expenditures previously reported	33,076.33
Amount expended from July 1, 1956 to Dec. 31, 1956	27,344.95
Total amount expended from Aug. 1, 1955 to Dec. 31, 1956	60,421.28
Balance unexpended as of Dec. 31, 1956	14,578.72

OMAR BURLESON,
Chairman.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

JANUARY 9, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
PROFESSIONAL STAFF		
George W. Abbott	Counsel	$6,717.83
Sidney L. McFarland	Engineering consultant	6,262.68
John L. Taylor	Territories consultant	6,262.68
George H. Soule, Jr.	Minerals and lands consultant.	6,262.68
CLERICAL STAFF		
Nancy J. Arnold	Chief clerk	5,545.56
Nelda Boding	Clerk	3,552.42
Gertrude S. Harris	do	3,552.42
Laura Ann Moran	do	3,209.88
Eve Fatznick	do	3,209.88
Geraldine W. Eaker	Clerk (July 1. to Aug. 4, inclusive).	541.61

House Resolution 31	$50,000.00
H. Resolution 629	10,000.00
Funds authorized or appropriated for committee expenditures	60,000.00
Amount of expenditures previously reported	38,278.11
Amount expended from July 1, 1956 to Dec. 31, 1956	[1] 8,645.95
Total amount expended from Feb. 24, 1955 to Dec. 31, 1956	46,924.06
Balance unexpended as of Dec. 31, 1956	13,075.94

[1] Includes $3,653.23 paid to Eugene D. Eaton, research consultant, in salary for period July 16 to Oct. 31, 1956, inclusive.

CLAIR ENGLE,
Chairman.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

JANUARY 2, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Clerical staff:		
Elton J. Layton	Clerk	$7,400.00
Kenneth J. Painter	First assistant clerk	5,396.94
Herman C. Beasley	Assistant clerk	4,597.15
Georgia G. Glasmann.	Assistant clerk-stenographer.	3,295.50
Helen A. Grickis	do	3,295.50
Roy P. Wilkinson	Assistant clerk	2,781.70
Margaret J. Beach	Clerk-typist (H. Res. 105, H. Res. 117).	2,610.43
Pauline Chaternuck	Assistant clerk-stenographer (to July 31, 1956, H. Res. 105, H. Res. 117).	473.18
Professional staff:		
Andrew Stevenson	Expert	7,400.00
Kurt Borchardt	Legal counsel	7,400.00
Sam G. Spal	Research specialist	7,400.00
Martin W. Cunningham.	Aviation consultant	7,400.00

Funds authorized or appropriated for committee expenditures	$60,000.00
Amount of expenditures previously reported	19,995.36
Amount expended from July 1 to Dec. 31, 1956	12,983.71
Total amount expended from Jan. 3, 1955, to Dec. 31, 1956	32,979.07
Balance unexpended as of Dec. 31, 1956 (approximate)	27,020.93

OREN HARRIS,
Acting Chairman.

COMMITTEE ON THE JUDICIARY

JANUARY 15, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Bess E. Dick	Staff director	$7,399.98
Bessie M. Orcutt	Administrative assistant.	6,808.86
William R. Foley	General counsel	7,399.98
Walter M. Besterman	Legislative assistant	7,399.98
Thomas F. Broden	Counsel	6,065.76
Walter R. Lee	Legislative assistant	7,399.98
Velma Smedley	Clerical staff	4,564.44
Violet Benn	do	4,237.50
Anne J. Berger	do	4,237.50
Lola Bikul	do	3,723.66
Frances Christy	do	4,151.88
Helen Goldsmith	do	3,980.58
Mary D. Weil	do	3,295.50

SALARIES PAID JULY THROUGH DECEMBER, 1956 PURSUANT TO H. RES. 98 AND H. RES. 355, 84TH CONG.

Herbert N. Maletz	Counsel, Antitrust Subcommittee.	$6,437.28
Kenneth R. Harkins	Cocounsel, Antitrust Subcommittee.	6,065.76
Samuel R. Pierce, Jr.	Associate Counsel, Antitrust Subcommittee.	6,065.76
Jerrold Walden	do	1,859.66

SALARIES PAID JULY THROUGH DECEMBER, 1956 PURSUANT TO H. RES. 98 AND H. RES. 355, 84TH CONG.—continued

Name of employee	Profession	Total gross salary during 6-month period
Leonard Appel	Assistant Counsel, Antitrust Subcommittee.	$5,322.60
Thomas H. McGrail	do	2,890.81
Julian H. Singman	do	4,564.44
Herbert Fuchs	do	3,803.70
Lucille Brooks	Clerical	3,980.58
Gertrude C. Burak	do	3,552.42
Roberta Eisenberg	do	3,021.48
Elizabeth Meekins	do	2,867.34
Michael Kelemonick	do	2,696.04
Marianne Higgs	do	228.74
Robert Bauman	Messenger	1,678.02
Shelia Warren White	Clerical, Antitrust Subcommittee.	250.00

Funds for preparation of United States Code, District of Columbia Code, and revision of the laws:	
A. Preparation of new edition of United States Code (no year):	
Unexpended balance June 30, 1956	$83,279.02
Expended, July 1–Dec. 31, 1956	24,442.26
Balance, Dec. 31, 1956	58,836.76
B. Revision of the laws:	
Appropriated by Legislative Branch Appropriation Act, 1957	16,500.00
Expended July 1–Dec. 31, 1956	7,414.98
Balance, Dec. 31, 1956	9,085.02
C. Preparation of new edition of District of Columbia Code (no year):	
Unexpended balance, June 30, 1956	2,764.01
Expended	0
Balance, Dec. 31, 1956	2,764.01
Funds authorized or appropriated for committee expenditures	225,000.00
Amount of expenditures previously reported	126,437.25
Amount expended from July to Dec. 31, 1956	62,110.38
Total amount expended from Mar. 30, 1955, to Dec. 12, 1956	188,547.63
Balance unexpended as of Dec. 31, 1956	36,452.37

EMANUEL CELLER,
Chairman.

MERCHANT MARINE AND FISHERIES COMMITTEE

JANUARY 15, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
John M. Drewry	Chief counsel	$7,301.46
Bernard J. Zincke	Counsel	6,808.86
Charles F. Warren	Assistant counsel	4,564.44
Frances Still	Clerk	5,471.22
William B. Winfield	Assistant clerk	4,066.20
Edith Gordon	Secretary	3,226.98
Ruth Brookshire	Assistant clerk	3,226.98
Vera Barker	Secretary	3,226.98
Shirley Schwartz	Minority clerk	4,066.20

H. Res. 89	$50,000.00
H. Res. 566	25,000.00
Funds authorized or appropriated for committee expenditures	75,000.00
Amount of expenditures previously reported	40,154.39
Amount expended from July 1 to Dec. 31, 1956	20,683.16
Total amount expended from Jan. 1 to Dec. 31, 1956	60,837.55

Balance unexpended as of Dec. 31, 1956	$14,162.45
Estimated additional obligations	2,744.40
Funds authorized or appropriated for committee expenditures (H. Res. 654)	10,000.00
Amount expended from July 27 to Dec. 31, 1956	5,090.55
Balance as of Dec. 31, 1956	4,909.45

All vouchers have not been submitted.

HERBERT C. BONNER,
Chairman.

POST OFFICE AND CIVIL SERVICE COMMITTEE

JANUARY 11, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Frederick C. Belen	Chief counsel	$7,399.98
Charles E. Johnson	Counsel	7,143.24
Henry C. Cassell	Clerk	6,455.88
Weldon T. Ellis, Jr.	Professional staff member.	6,455.88
John B. Price	Assistant clerk	3,809.34
Lillian Hopkins	do	3,723.66
Lucy K. Daley	do	3,552.42
Elsie Thornton	Stenographer	2,824.50
Blanche Simons	do	2,824.50

Funds authorized or appropriated for committee expenditures	$75,000.00
Amount of expenditures previously reported	16,588.60
Amount expended from July 1, to Dec. 31, 1956	13,960.08
Total amount expended from Aug. 1, 1955, to Dec. 31, 1956	30,548.68
Balance unexpended as of Dec. 31, 1956	44,451.32

TOM MURRAY,
Chairman.

COMMITTEE ON PUBLIC WORKS

JANUARY 14, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Charles G. Tierney	Chief clerk and counsel.	$7,400.00
Robert F. McConnell	Counsel	7,400.00
Joseph H. McGann, Sr.	Consultant	6,808.86
Margaret R. Beiter	Assistant chief clerk	5,322.60
S. Philip Cohen	Staff assistant	3,809.34
Helen Dooley	do	4,564.44
Helen A. Thompson	do	3,766.50
Louise B. Cullen	do	3,766.50
Herman J. Sloves	Staff assistant (July 1, through Aug. 7, 1956).	765.42
Estes Saunders	Clerk-messenger	1,839.72
Anna McHale	Staff assistant (from Aug. 8, 1956).	1,196.38

Funds authorized or appropriated for committee expenditures	$50,000.00
Amount of expenditures previously reported	$24,377.00
Amount expended from June 30, to Dec. 31, 1956	4,420.42
Total amount expended from Jan. 1, 1955 to Dec. 31, 1956	28,797.42
Balance unexpended as of Dec. 31, 1956	21,202.58

CHARLES A. BUCKLEY,
Chairman.

COMMITTEE ON RULES

JANUARY 10, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Thomas M. Carruthers.	Clerk	$5,322.60
Barbara M. Thornton	Assistant clerk	3,295.58
Jane Snader	Minority clerk	4,151.80

HOWARD W. SMITH,
Chairman.

COMMITTEE ON UN-AMERICAN ACTIVITIES

JANUARY 29, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
STANDING COMMITTEE		
Richard Arens	Director	$7,399.98
Juliette P. Joray	Clerk	4,802.46
Isabel B. Nagel	Clerk-stenographer	3,295.50
Courtney E. Owens	Investigator	5,694.18
Rosella Purdy	Secretary to counsel	3,963.48
Carolyn Roberts	Assistant chief of reference section.	3,723.66
Thelma I. Scearce	Secretary to investigators.	3,963.48
Frank S. Tavenner, Jr.	Counsel	7,399.98
Anne D. Turner	Chief of reference section.	4,727.94
William A. Wheeler	Investigator	5,901.42
INVESTIGATING COMMITTEE		
Alice W. Anderson	Information analyst	3,124.26
Donald T. Appell	Investigator	6,140.04
Margaret B. Attinello	Information specialist.	2,610.42
Karl Baarslag	Consultant	6,140.04
Kay Baird	Clerk-stenographer	2,995.80
Suanne Blair	Clerk-typist (terminated Aug. 31, 1956).	613.24
Frank T. Bonora	Investigator	3,894.96
Jeanne M. Cassebaum	Clerk-typist (appointed Aug. 13, 1956).	1,390.76
Raymond T. Collins	Investigator	3,723.66
Patricia R. Crovato	Clerk-typist	1,873.98
Anniel Cunningham	Information analyst	3,038.58
John Davies	Clerk-typist (terminated Aug. 11, 1956).	419.05
Barbara H. Edelschein	Editor	2,696.04
Elizabeth L. Edinger	Clerk-stenographer	3,124.26
INVESTIGATING COMMITTEE—con.		
Karl E. Ettinger	Special consultant (Aug. 15–Aug. 31, 1956).	$277.71
Helen M. Gittings	Research analyst	3,723.66
Ann C. Goldsmith	Clerk-typist (terminated Sept. 8, 1956).	625.10
Joan Haletsky	Clerk-typist (terminated Aug. 15, 1956).	459.93
William F. Heimlich	Consultant (Aug. 15–Oct. 15, 1956).	1,546.84
Lillian E. Howard	Research analyst	3,552.42
Vada Hummel	Clerk-stenographer (July 11–Aug. 31, 1956).	677.55
William Jackson Jones.	Investigator	4,951.08
Olive M. King	Editor	3,489.62
Stephen V. Kopunek	Clerk-typist	2,096.64
Regina McCall	Clerk-typist (appointed Oct. 1, 1956).	919.86
Joseph P. Orsulak	Clerk-typist (appointed Nov. 19, 1956).	391.54
Katharine Phillips	Switchboard operator.	2,053.80
Maureen Roselle	Clerk-stenographer	2,439.18
Dolores F. Scotti	Investigator	3,723.66
Josephine Sheetz	Clerk-stenographer	2,439.18
Lela Mae Stiles	Clerk-typist	2,439.18
Cele Frey Sweeney	do	2,267.88
Ruth Tansill	Information analyst (terminated Aug. 31, 1956).	1,041.42
Max O. Truitt, Jr.	Clerk-typist (terminated Sept. 15, 1956).	909.27
D. Pauline Umberson	Clerk-typist (terminated Aug. 31, 1956).	613.24
Lorraine N. Veley	Clerk-stenographer	3,124.26
Vera L. Watts	Clerk-stenographer (appointed Aug. 1, 1956).	2,418.09
Richard S. Weil	Research analyst	3,980.58
Billie Wheeler	Clerk-stenographer (terminated Aug. 31, 1956).	1,012.86
George C. Williams	Investigator	4,951.08

Funds authorized or appropriated for committee expenditures	$500,000.00
Amount of expenditures previously reported	343,381.60
Amount expended from July 1 to Dec. 31, 1956	133,229.35
Total amount expended from Jan. 4, 1955 to Dec. 31, 1956	476,610.95
Balance unexpended as of Dec. 31, 1956	23,389.05

FRANCIS E. WALTER,
Chairman.

COMMITTEE ON VETERANS' AFFAIRS

DECEMBER 31, 1956.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
FULL COMMITTEE		
Oliver E. Meadows	Staff director	$7,399.98
Edwin B. Patterson	Counsel	7,399.98
Harold A. L. Lawrence.	Professional staff (minority).	6,808.86
J. Buford Jenkins	Housing consultant	6,511.62
George Fisher	Clerk	6,808.86

Name of employee	Profession	Total gross salary during 6-month period
FULL COMMITTEE—continued		
Ida Rowan	Clerk (minority)	$6,808.86
Paul K. Jones	Assistant clerk	5,322.60
Helen A. Biondi	do	4,151.88
Alice V. Matthews	Clerk-stenographer	3,638.04
George J. Turner	Assistant clerk	3,509.58
INVESTIGATING STAFF		
Sam Hardy	Investigator	787.99
W. N. Furey	do	3,031.70
Adin M. Downer	Staff member	6,114.16
Joanne Doyle	Clerk-stenographer	2,921.84
Jean Johnson	do	3,838.84

Funds authorized or appropriated for committee expenditures (1st and 2d sess., 84th)	$85,000.00
Amount of expenditures previously reported	40,199.53
Amount expended from July 1 to Dec. 31, 1956	25,625.79
Total amount expended from Jan. 1, 1955 to Dec. 31, 1956	65,825.32
Balance unexpended as of Dec. 31, 1956	19,174.68

OLIN E. TEAGUE,
Chairman.

COMMITTEE ON WAYS AND MEANS

JANUARY 18, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Full committee:	
Leo H. Irwin, clerk (C)	$7,399.98
Russell E. Train, minority adviser (P) to Nov. 9, 1956	5,262.21
Thomas A. Martin, assistant clerk (P)	7,106.10
John M. Martin, Jr., professional assistant (P)	6,258.96
James W. Riddell, professional assistant (P)	6,258.96
Frances C. Russell, staff assistant (C)	4,515.42
Susan Alice Taylor, staff assistant (C)	4,066.20
Virginia M. Butler, staff assistant (C)	3,338.34
Anne Gordon, staff assistant (C)	3,338.34
Grace G. Kagan, staff assistant (C)	3,338.34
Irene Wade, staff assistant (C)	3,338.34
Virginia Brannock, staff assistant (C)	3,021.48
Frances E. Donovan, staff assistant (C)	3,021.48
Hughlon Greene, messenger	2,048.09
Walter B. Little, messenger	2,048.09
Expenses, full committee	1,909.87
Customs, Tariffs and Reciprocal Trade Agreements Subcommittee, Hon. HALE BOGGS, chairman:	
Edwin G. Martin, counsel from Aug. 27, 1956	5,097.76
Loyle A. Morrison, chief economist from Aug. 27, 1956	5,097.76
Charles Nutter, administrative officer from Aug. 27, 1956	5,097.76
Myer Rashish, consultant from Sept. 22, 1956	3,908.36
Robert L. Treanor, research economist, from Oct. 1, 1956	2,512.68
Harriet I. Lane, staff assistant (C) from Aug. 19, 1956	2,416.70
Gizella Huber, research economist from Sept. 20, 1956	2,252.77
Mary G. Chapin, staff assistant (C) from Oct. 15, 1956	1,275.74
Fannie Sue Vanes, staff assistant (C) from Dec. 1, 1956	503.58
Expenses	4,217.71
Total	32,380.82
Excise Taxes Subcommittee, Hon. AIME J. FORAND, chairman:	
Milton J. Kolb, consultant from Oct. 9, 1956	$4,375.00
Charles W. Hester, consultant from Oct. 15, 1956	3,124.44
Jack Poe, consultant from Oct. 21, 1956	2,877.77
June A. Kendall, staff assistant (C) from Oct. 5, 1956	1,799.55
Martha L. Lockwood, staff assistant (C) from Dec. 17, 1956	187.05
Expenses	2,370.95
Total	14,734.76
Internal Revenue Taxation Subcommittee, Hon. WILBUR D. MILLS, chairman:	
Expenses	20,680.89
Total	20,680.89
Funds authorized or appropriated for subcommittee expenditures	325,000.00
Amount of expenditures previously reported	−10,469.92
Amount expended from July 1, 1956, to Dec. 31, 1956	−67,796.47
Total amount expended July 1, 1956, to Dec. 31, 1956, and previously reported	78,266.39
Balance unexpended as of Dec. 31, 1956	246,733.61
Funds authorized or appropriated for committee expenditures	5,000.00
Funds authorized or appropriated for subcommittee expenditures	325,000.00
Total	330,000.00
Amount of expenditures previously reported	10,469.92
Amount expended from July 1, 1956, to Dec. 31, 1956	−1,909.87
Amount expended, subcommittees	−67,796.47
Total amount expended from July 1, 1956, to Dec. 31, 1956	69,706.34
	+10,469.92
	−80,176.26
Balance unexpended as of Dec. 31, 1956	249,823.74

JERE COOPER,
Chairman.

SELECT COMMITTEE ON SMALL BUSINESS

JANUARY 1, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 6-month period
Everette MacIntyre	Staff director and general counsel.	$7,399.98
Wm. Summers Johnson.	Chief economist and assistant staff director.	6,808.86
Marie M. Stewart	Clerk	3,552.42
Jane M. Deem	Administrative assistant, clerk.	3,552.42
Harry S. Weidberg	Assistant counsel and investigator.	5,173.98
Irving Maness	do	5,173.98
Justinus Gould	do	5,173.98
Lois E. Allison	Economist	3,616.62
Eunice V. Hutton	Research analyst, secretary.	3,552.42
Katherine C. Blackburn.	Research analyst	3,423.96
Clarence D. Everett	Investigator	3,552.42
Milton S. Fairfax	Secretary	3,552.42
Ila D. Coe	Stenographer	2,696.04
Clara G. Romero	do	2,696.04
Alice Fay Ebert	do	647.50
Margaret Fallon Palmer.	Research analyst	3,295.50
Warren H. Biscailuz	Assistant counsel and investigator.	606.34
Wm. F. Vail	Stenographer, typist.	$449.34
Victor P. Dalmas	Adviser to minority members.	4,534.32
Mildred C. Darrow	Secretary, stenographer to minority.	2,867.34
Harry Olsher	Assistant to the chairman.	2,368.28
Funds authorized or appropriated for committee expenditures		$330,000.00
Amount of expenditures previously reported		210,912.56
Amount expended from July 1, 1956, to Dec. 31, 1956		82,449.79
Total amount expended from Jan. 4, 1955, to Dec. 31, 1956		293,362.35
Balance unexpended as of Dec. 31, 1956		36,637.65

WRIGHT PATMAN,
Chairman.

SELECT COMMITTEE TO CONDUCT AN INVESTIGATION AND STUDY OF THE FINANCIAL POSITION OF THE WHITE COUNTY BRIDGE COMMISSION

JANUARY 11, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 6-month period from July 1, 1956, to December 31, 1956, inclusive, together with total funds authorized or appropriated and expended by it:

No funds have been expended by the select committee for staff salaries.	
Funds authorized or appropriated for committee expenditures	$10,000.00
Amount of expenditures previously reported	4,334.91
Amount expended from July 1 to Dec. 31, 1956	79.42
Total amount expended from July 21, 1955 to Dec. 31, 1956	4,414.33
Balance unexpended as of Dec. 31, 1956	5,585.67

WINFIELD K. DENTON,
Chairman.

SPECIAL COMMITTEE TO INVESTIGATE CAMPAIGN EXPENDITURES FOR THE HOUSE OF REPRESENTATIVES, 1956

JANUARY 31, 1957.

To the CLERK OF THE HOUSE:

The above-mentioned committee or subcommittee, pursuant to section 134 (b) of the Legislative Reorganization Act of 1946, Public Law 601, 79th Congress, approved August 2, 1946, as amended, submits the following report showing the name, profession, and total salary of each person employed by it during the 5-month-and-3-days' period from August 1, 1956, to January 3, 1957, inclusive, together with total funds authorized or appropriated and expended by it:

Name of employee	Profession	Total gross salary during 5-month, 3-day period
Gillis W. Long	Chief counsel	$5,787.53
Richard T. Allen	Chief investigator	5,155.89
C. P. J. Mooney	Associate chief counsel	2,009.93
Raymond D. Watts	Associate counsel	1,580.39
J. Russell Anders	do	837.56
Ruth Heritage	Clerk	4,524.21
Barbara Groves	Secretary	418.92
Total		20,314.43

Funds authorized or appropriated for committee expenditures	$30,000.00
Amount of expenditures previously reported	None
Amount expended from Aug. 1, 1956 to Jan. 3, 1957	25,984.76
Balance unexpended as of Jan. 3, 1957 (approximate)	4,015.24

NOTE.—Bills outstanding, incurred prior to Jan. 3, 1957.

CLIFFORD DAVIS,
Chairman.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

444. A letter from the President, Board of Commissioners, District of Columbia, transmitting the annual report of the Office of Civil Defense of the District of Columbia, pursuant to Public Law 686, 81st Congress; to the Committee on the District of Columbia.

445. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of December 31, 1956, pursuant to Public Law 554, 82d Congress; to the Committee on Interstate and Foreign Commerce.

446. A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation entitled "A bill to authorize the Postmaster General to provide mail delivery service to rural patrons by the most efficient and economical means possible, and for other purposes"; to the Committee on Post Office and Civil Service.

447. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation entitled "A bill to make the act approved March 3, 1899 (30 Stat. 1045, 1057, ch. 422), providing for the appointment of special policemen by the Commissioners of the District of Columbia, applicable to Government departments and agencies"; to the Committee on the District of Columbia.

448. A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of legislation entitled "A bill to provide for the designation of holidays for the officers and employees of the government of the District of Columbia for pay and leave purposes, and for other purposes"; to the Committee on the District of Columbia.

449. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to amend section 3 of the act of January 2, 1951, prohibiting the transportation of gambling devices in interstate and foreign commerce"; to the Committee on Interstate and Foreign Commerce.

450. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to amend section 544 of title 28, United States Code, relating to the bonds of United States marshals"; to the Committee on the Judiciary.

451. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to amend title 28, United States Code, with respect to fees of United States marshals"; to the Committee on the Judiciary.

452. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to amend section 3238 of title 18, United States Code"; to the Committee on the Judiciary.

453. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to authorize funds for the improvement by the Secretary of Commerce of the Pentagon road network and that portion of the Henry G. Shirley Memorial Highway in Arlington County, Va., and to provide for the transfer of such highways to the Commonwealth of Virginia"; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BURLESON: Committee on House Administration. House Resolution 30. Resolution providing for expenses of conducting studies and investigations authorized by House Resolution 29; with amendment (Rept. No. 35). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 68. Resolution to provide for the expenses of the investigation and study authorized by House Resolution 67; with amendment (Rept. No. 36). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 87. Resolution to provide funds for the expenses of the studies, investigations, and inquiries authorized by House Resolution 86; with amendment (Rept. No. 37). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 105. Resolution providing funds for the expenses of studies and investigations authorized by House Resolution 104; without amendment (Rept. No. 38). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 114. Resolution to provide funds for the expenses of the studies, investigations, and inquiries authorized by House Resolution 113; with amendment (Rept. No. 39). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 125. Resolution to provide funds for the Committee on the Judiciary; with amendment (Rept. No. 40). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 126. Resolution providing for certain additional employees; with amendment (Rept. No. 41). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 127. Resolution to provide funds for the expenses of the investigations authorized by House Resolution 94; with amendment (Rept. No. 42). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 136. Resolution to provide funds for necessary miscellaneous expenses of the Committee on the District of Columbia; with amendment (Rept. No. 43). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 140. Resolution to provide funds for the expenses of the investigations and studies authorized by House Resolution 139; without amendment (Rept. No. 44). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 143. Resolution to provide funds for the investigations and studies made by the Committee on Veterans' Affairs pursuant to House Resolution 64; with amendment (Rept. No. 45). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 144. Resolution authorizing the Sergeant at Arms of the House of Representatives to insure the funds of his office; without amendment (Rept. No. 46). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 146. Resolution providing for expenses of investigations authorized by House Resolution 56; with amendment (Rept. No. 47). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 150. Resolution to provide funds for necessary expenses of the Committee on House Administration; without amendment (Rept. No. 48). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 151. Resolution granting 1 year's salary to the estate of Edward Joseph Marshall, late an employee of the House of Representatives; without amendment (Rept. No. 49). Ordered to be printed.

Mr. BURLESON: Committee on House Administration. House Resolution 152. Resolution providing for expenses of investigations authorized pursuant to House Resolution 99; without amendment (Rept. No. 50). Ordered to be printed.

Mr. SPENCE: Committee on Banking and Currency. House Joint Resolution 209. Joint resolution to provide interim assistance, through the Federal National Mortgage Association, in relieving the shortage of funds for home loans pending further investigation of housing credit conditions; without amendment (Rept. No. 51). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOPER: Committee on Ways and Means. H. R. 4090. A bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates; without amendment (Rept. No. 52). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARRISON of Nebraska:

H. R. 4555. A bill to enable corn producers to participate in the 1957 soil-bank and price-support program, and for other purposes; to the Committee on Agriculture.

By Mr. AYRES:

H. R. 4556. A bill to encourage new residential construction for veterans' housing in rural areas and small cities and towns by raising the maximum amount in which direct loans may be made from $10,000 to $12,500, to authorize advance financing commitments, to extend the direct-loan program for veterans, to authorize the Administrator of Veterans' Affairs to prescribe a rate of interest on guaranteed and direct loans of not more than 5 percent per annum, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BARING:

H. R. 4557. A bill to amend title 28 of the United States Code so as to provide for the appointment of one additional district judge for the district of Nevada; to the Committee on the Judiciary.

By Mr. BARTLETT:

H. R. 4558. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims for basic and overtime compensation of employees of the Alaska Road Commission; to the Committee on the Judiciary.

H. R. 4559. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon certain claims for basic and overtime compensation; to the Committee on the Judiciary.

By Mr. BLATNIK:

H. R. 4560. A bill providing for price reporting and research with respect to forest products; to the Committee on Agriculture.

By Mr. BOGGS:

H. R. 4561. A bill to suspend for 2 years the duty on crude chicory and to amend the

Tariff Act of 1930 as it relates to chicory; to the Committee on Ways and Means.

By Mr. CELLER:

H. R. 4562. A bill to repeal certain legislation relating to the purchase of silver, and for other purposes; to the Committee on Ways and Means.

By Mr. CHUDOFF:

H. R. 4563. A bill to amend the Fair Labor Standards Act of 1938 so as to increase the minimum hourly wage from $1 to $1.35; to the Committee on Education and Labor.

By Mr. CLEVENGER:

H. R. 4564. A bill to direct the Interstate Commerce Commission to make regulations that certain railroad vehicles be equipped with reflectors or luminous material so that they can be readily seen at night; to the Committee on Interstate and Foreign Commerce.

By Mr. CUNNINGHAM of Iowa:

H. R. 4565. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for income-tax purposes of expenses incurred by an individual for transportation to and from work; to the Committee on Ways and Means.

By Mr. EBERHARTER:

H. R. 4566. A bill to amend the Internal Revenue Code of 1954 so as to provide relief with respect to the tax treatment of damages in antitrust actions; to the Committee on Ways and Means.

By Mr. ENGLE:

H. R. 4567. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Folsom south unit, American River division, Central Valley project in California; to the Committee on Interior and Insular Affairs.

By Mr. FOGARTY:

H. R. 4568. A bill to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 4569. A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. GUBSER:

H. R. 4570. A bill to reduce the rate of tax on transportation of property; to the Committee on Ways and Means.

By Mr. HESELTON:

H. R. 4571. A bill to amend the Communications Act of 1934, to provide for regulation of the amount of radio and television program time which may be devoted to advertising; to the Committee on Interstate and Foreign Commerce.

By Mr. HILL:

H. R. 4572. A bill to amend title 17 of the United States Code (relating to copyrights) to provide that reception of radio or television programs or the playing of phonographic records in hotels shall not constitute public performances for profit; to the Committee on the Judiciary.

By Mr. HUDDLESTON:

H. R. 4573. A bill to increase annuities payable to certain annuitants from the civil service retirement and disability fund, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. JONES of Alabama:

H. R. 4574. A bill to amend the National Housing Act to provide that insured mortgages may be sold to and held by individuals if such mortgages are serviced by approved mortgagees while they are so held; to the Committee on Banking and Currency.

By Mr. KELLEY of Pennsylvania:

H. R. 4575. A bill to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of employers who are engaged in activities affecting interstate commerce, to eliminate certain exemptions, and for other purposes; to the Committee on Education and Labor.

H. R. 4576. A bill to establish the Federal Agency for Handicapped; to define its duties, and for other purposes; to the Committee on Education and Labor.

By Mr. KRUEGER:

H. R. 4577. A bill for the purpose of constructing at the Dunseith, N. Dak., port of entry Federal facilities for the Bureau of Customs and Immigration and Naturalization Service; to the Committee on Public Works.

By Mr. LAIRD:

H. R. 4578. A bill to provide a method for computing parity prices for manufacturing milk; to the Committee on Agriculture.

By Mr. LECOMPTE (by request):

H. R. 4579. A bill to regulate commerce among the several States and with foreign nations, to regulate supply of crops and to thereby guard against famine and destitution in any part of the United States and its possessions and in other nations, to promote orderly marketing of crops, to insure against unduly depressive price levels, and to establish a board and corporations for such purposes; to the Committee on Agriculture.

By Mr. McFALL:

H. R. 4580. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Folsom south unit, American River Division, Central Valley project, in California; to the Committee on Interior and Insular Affairs.

By Mr. McINTOSH:

H. R. 4581. A bill to increase annuities payable to certain annuitants from the civil service retirement and disability fund, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MAGNUSON:

H. R. 4582. A bill to authorize the Secretary of the Interior to construct, operate, and maintain seven units of the Greater Wenatchee division, Chief Joseph project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MAY:

H. R. 4583. A bill to repeal the cabaret tax; to the Committee on Ways and Means.

By Mr. MOSS:

H. R. 4584. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Folsom south unit, American River division, Central Valley project, in California; to the Committee on Interior and Insular Affairs.

H. R. 4585. A bill to amend title 28 of the United States Code to provide for the appointment of one additional district judge for the northern district of California; to the Committee on the Judiciary.

By Mr. MURRAY:

H. R. 4586. A bill to provide for the discontinuance of the Postal Savings System established by the act of June 25, 1910 (36 Stat. 814), as amended, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. NIMTZ:

H. R. 4587. A bill to provide an exemption from participation in the Federal old-age and survivors insurance program for individuals who are opposed to participation in such program on grounds of conscience or religious belief; to the Committee on Ways and Means.

By Mr. O'HARA of Illinois:

H. R. 4588. A bill to amend and revise the laws relating to immigration, naturalization, nationality, and citizenship, and for other purposes; to the Committee on the Judiciary.

By Mr. POLK:

H. R. 4589. A bill to enable corn producers to participate in the 1957 soil-bank and price-support programs, and for other purposes; to the Committee on Agriculture.

By Mr. PORTER:

H. R. 4590. A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

H. R. 4591. A bill to increase annuities payable to certain annuitants from the civil-service retirement and disability fund, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RAY:

H. R. 4592. A bill to amend the Annual and Sick Leave Act of 1951 to provide 20 days of sick leave a year for employees with service-connected disabilities of 10 percent or more; to the Committee on Post Office and Civil Service.

By Mr. REUSS:

H. R. 4593. A bill to provide for the control of certain advertising on federally owned or controlled lands adjacent to the National System of Interstate and Defense Highways, and to encourage such control on other lands adjacent to such National System; to the Committee on Public Works.

By Mr. RHODES of Pennsylvania:

H. R. 4594. A bill to amend the Internal Revenue Code of 1954 to provide a 30-percent credit against the individual income tax for amounts paid as tuition or fees to certain public and private institutions of higher education; to the Committee on Ways and Means.

H. R. 4595. A bill to amend the act of May 17, 1910, with respect to the composition and activities of the Commission of Fine Arts; to the Committee on House Administration.

By Mr. ROBERTS:

H. R. 4596. A bill to amend title 10 of the United States Code to permit a Representative to the Congress to nominate as a candidate to the United States Military Academy, the United States Naval Academy, or the United States Air Force Academy, a person domiciled at any place in the State from which such Representative is elected; to the Committee on Armed Services.

By Mr. ROOSEVELT:

H. R. 4597. A bill to provide a 30 percent credit against the Federal individual income tax for amounts paid as tuition or fees to certain public and private institutions of higher education; to the Committee on Ways and Means.

H. R. 4598. A bill to establish a program of scholarship aid and long-term loans to students in higher education and to provide facilities assistance to institutions of higher education; to the Committee on Education and Labor.

H. R. 4599. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act, with respect to medical services and supplies; selection of physicians; and for other purposes; to the Committee on Education and Labor.

By Mr. TAYLOR:

H. R. 4600. A bill to provide more adequate retirement benefits for members of the Reserve components of the armed services who have served in World War I, World War II, and the Korean campaign; to the Committee on Armed Services.

By Mr. TEAGUE of Texas:

H. R. 4601. A bill to direct the Secretary of the Navy or his designee to convey a two hundred forty and fifty-five one-hundredths-acre tract of land situated near the city of Grand Prairie, in Dallas County, Tex., to the State of Texas; to the Committee on Armed Services.

H. R. 4602. A bill to encourage new residential construction for veterans' housing in rural areas and small cities and towns by raising the maximum amount in which direct loans may be made from $10,000 to $12,500, to authorize advance financing commitments, to extend the direct loan program for veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. UDALL:

H. R. 4603. A bill relating to the construction of school facilities in areas affected by school integration, and for other purposes; to the Committee on Education and Labor.

H. R. 4604. A bill to amend the Federal National Mortgage Association Charter Act to encourage home mortgage financing in areas of investment capital shortage by providing that mortgage sellers in such areas shall not be required to make certain capital contributions in connection with the purchase of mortgages by the association; to the Committee on Banking and Currency.

H. R. 4605. A bill to provide that 25 percentum of the national service life insurance fund may be invested in making direct home loans to veterans; to increase the maximum loan entitlement of veterans under section 512 of the Servicemen's Readjustment Act of 1944, and to expedite action on certain applications of veterans for direct home loans; to the Committee on Veterans' Affairs.

By Mr. ADAIR:

H. R. 4606. A bill to encourage new residential construction for veterans' housing in rural areas and small cities and towns by raising the maximum amount in which direct loans may be made from $10,000 to $12,500, to authorize advance financing commitments, to extend the direct loan program for veterans, to authorize the Administrator of Veterans' Affairs to prescribe a rate of interest on guaranteed and direct loans of not more than 5 percent per annum, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. ANDERSON of Montana:

H. R. 4607. A bill to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically depressed areas; to the Committee on Banking and Currency.

By Mr. BROWN of Missouri:

H. R. 4608. A bill to amend the provisions of law providing for an emergency feed and seed program to provide for an emergency pasture reseeeding program; to the Committee on Agriculture.

By Mr. BUCKLEY:

H. R. 4609. A bill to further amend the act entitled "An act to authorize the conveyance of a portion of the United States military reservation at Fort Schuyler, N. Y., to the State of New York for use as a maritime school, and for other purposes," approved September 5, 1950, as amended; to the Committee on Armed Services.

By Mr. CELLER:

H. R. 4610. A bill to amend the Internal Revenue Code of 1954 to allow an individual to deduct, for income tax purposes, the expenses incurred by him in traveling to and from work on public conveyances; to the Committee on Ways and Means.

By Mr. DINGELL:

H. R. 4611. A bill to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FRELINGHUYSEN:

H. R. 4612. A bill to provide a residence for pages of the Senate and of the House of Representatives, under the supervision of a Capitol Pages' Residence Board; to the Committee on House Administration.

By Mrs. HARDEN:

H. R. 4613. A bill to amend section 203 of the Social Security Act, as amended; to the Committee on Ways and Means.

By Mr. HORAN:

H. R. 4614. A bill to authorize the Secretary of the Interior to construct, operate, and maintain seven units of the Greater Wenatchee division, Chief Joseph project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON:

H. R. 4615. A bill to authorize the appropriation of funds for carrying out provisions of section 23 of the Federal Highway Act, to enable the Secretary of Agriculture to construct and maintain timber access roads, to permit maximum economy in harvesting national forest timber, and for other purposes; to the Committee on Public Works.

By Mrs. PFOST:

H. R. 4616. A bill to authorize the appropriation of funds for carrying out provisions of section 23 of the Federal Highway Act, to enable the Secretary of Agriculture to construct and maintain timber access roads, to permit maximum economy in harvesting national forest timber, and for other purposes; to the Committee on Public Works.

By Mr. PORTER:

H. R. 4617. A bill to authorize the appropriation of funds for carrying out provisions of section 23 of the Federal Highway Act, to enable the Secretary of Agriculture to construct and maintain timber access roads, to permit maximum economy in harvesting national forest timber, and for other purposes; to the Committee on Public Works.

By Mr. ROOSEVELT:

H. R. 4618. A bill to study the use of conservation programs to provide healthful outdoor training for young men and to establish a pilot Youth Conservation Corps; to the Committee on Education and Labor.

By Mr. TEAGUE of Texas:

H. R. 4619. A bill to amend section 2 (d) of Public Law 38, 81st Congress (act of April 6, 1949); to the Committee on Agriculture.

By Mr. TOLLEFSON:

H. R. 4620. A bill to amend the Railroad Retirement Act of 1937, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act, so as to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ULLMAN.

H. R. 4621. A bill to stimulate industrial development near Indian reservations; to the Committee on Interior and Insular Affairs.

H. R. 4622. A bill to authorize the appropriation of funds for carrying out provisions of section 23 of the Federal Highway Act, to enable the Secretary of Agriculture to construct and maintain timber access roads, to permit maximum economy in harvesting national forest timber, and for other purposes; to the Committee on Public Works.

By Mr. DAVIS of Georgia:

H. J. Res. 225. Joint resolution to authorize the President to proclaim the third week in April of each year as National My Family Week; to the Committee on the Judiciary.

By Mr. ASHLEY:

H. Con. Res. 114. Concurrent resolution to authorize the Joint Committee on the Economic Report to investigate and report on the various factors affecting the prices of standard food products sold to consumers; to the Committee on Rules.

By Mr. GORDON:

H. Con. Res. 115. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; to the Committee on Foreign Affairs.

By Mr. SMITH of Wisconsin:

H. Con. Res. 116. Concurrent resolution to establish a joint congressional committee to conduct a study and inquiry with respect to severance of diplomatic, economic, and other relations between the United States and the Union of Soviet Socialist Republics; to the Committee on Rules.

By Mr. COOLEY:

H. Res. 157. Resolution to authorize the Committee on Agriculture to make investigations into certain matters within its jurisdiction, and for other purposes; to the Committee on Rules.

By Mr. HAYS of Ohio:

H. Res. 158. Resolution to provide funds for the expenses of the study and investigation authorized by House Resolution 128; to the Committee on House Administration.

By Mr. SMITH of Virginia:

H. Res. 159. Resolution to amend clause 20, rule XI, of the Rules of the House of Pepresentatives; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred, as follows:

By Mr. HILL: Memorial of House of Representatives of the 41st General Assembly of the State of Colorado, the Senate therein concurring urging repeal of that section of the Federal laws governing old-age assistance, etc.; to the Committee on Ways and Means.

By the SPEAKER: Memorial of the Legislature of the State of Colorado, memorializing the President and the Congress of the United States relative to urging repeal of that section of the Federal laws governing old-age assistance, etc.; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Idaho, memorializing the President and the Congress of the United States requesting favorable consideration of any proposed legislation which deals with the rights of the peoples of Idaho and Wyoming concerning the flow of the interstate streams constituting the headwaters and the headwater tributaries of the Snake River, etc.; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States with reference to the National Guard; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Tennessee, memorializing the President and the Congress of the United States relative to condemnation and protest against oppressive usurpation of power by the Supreme Court of the United States, etc.; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Wyoming, memorializing the President and the Congress of the United States with reference to passing legislation to modernize the 160-acre limitation now imposed upon farm units in federally financed reclamation projects; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of Wyoming, memorializing the President and the Congress of the United States with reference to passing legislation granting to the State of Wyoming all of the land and minerals within the confines of its borders, etc.; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Wyoming, memorializing the President and the Congress of the United States with reference to nonreimbursable costs in water development; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H. R. 4623. A bill for the relief of Mrs. Madaline S. January; to the Committee on the Judiciary.

By Mr. CARNAHAN:

H. R. 4624. A bill for the relief of William R. Fleetwood; to the Committee on the Judiciary.

By Mr. HOSMER:

H. R. 4625. A bill for the relief of Ethel Winefred (Winifred) Crow; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 4626. A bill for the relief of Tai Win Wong (also known as Wong Tai Win); to the Committee on the Judiciary.

By Mr. MAILLIARD:

H. R. 4627. A bill for the relief of Enrique R. Godinez, Enriqueta P. Goodinez, and Lydia M. Godinez; to the Committee on the Judiciary.

By Mr. SCHENCK:

H. R. 4628. A bill for the relief of Carl R. Marten; to the Committee on the Judiciary.

By Mr. SCOTT of Pennsylvania:

H. R. 4629. A bill for the relief of Mirca Bruna Gesiotto Gordon; to the Committee on the Judiciary.

H. R. 4630. A bill for the relief of Lo Liang Sun Yu; to the Committee on the Judiciary.

H. R. 4631. A bill for the relief of Kotikalapudi Kali Venkata Krishna Somayajulu Rao and his wife Charumati Rana Rao; to the Committee on the Judiciary.

By Mr. SILER:

H. R. 4632. A bill for the relief of Mrs. Anna Maria Hines (nee Anna Maria Decker); to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

81. By Mr. BEAMER: Petition of Anderson Aerie, Fraternal Order of Eagles, of Anderson, Ind., relative to their Chaplain's Day resolution recognizing the four chaplains who lost their lives aboard the U. S. S. *Dorchester* which was sunk during World War II; to the Committee on the Judiciary.

82. By Mr. BUSH: Petition of Bradford County (Pa.) Farmers' Association urging the Congress of the United States in enacting legislation for the development of electric power facilities on the Niagara River to include a provision requiring that electric cooperatives organized under the Rural Electrification Act be allowed to buy their fair share of this electric energy; to the Committee on Public Works.

83. By Mr. CANFIELD: Resolutions adopted by the 14th Annual Convention of the Utility Co-Workers' Association concerning social security, income tax revision, revision of the Taft-Hartley Act, and the 7-hour day, 35-hour week; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Outstanding Progress of St. Martin Parish Library in Louisiana Cited

EXTENSION OF REMARKS
OF
HON. EDWIN E. WILLIS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1957

Mr. WILLIS. Mr. Speaker, I am very much interested in public-library matters, and particularly in a report showing the outstanding results achieved in the St. Martin Parish—County—Library program directed from St. Martinsville, my home town.

Only 2 years old, the St. Martin Parish Library has attracted widespread attention and has served as a model and inspiration to all who are connected with the public-library movement. The citizens of St. Martin Parish have shown great interest in the project for which the taxpayers approved funds to provide modern facilities, including four new buildings made ready for use this year.

The report shows that during 1956 the parish library circulated 54,226 books and magazines, borrowed by 4,692 persons, or an average of 2 books for every man, woman, and child in the parish. More than 110,000 books and magazines have been borrowed during the 2 years. Purchase of 2,954 new books brought the library collection to 13,000. Reading certificates were presented to 397 children during the summer reading program, and story hours were held at St. Martinville and Breaux Bridge. Forty-six films, loaned by the Louisiana State Library, were viewed by 4,318 persons.

Expansion of the library's bookmobile service was a prominent factor during 1956. A new book truck for white citizens was put into use in August, and the number of stops increased to give better and more complete service throughout the parish. Bookmobile service for Negro citizens was inaugurated in the fall, through use of a truck borrowed from the State library pending arrival of a new one for this purpose, expected this month.

In supervising this work, the parish librarian, Miss Hazel G. Sockrider, traveled 3,352 miles during the year, visiting the branch libraries, helping to start new bookmobile stops, addressing various groups, and looking after the other phases of the rapidly developing program.

Heading the St. Martin Parish Library Board of Control is the president, Miss Edith E. Steckler, of St. Martinville, who received the Modisette award for trustees, given for the second time by the Louisiana Library Association in March of 1956. Other members of the board are Mr. Paul Angelle, Jr., of Cecilia, who is president of the St. Martin Police Jury, governing body of the parish; Mrs. James Guirard, Cathoula; Mr. Grover Rees, Breaux Bridge; Mr. Mitchell Talley, St. Martinville; and Mrs. Claude Carriere, of Cecilia.

Lithuanian Independence

EXTENSION OF REMARKS
OF
HON. PATRICK J. HILLINGS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1957

Mr. HILLINGS. Mr. Speaker, as we pause to celebrate the anniversary of Lithuania's independence, we should take special cognizance of the continuing fight being waged by peoples behind the Iron Curtain against the Communists. The people of Lithuania have never accepted the rule of their Red masters and I predict the day will come when these fine people will be free again.

The recent uprisings in Hungary and Poland prove that America has millions of friends behind the Iron Curtain including the vast majority of the people of Lithuania. I join with my colleagues in sending special greetings to the Americans of Lithuanian descent and to their brothers who still live in the shadow of the Kremlin. We must do everything possible to keep their hopes alive and to encourage the early arrival of that great day when we will again have an independent and free Lithuania.

Thanks for the Tip

EXTENSION OF REMARKS
OF
HON. WAYNE L. HAYS
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1957

Mr. HAYS of Ohio. Mr. Speaker, under leave to extend my remarks, I include some four paragraphs from the front page of the Washington Post of the date of February 6 which tells about King Saud tipping the waitresses at a luncheon $500 on a $750 check.

KING SAUD TIPS WITH WRIST WATCHES AND OTHER NOT-SO-TRINKETY TRINKETS

If you've been tipping your favorite waitresses with cheap little alarm clocks, be advised that King Saud has been beating your time all over town.

He leaves gold wrist watches and cash tips on a scale that figures out roughly to 66 percent of the tab.

Most spectacular demonstration of the royal visitor's largess occurred at Normandy Farms, a Potomac (Md.) restaurant to which Saud repaired for lunch Monday afternoon.

His bill for the rather elaborate menu indulged by his party of 50 ran to something like $750. By way of expressing his satisfaction with the meal they helped arrange for him, Saud presented his chief waitress, Irene Watts, and Manager Lucien Bedourat with wrist watches. Then he left about $500 in cash to be prorated among the establishment's fifty-odd employees.

This is the same King Saud to whom the Secretary of State proposes to give $60 million of the taxpayers' money to help tide him over since his annual income from oil royalties of $360 million, which he spends upon himself and his family, is insufficient to do it. Last Wednesday evening the President entertained the King and 16 members of his family at a state dinner.

Included among the out-of-town guests were the following: Stephen D. Bechtel, president and chairman of Bechtel Co., of San Francisco; Fred A. Davies, president and board chairman of the Arabian-American Oil Co., of New York; William T. Faricy, president of the American Railroad Association; Ralph G. Follis, president and board chairman of Standard Oil, California, and Brewster

Jennings, president and board chairman of Socony Mobil Oil of New York.

Also among those present were William L. Kleitz, president of Guaranty Trust Co., of New York; Augustus C. Long, chairman of the board of Texas Co., New York; John J. McCloy, chairman of the board, Chase Manhattan Bank; Harry W. Morrison, president of Morrison-Knudsen of Boise, Idaho; Warren L. Pierson, board chairman, Trans-World Airways of New York; Monroe J. Rathbone, president Standard Oil of New Jersey, of New York; Howard C. Sheperd, board chairman, First National City Bank, New York.

It looks like the main interest in Saudi-Arabia is to protect the investments of the oil companies. Under the terms of the resolution, Mr. and Mrs. Taxpayer, not only will your $60 million go to King Saud, but if he gets in any trouble your boys may be sent there to fight to keep him on his throne. How do you like an administration which cannot reduce taxes but can spend your money like this?

Sacrifice

EXTENSION OF REMARKS
OF
HON. STROM THURMOND
OF SOUTH CAROLINA
IN THE SENATE OF THE UNITED STATES
Thursday, February 7, 1957

Mr. THURMOND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a fine address entitled "Sacrifice," which was delivered by the distinguished junior Senator from Virginia [Mr. ROBERTSON] before the Senate breakfast group, on February 6, 1957.

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

SACRIFICE

(Remarks of A. WILLIS ROBERTSON before the Senate breakfast group, February 6, 1957)

It appears to be far easier for the average man to accept without question the laws of nature than to accept the fact that the author of our spiritual laws is the author of our natural laws, and there is no conflict between them. Since God, the creator of all life, saw fit to make man in His own image and to endow him, exclusively, with a conscience and an immortal soul, there are some provisions of spiritual laws that are applicable to mankind only.

But the Christian who seeks to bring his life into conformity with all the laws of God is surprised to see how closely the spiritual law of self-denial parallels the natural law of the survival of the fittest. In nature the life of the fish, birds, and animals that survive is a trained and disciplined one. For 6 years I headed the Virginia Commission of Game and Inland Fisheries. In our fish hatcheries we raised thousands of trout and planted them in flowing streams. Fishermen caught some. The rest just disappeared. We raised and released in good cover thousands of bobwhite quail. They did not survive either. Wildlife conservationists now are all agreed that there is no valid substitute for God's plan of training wild life for survival in the school of hard knocks.

But there are many men and perhaps some ministers who are unwilling to face up to the fact that the development of Christian character and the survival of a life worth while in God's sight are subject to the same fundamental law. A proper recognition of the spiritual law of sacrifice and self-denial is made more difficult for us in this country by an economic trend sometimes called the welfare state. We know our colonial ancestors carved an empire out of a wilderness through hard, courageous, self-sacrificing effort. As we read the history of our national heroes we applaud the personal effort and denial of self that went into their greatness. Yet the current economic trend is against our private enterprise system which has outproduced the world and by the same token against that type of Christian faith and training that produced the martyrs of the past.

In order to clarify the Christian viewpoint in character building we would do well to start with the oldest book in the Bible—the Book of Job—of that book the great English essayist Thomas Carlyle said:

"They had many prophets, these Arabs; teachers each to his tribe, each according to the light he had. But indeed, have we not from of old the noblest of proofs, still palpable to every one of us, of what devoutness and noblemindedness had dwelt in these rustic, thoughtful peoples? Biblical critics seem agreed that our own Book of Job was written in that region of the world. I call that, apart from all theories about it, one of the grandest things ever written with pen. One feels, indeed, as if it were not Hebrew; such a noble universality, different from noble patriotism or sectarianism, reigns in it. A noble book; all men's book. It is our first, oldest statement of the never-ending problem—man's destiny, and God's ways with him here in this earth. * * * There is nothing written, I think, in the Bible or out of it, of equal literary merit."

Never before in the history of our Nation have so many of our people been conscious of the area in which Job lived, commonly called the Middle East. We hear much of the conflict between the Jews and their neighbors. But that's an ageless conflict. More wars have been fought over the possession of Jerusalem than any other city of recorded history.

We have become very conscious of the oil resources of the Middle East. Our financial stake in that natural resource is great. Our political stake, namely, world freedom is so much greater, that our President has asked Congress to authorize him to issue to the Soviet Union, with respect to that area, a "Stop—Look and Listen" warning.

Such a warning is calculated to prevent the Russians from committing overt acts of aggression in the Middle East on a misapprehension of our attitude. But such a warning would not be worth a barbe unless backed up by atomic power.

I am sure we all recognize that we labor in vain to build a temple of peace that is not dedicated to the victory of moral force.

What is moral force? An American clergyman, Horace Bushnell, put it this way: "By moral power, we mean the power of a life and a character, the power of good and great purposes, the power which comes at length to reside in a man distinguished in some course of estimable or great conduct. No other power of man compares with this, and there is no individual who may not be measurably invested with it." In short, it is God's way of using demonstrated faith in the ethical teachings of the Bible to influence the minds and hearts of others.

And where did we get that Bible? From the Middle East of Job, of Abraham, of David, of Jesus of Nazareth. From Job, the earliest book of the Old Testament to Revelation, in the New Testament, the fundamental message is the same—God is our creator. He is supreme and in humility, through unwavering faith, we must seek to know and then to do His will.

And that brings me back to my original thesis: Unless we submit to God's training and discipline our chances to overcome evil with good will not rise above the survival rate of hatchery trout and pen-raised quail.

"Happy is the man," says Job "whom God correcteth: therefore despise not thou the chastening of the Almighty:

"For he maketh sore, and bindeth up: He woundeth, and His hands make whole.

"He shall deliver thee in six troubles: yea, in seven there shall no evil touch thee.

"In famine He shall redeem thee from death: and in war from the power of the sword.

"Thou shalt be hid from the scourge of the tongue: neither shalt thou be afraid of destruction when it cometh.

"At destruction and famine thou shalt laugh: neither shalt thou be afraid of the beasts of the earth.

"For thou shalt be in league with the stones of the field: and the beasts of the field shall be at peace with thee.

"And thou shalt know that thy tabernacle shall be in peace; and thou shalt visit thy habitation, and shalt not sin."

The same thought is carried forward into the new dispensation by the greatest of all expounders of Christian tenets when he says in Hebrews 12: 7–11:

"If ye endure chastening, God dealeth with you as with sons; for what son is he whom the father chasteneth not?

"But if ye be without chastisement, whereof all are partakers, then are ye bastards, and not sons.

"Furthermore we have had fathers of our flesh which corrected us, and we gave them reverence; shall we not much rather be in subjection unto the Father of spirits and live?

"For they verily for a few days chastened us after their own pleasure; but he for our profit, that we might be partakers of His holiness.

"Now no chastening for the present seemeth to be joyous, but grievous; nevertheless afterward it yieldeth the peaceable fruit of righteousness unto them which are exercised thereby."

I challenge any one, on the basis of experience or recorded history, to name any man who achieved true greatness in any field without sacrifice.

In the ultimate solution of the problems of the Middle East our best hope is for a day when all in that area will accept the Christian philosophy of life that originated in that area. In the meantime, we can't repeat too often the unanswered prayer of that great advocate of world peace—Woodrow Wilson—voiced in 1909, on the birthday of Robert E. Lee:

"I wish there were some great orator who could go about and make men drunk with this spirit of self-sacrifice. I wish there were some man whose tongue might every day carry abroad the golden accents of that creative age in which we were born a nation; accents which would ring like tones of reassurance around the whole circle of the globe, so that America might again have the distinction of showing men the way, the certain way, of achievement and of confident hope."

Shortage in College Facilities

EXTENSION OF REMARKS
OF
HON. CLIFFORD P. CASE
OF NEW JERSEY
IN THE SENATE OF THE UNITED STATES
Thursday, February 7, 1957

Mr. CASE of New Jersey. Mr. President, I have received several inquiries

from other congressional offices about a proposal which I have made to help alleviate the shortage in college facilities. I therefore ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement which I made on December 27, 1956.

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

Senator CLIFFORD P. CASE, Republican, of New Jersey, yesterday warned that the bumper crop of war and postwar babies now crowding elementary schools will soon be seeking admission to colleges and finding again that there is no room for them.

He urged consideration of an emergency program of Federal aid to provide classrooms at public community colleges for the more than half million qualified young men and women who will otherwise have no place to go in the next 5 years.

The Senator proposed establishing and expanding 2-year colleges through grants-in-aid to the States. Funds of up to one-third of the cost of building and equipping academic structures would be distributed to States choosing to take part in the national drive to catch up with educational needs.

Community colleges, which have received the strong endorsements of several national citizens' and educational groups, are designed to meet these two particular needs at the lowest cost per student:

1. Provide 2 years of college credit education at a low-cost college in preparation for the final 2 years at a 4-year college.

2. Provide a terminal program of 2 years of post-high-school general education with opportunities for vocational training for the subprofessions and occupations of a technical nature.

The community college, in effect, is the usual 2-year junior college expanded in functions to meet the educational and cultural needs of the whole community. It would provide many young men and women with a college education of at least 2 years by removing the heavy expense of living away from home and would bring colleges to many areas where such facilities are presently unavailable.

Senator CASE made the following statement:

"NEED

"A study completed earlier this month by President Eisenhower's Committee on Education Beyond the High School predicts that by 1970 at least 6 million youngsters will be college bound, roughly double the present total. By that time, according to present indications, the Association of American Colleges expects colleges will have space for only 4,350,000.

"In the next 5 years the situation is indeed gloomy. Public and private colleges in the liberal arts field together plan to expand by 20 percent in the next 5 years, the association reports. But enrollments are expected to increase more than 32 percent, the Office of Education reports. This means that some 368,800 qualified boys and girls now in junior and senior high school are doomed to disappointment unless we find some effective way to expand college facilities.

"Not only these 368,800 who would like to go to college but additional hundreds of thousands who have the mental and physical qualifications for college training would have to end their education at high-school graduation. It means that, despite their hopes and dreams, many of our finest youth will be denied equality of opportunity. They will have to miss out on adequate education for life, for a profession, and for citizenship. The Nation will lose the benefits of their talent and brainpower, and this can be counted in "discoveries unmade and in services unrendered."

"In the highly populated States such as my own, the shortage will result in particularly sharp denial of opportunity. The New Jersey State Board of Education reports that if nothing is done beyond expansions now planned, by 1963, one out of every three young people in New Jersey wanting to go to college will find no place. By 1973, the "no room" sign will be hung for one out of every two desiring college.

"Such figures as I have quoted here are minimal, based as they are largely on the present percentages of high school graduates who go to college. They contemplate about 30 percent of high school seniors will want college.

"But the number who qualify for education beyond high school is much larger. If we could reduce the cost of college education and locate colleges within reach of those young people who qualify, many more would go to college and the college-trained population of our country would be much larger. The President's Commission on Higher Education in 1947 reported that 'at least 49 percent of our population has the mental ability to complete 14 years of schooling with a curriculum of general and vocational studies that should lead either to gainful employment or to further study at a more advanced level.'

"In this country, we do not want only an educational elite. Our goal, as stated by President Eisenhower's Committee on Education Beyond the High School, is that 'every individual, regardless of race, creed, color, or national origin, shall have the opportunity to develop his or her best self, to continue appropriate education up to his or her personal point of optimum development.'

"The failure to expand facilities for higher education will take its toll as our population continues to grow and the number of doctors, scientists, teachers, and ministers does not grow apace. It will take its toll in industry and commerce as higher and higher skills are demanded and proportionately fewer and fewer young people can provide them. The Eisenhower Committee has predicted a need for a 75-percent increase in professional and technical personnel by 1975, along with a 25-percent decrease in laborers.

"In some nations, young people in great numbers are being led into science and industry to serve a selfish ideology. In the national interest alone we should make it possible—and attractive—for youngsters to enter these fields in far greater numbers.

"ADVANTAGES

"President Eisenhower's Committee on Education Beyond the High School in its report last month made this comment:

" 'The growth of community and junior colleges is a significant development of our educational system in this century and is probably the next logical step in filling in and rounding out our educational system. While the emphasis in many junior colleges is to prepare students for transfer to 4-year institutions, an important function and contribution of the 2-year college has been to offer a terminal program aimed at providing general education and training for the subprofessions and occupations of a highly technical nature.'

"President Truman's Committee on Higher Education recommended that 'the number of community colleges be increased and that their activities be multiplied.' This group included the presidents of several 4-year colleges, including Dr. Milton Eisenhower, now president of Johns Hopkins, and Dr. Lewis Webster Jones, now president of Rutgers University. (Senator CASE is both an alumnus and trustee of Rutgers.)

"President Eisenhower, a former college president, in a speech at Defiance, Ohio, declared, 'I firmly believe that more education than that obtained in high school must be brought to every community and locality in such a way that every young person regardless of his means or lack of means can go to school for a minimum of 2 additional years.'

"Other distinguished college presidents have given specific endorsement to the community college idea. James B. Conant, then president of Harvard University, wrote, 'To equalize collegiate education for all except the relatively few with professional ambitions, I advocate a wide extension of 2-year community colleges.'

"Dr. Robert Gordon Sproul, president of the University of California, has said, 'I would today urge high-school graduates to attend junior colleges unless there is a compelling reason for them to go to a 4-year college away from home.'

"Clearly, the community college plan produces the most for the tax dollar, it avoids the expensive costs of building dormitories and of long-distance transportation. It gives the student a chance to live at home, to find part-time work among his friends and neighbors and perhaps to combine education and work. From the viewpoint of business and industry, it permits planning of curriculum to meet local needs for technical and skilled manpower. It permits cooperative arrangements for use of technicians as instructors where faculty specialists are not available, as well as equipment on a similar basis. In some cases, it has been possible for community colleges to use certain high-school buildings and training equipment.

"The community college can serve as a screening device for the 4-year college, a badly needed service since fully half the freshman-sophomore classes in 4-year institutions drop out at the end of the second year. Since it is in the first 2 years of college that the greatest shortage exists, the community colleges complement, rather than compete with the 4-year colleges.

"By absorbing much of the freshman-sophomore load, the community college makes it possible for the 4-year colleges to do a more effective job on the remaining 2 years and in the professional schools.

"The president of the University of California, Dr. Sproul, has said, 'Certainly, without the excellent junior colleges that are characteristic of our State, the present policies of specialization, and high standards of admission and graduation, in the university would have been extremely difficult if not impossible to establish and maintain.' He has also reported on the quality of junior college training in these words, 'Junior college graduates who could have met the admission requirements of the university, when they were graduated from high school, do as well when they transfer to the university for their junior and senior years as do our so-called native students.

" 'The community college expansion would also ease the pressure on the many small, liberal arts colleges which do such an excellent job now and don't want to expand. Their continued existence in present form is essential and desirable.

" 'One important byproduct of the establishment of a community college is likely to be the creation of a continuing program of adult education for persons who are employed, but want to continue their studies. Experience shows that community colleges in small towns can become the local cultural, as well as educational centers. And this fills a major need. The President's Commission on Education Beyond the High School warns that "current trends leave no doubt that many million more adults of all ages will look to a growing variety of institutions and programs for the education and training they too will need to adjust to the changing world." '

"COST

"The program I have been considering, while not fixed in final detail, would contemplate the establishment of an emergency

program to accommodate at least the 300,000 to 600,000 qualified and eager boys and girls who are eligible.

"It is difficult to figure, even in rough terms, the cost of instructional and administrative buildings for such a program. An average figure of $3,000 to $4,000 per student has been estimated by the New Jersey State Board of Education. Obviously, such costs would vary from area to area and would change from year to year, depending on economic conditions prevailing at the time the program went into effect.

"It is difficult to estimate the total cost of such a program or even the third the Federal Government would supply. The actual amount would depend on what portion of the total problem Congress chose to attack and how much interest this approach stimulated among the States.

"Obviously, the program would require a large sum, but our Government is already spending millions and millions to assist our farmers, our airlines, and our shipping firms. Surely, our youth and their future are equally important.

"One possible way of apportioning funds to the States would be on a formula combining flat grants made on the basis of the number of youngsters of college age with some weight given to the per capita income of the State. States would be required to establish a program of junior colleges on a statewide basis to become eligible for funds. This would encourage an organized approach to the problem, rather than a piecemeal arrangement that would mean many colleges located in some parts of the State and none in others.

"Theodore A. Distler, then president of Franklin and Marshall College, and now executive director, Association of American Colleges, wrote in 1947 that we 'need education properly distributed to be available where demand is the greatest. Many cities in which a senior college might be almost a liability can readily support a junior college. The 2-year school requires less financial outlay, is more flexible and is less hampered by traditional ideas of curriculum.'

"Presently, 26 States have laws permitting the establishment of community or junior colleges and 16 States have a program of State aid for them. The proposed program should serve as a stimulus to encourage other States to do likewise, if they desire.

"Understandably, many of us are concerned to keep control over education in local and State hands. The program I have outlined will not disturb our traditional pattern in this field. Rather, it is designed to stimulate and assist the States in initiation of programs of their own devising. The heart of the program I have sketched here is the State plan; there would be no Federal control of curriculum. The Federal Government would seek only to help the States lick a nationwide shortage in college capacity.

"What I have suggested is only part of the answer to the need for college expansion. But as we work to ease the public-school shortage we should start thinking about the classroom deficit in higher education, too."

World Teamwork

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Thursday, February 7, 1957

Mr. WILEY. Mr. President, I was pleased to read in the February 1957 issue of the magazine Childhood Education, published by the Association for Childhood Education International, at 1200 15th Street here in Washington, a brief but exceedingly stimulating and constructive article by our good friend the senior Senator from South Dakota [Mr. MUNDT].

The article is entitled "World Teamwork." It points out the breathtaking opportunities which are now available to bring to the underdeveloped peoples of the world training toward literacy, opportunities to bring to them new ideas, new concepts, so that they can improve their own lot and thereby help improve the well-being of mankind.

I know there are few Members of this body more competent to write on this theme than is our colleague from South Dakota, for he has made a long series of invaluable contributions to world information and understanding, notably through the famous Smith-Mundt program, and through other means as well.

We of this country who rightly regard our educational system as so vitally important, who have invested so much of our national, State, and local resources in training our children, and who recognize that we must invest still more, are ready, willing, and eager to render additional technical assistance to educators throughout the world in the parallel task abroad.

In previous years I have pointed out, for example, how the miracle medium of international television can contribute significantly in this direction.

Through audio-visual methods, as well as through the more classic ways of teaching, we will be able to help widen the exchange of ideas between nations, increase understanding, acquaint peoples with each other's patterns of living and thinking, and help eliminate ignorance, superstition, disease, and poverty.

The opportunities are vast, the challenge is vast, the need is great.

No finer work can be performed in all this world than to plant wholesome seeds in the minds of the young.

I ask unanimous consent that the text of Senator MUNDT's article be printed in the RECORD.

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

WORLD TEAMWORK

(By KARL E. MUNDT, United States Senator, South Dakota)

The hearts of the people of the world hunger for peace. Through their knowledge of contemporary weapons of war, people are convinced that mankind may stand on the brink of self-destruction. The threat to peace is gigantic. Can man make his desires for peace felt? Can he hold back forces of destruction? Can he devise positive forward steps to end international tensions?

To those who have been watching worldwide programs, the answer appears to become more and more affirmative. Through the exchange of ideas, the exchange of knowledge, the attempts to create common understanding of basic problems, we have seen tensions erased, strife diminished, good faith and fellowship reestablished.

For example, progressive steps taken through UNESCO projects have laid the groundwork for even more aggressive and forward-looking programs. I am certain there is a creative approach to teamwork, one which offers a serious challenge to educators.

More and more we must turn to educators to devise new ideas for making men in every country conscious of neighbors across borders, the wants and needs of other people, and the responsibility of each in living harmoniously with nationals and nations.

Educators who have gone into other countries to work on textbook projects have shown that the basic tenets of democracy can be brought to children. These new textbooks follow cultural patterns of those countries with basic beliefs of freedom interwoven. Similar demonstrations showing how men may live together in peace could be injected into schoolbooks of every country.

The opportunities for group education have not yet been fully explored. The potential of information media has not been exhausted. We should—and probably will—in the next few years be able to reach more and more people through international information programs. The full use of television on an international scale has yet to be discovered. Every form of the visual can be sent via TV to millions everywhere.

We are entering a new era of "show-how." In this era we can reach the two-thirds of the world that is illiterate. We can stimulate mental processes, communicate new ideas, attack poverty and disease, dispel the "glamour" of subversive doctrines and rout ignorance.

The face of the world will soon be covered with a new generation of people. That generation is now sitting in classrooms around the world. It is learning. The greatest lesson this new generation must learn is continuously seeking moral answers for meeting the world situation and for saving mankind. We must expect a response from every teacher in the world to see these lessons are taught.

The seed of brotherly love and understanding must be nurtured until, like the Biblical mustard seed, it becomes the tree that covers the world.

America's Imperative Need for an Adequate Civil Defense

EXTENSION OF REMARKS
OF
HON. JOE M. KILGORE
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 7, 1957

Mr. KILGORE. Mr. Speaker, the following speech was presented by my colleague and chairman of the Military Operations Subcommittee of the Committee on Government Operations to the Women's Forum on National Security at the Statler Hotel today.

Mr. HOLIFIELD presents an interesting and challenging analysis of our Nation's civil defense. In the light of the fact that his subcommittee is currently holding hearings on new civil defense legislation, I recommend Mr. HOLIFIELD's speech for the consideration of all:

AMERICA'S IMPERATIVE NEED FOR AN ADEQUATE CIVIL DEFENSE

(Address by Congressman CHET HOLIFIELD, of California, to the Women's Forum on National Security, Statler Hotel, Washington, D. C., February 7, 1957)

Good morning, ladies and gentlemen, I am honored to be with the Ladies of the Women's Forum on National Security. The director of the national security division of the American Legion, Mr. James R. Wilson, Jr.,

invited me to discuss the vital subject of civil defense.

You can appreciate the fact that the life of a Congressman is a busy one, particularly at the opening of a new Congress. To respond to this invitation I had to readjust my committee hearing schedule to get a few hours off. Yet I believe sincerely that few matters of public policy have more urgency and demand more attention at this time than civil defense.

In taking this time to talk with you about our recent congressional work in this field, I am sure that the time is fully justified and will be well spent. You ladies who are participating in this forum on national security are not only close to civil defense in your training and educational activities but you will be able to carry home to your respective communities the highlights of my message.

I know of no greater challenge, to you as individuals, than the challenge of family survival in case of nuclear attack. I know of no greater crusade upon which your separate organizations could embark, than the crusade for an effective civil defense.

If I could put that message in a single sentence it would be this: Today the need for civil defense in the United States is greater, more urgent than it has been ever before. And yet the sad cruel fact is that we have not begun in any serious way to meet that need.

Our national leaders—and here I include those in all branches of the Federal Government—have not yet begun to grasp the central fact that the threat of nuclear warfare which we face today, and in the years ahead, is a new kind of threat. The leap forward in destructive energy which these new weapons represent is almost too much for the human mind to comprehend. The explosive force of a single high-yield nuclear bomb exceeds that of all the millions upon millions of tons of high explosives let loose in World War II.

And these new weapons, in addition to their enormous explosive power, spread deadly radioactive dust over thousands of square miles of territory. It is well within the realm of possibility that this new poison of radioactivity can contaminate the whole earth and all the peoples that live in it—killing many millions, maiming other millions, condemning those that survive to chronic illness and shortened lives. These harmful effects are transmitted by heredity, so that the curse of war is visited upon generations yet unborn.

This story of the horrors of nuclear warfare is not new. You have heard it before. Others have heard it too. It may be that those who strive honestly for world peace and international control of armaments have recited the awful facts of nuclear destruction so often and with such telling effect that attitudes of hopelessness and despair have been generated among our people. I believe that such attitudes are not natural to the American people.

If fully and properly informed, the people will act to protect their families and homes and their country. They will support their government and make the necessary sacrifices in time and treasure to help build an effective civil defense. They will do so if the Government has a sensible program, a program that makes headway, a program whose progress can be measured.

Today in the United States we do not have such a civil defense program. We have instead a great deal of local effort which is not coordinated, which is not well financed, which lacks central direction, which lacks full information on the latest developments in weapons technology and the means of counteraction.

In short, the present civil-defense program lacks the strong leadership which only the Federal Government can provide. Such leadership, I may add, is a direct responsibility of the Federal Government, in view of the constitutional responsibility of the Federal Government to provide for the defense of our people against enemy attack. Yet the existing national legislation providing for civil-defense functions in this country cites primary responsibility as residing with State and local governments.

For some years, as a charter member of the Joint Committee on Atomic Energy, I personally have been concerned over this shockingly inept system of civil defense in the face of a rapidly advancing nuclear weapons technology.

Nearly 2 years ago the Military Operations Subcommittee, of which I am privileged to be chairman, began a study of the major civil-defense problems confronting this country and undertook a long-term investigation into the operation of our present civil-defense program. I may note in passing that, as a unit of the House Committee on Government Operations, our duty is to investigate and study military and related matters in the interest of promoting efficiency in operations and economy in the use of the taxpayers' money.

Last year we began our public hearings on civil defense. This hearing program resulted in the most comprehensive investigation of civil defense ever undertaken by a congressional group. We received expert testimony from military officials, including the Chairman and members of the Joint Chiefs of Staff, and the Chief of Engineers, from scientists, doctors, administrators, engineers, informed private citizens, civil-defense officials at all levels of government, and from other interested individuals and organizations.

Not least important among those who appeared at our hearings last year was the American Legion. Through the years this public-spirited organization has lifted its voice—sometimes a lone voice—to sound a warning against the threat of nuclear warfare, to urge that we build our defenses to overcome this threat. Mr. James Wilson, Mr. Bruce Henderson, and Gen. William Nicholson of the Legion, I may note, will appear before my subcommittee again tomorrow to give us the benefit of their judgment on civil-defense legislation.

At the conclusion of the subcommittee investigation into civil defense last summer, we presented a report to the Congress. This report, I am proud to say, has won acclaim throughout the land. The subcommittee files contain many letters of commendation for our work. Our report was comprehensive but concise and to the point. Without any partisan division, without mincing words, we criticized the national failure to build an adequate civil defense and we made constructive recommendations to achieve that objective.

Certainly the American Legion is in full accord with the objective we seek—to protect the people, to maintain the continuity of our governmental and industrial life, to make sure that American democratic institutions will not be destroyed by ruthless aggression.

Following through on the recommendations in our report, we drafted new civil-defense legislation, striving to write these objectives into the lawbooks. This legislation, as I indicated before, is the subject of hearings before our subcommittee. We are receiving strong support from many informed organizations and persons. But this bill is not yet law. We need to convince many more Members of Congress. We need to convince the administration. I hope that the American Legion Auxiliary can, if the legislation meets with its approval, help to convince the people back home.

Without going into technical details, I will outline the broad principles of the new civil-defense legislation sponsored unanimously by the eight members of my subcommittee.

First of all it would make clear the Federal responsibility for civil defense. The existing legislation is obsolete because it relegates this responsibility to States and localities. Civil defense is a vital part of the national defense and, therefore, a proper function of the Federal Government.

At the same time the bill recognizes the important supporting role that State and local governments must perform. We do not want to create an enormous Federal bureaucracy which dries up local initiative. Everyone must do his share in civil defense—from the highest levels of government down to the community and the home. But civil defense without Federal leadership and direction, without Federal funds and resources, is but a token civil defense—and that is all we have today.

Secondly, the new civil-defense bill would provide an organization adequate to discharge the Federal responsibility. It would create a new Department of Civil Defense, headed by a Secretary in place of the existing Federal Civil Defense Administration. Also it would transfer to the new Department civil-defense functions now carried on by the Office of Defense Mobilization.

Under the new bill a military liaison committee would provide a two-way channel of communications and cooperative working relationships with the Department of Defense. A scientific advisory board would bring high-level scientific talents to bear on the civil-defense effort. A Civil Defense Advisory Council would give broad representation in civil-defense affairs to industry, labor, State, and local government, and the public, generally.

Thirdly, the new civil-defense bill would provide the authority that goes with responsibility and organization. The Secretary of civil defense would be required to prepare and execute a national plan of civil defense. This seems to be an obvious and necessary requirement and yet there is no national plan of civil defense in the United States today.

A national plan of civil defense means many things—adequate warning devices, full information to the public, training—but above all, it means a nationwide shelter system to protect the people against the blast, burn and radioactive effects of nuclear explosions.

On the basis of testimony by experts, including those in the naval radiological defense laboratory, the subcommittee is firmly convinced that it is feasible, not only engineering-wise, but dollars-and-cents-wise, to build underground shelters for the protection of the American population. The cost estimates are only approximate at this time. But for something less than $20 billion—half the military budget for 1 year, we can do this vital civil defense job. Each billion dollars spent for shelters could mean 5 million persons saved.

Our Nation has the resources for a shelter-building program. The question is not, Can we afford to spend the money? We can. The question is, what will it cost in human life not to build shelters?

Let me emphasize one point as strongly as I can. Without a nationwide shelter system, civil defense remains a token effort. Shelter is the strong bulwark of an effective civil defense, the means to preserve life in the first few desperate hours and days of an enemy attack, the means to survive, to strike back against the enemy, to restore a working economy.

Unless we build a nationwide shelter system our other efforts, however energetic and well-meaning, will come to little. Stockpiling medical supplies, training people in rescue work—these are important civil-defense functions. Yet we can never store enough supplies or organize enough rescue teams to care for casualties numbered in the tens or scores of millions. Casualties will be minimized only if shelters are near at hand—near enough to permit entry in a

few minutes time and equipped for 1 or 2 weeks of occupancy.

In this connection, I may add that testimony from some of the foremost authorities in this country clearly indicates that the evacuation concept espoused by the Federal Civil Defense Administration is completely inadequate in the face of the rapidly decreasing warning time we may expect as guided missiles come into being. In addition, testimony received indicates that a nationwide shelter system would probably cost less than highway improvements required for evacuation purposes, and would offer protection against radioactive fallout.

Shelters, in other words, are the only means of making civil defense a manageable task. And because the Federal Civil Defense Administration has never quite come around to accepting this fact, the civil defense task, so far as FCDA efforts go, remains unmanageable. We propose through new legislation to bring the civil defense task under control, to make civil defense workable, to measure progress, and to achieve objectives.

Finally, but certainly not least in importance, the new civil defense bill looks upon civil defense as essentially a nonmilitary function. Not only do we propose that civil defense be kept in civilian hands now: we project our thinking forward to the conditions of an emergency and seek to minimize the need for martial law. This, I know, is a matter of great concern to the American Legion. Military rule, once established, is hard to displace. A strong, well-managed civil defense effort will avoid the tendency to let the military take over in an emergency.

The role of the military authorities in civil defense, as we see it, is one of assistance and cooperation, not one of direction and control. The military have their own missions to perform. They must be free to deploy their forces and resist an enemy attack. At the same time they must train their troops in civil defense tasks and organize their supply and logistic systems in readiness to aid the civilian authorites.

In a few weeks our hearings on the civil defense legislation will be finished. Our subcommittee will report out the bill with such changes as the testimony indicates should be made. Then it will be up to the Congress to act.

To get this bill enacted into law is not an easy task. The Congress will more readily respond if the American people make known their desire for positive action. I hope that your great organization will help in this regard. I know you want to see our great and wonderful country stay at peace, to see it prosperous and secure.

In a world beset by aggressive communism, security cannot be cheaply bought. No matter how hard we strive for peaceful coexistence, no matter how strong our deterrent weapons, we cannot be sure that the enemy will refrain from attacking. The civil defense for which I plead is one that will withstand the ravages of an enemy attack. Such a defense is possible: it can be built. Let's build it together.

Making Service Life Attractive

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 7, 1957

Mr. BRAY. Mr. Speaker, it is becoming increasingly difficult to persuade young men to voluntarily enter our Armed Forces, and being once there to remain and make the military their life work. This situation exists in spite of the fact that our armed services are by far the highest paid on earth.

This reluctance on the part of American youths to make the armed services their profession gives great concern to those of us who have a special responsibility in keeping America's defenses strong. We all look forward to the day when we can dispense with the draft, having only a voluntary Army, Navy, and Air Force.

There are many factors which go into making service life attractive, and we must remember that money alone cannot do everything. Servicemen's families have to live in circumstances much different than civilian families. They are denied many of the opportunities that those outside the service have to live a full and normal life. The men in service live lives of rather humdrum activities occasionally followed by brief periods of intense action.

Through the centuries customs have grown up that helped to break the tedium of military life; customs that instill in men the pride, the spirit, the love and devotion that enable them in time of great stress to go beyond the call of duty.

Who has not thrilled to hear the bugle sounding "To the Colors," to see the guard walking his post at the Tomb of the Unknown Soldier? Who has not felt a heartthrob listening to the dying notes of "Taps," following the roar of the firing squad at the last rites of a departed veteran?

To those in the service, guard mount and the lowering of the flag at the close of the day adds an indefinable something to a way of life. So it is with the soft playing of an Army band at eventide. Perhaps no one can quite express in words what these colorful customs mean to the men in service. The memory of the caisson being pulled by the six gray horses, carrying the casket of a deceased exserviceman at Arlington Cemetery, lingers with us for years. While I do not intend to be buried in Arlington Cemetery, I cannot help but take a great pride in knowing that as one who has served in the Armed Forces of the United States I am entitled to such a service if I desired it.

Now in an economy move it is proposed to save the cost of the hay and oats that are eaten by the 16 horses used in the impressive funeral ceremonies at Arlington Cemetery. I believe I am as interested in stopping waste in the Armed Forces as any Member of Congress, but this does seem to be straining at a gnat. It reminds me of the young man who had been asked by his mother to give up his life of wine, women, and song. To comply with his mother's request he resigned from the glee club.

The first person that brought to my attention the move to do away with the horses and caissons at funeral ceremonies at Arlington was the wife of a famous Army general. The next person who mentioned it to me was a wounded veteran of World War I who was working in a restaurant. People in many walks of life have told me of their objections to this change. I cannot explain to you exactly what those gray horses and caissons pulling the flag-draped caskets mean. Neither can I quite make clear what the flag which our Government furnishes for the casket of every exserviceman means.

Yes; we can have an Army without having the caissons at Arlington. We could have an Army without guard mount, and Taps without bands and without retreat. We can abandon our customs of the past. Yes; we could even have an Army without a flag, but I do not think it would be much of an Army.

A Statement Concerning H. R. 4202 Implementing the President's Recommendations on Immigration

EXTENSION OF REMARKS
OF
HON. PATRICK J. HILLINGS
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 7, 1957

Mr. HILLINGS. Mr. Speaker, there seems to be some misunderstanding in regard to H. R. 4202, a bill which I have introduced to implement President Eisenhower's recommendations for revision of the immigration and nationality laws. I do not intend to offer a full explanation of the legislation at this time, but I do wish to correct certain statements made by its opponents in analyzing it.

It should be pointed out that my bill provides for only moderate revision in the quota system. It does not eliminate the national-origins theory. It would not open the floodgates to an influx of immigrants and it is not aimed to bring Communists or subversives of any kind into our country.

As a matter of fact, this legislation would provide for a more selective type of immigration than has been the case in the past.

It has been charged that H. R. 4202 calls for the immigration of more than 200,000 immigrants annually in excess of those now permitted to come to the United States. This figure is partially arrived at by the allegation that 75,000 Communist escapees would be allowed to enter the United States each year. The fact of the matter is that under the present provisions of the immigration and nationality act there is no numerical limitation on the number of aliens who may be paroled into the United States.

My bill would impose an actual limitation on the parole power inasmuch as it could be exercised in behalf of aliens fleeing from Communist persecution. It seems to me that the legislation recommended by the President is actually an improvement over the present law which contains no limitation upon the granting of immigrants entering under parole.

The limited parole section of my bill would allow a maximum of 67,890 persons to enter the United States annually. However, it is doubtful if the total

amount allowed would be utilized. It must be remembered that this number is a maximum and not a minimum. It is not a number to be used every year.

Refugees allowed to enter the United States under this provision do not come as immigrants or even as nonimmigrants. They would remain in our country at sufferance. My bill establishes a method whereby parolees could apply for adjustment of status to that of permanent residence after having been in the United States for a certain period of time.

However, Mr. Speaker, please note that this status can be adjusted only after congressional review. It is my desire to allow the Congress to maintain its traditional and rightful jurisdiction in this field. My legislation offers the Congress an opportunity to review the administrative action when the parolee seeks to acquire permanent residence.

It has also been charged that the President's recommendations for pooling unused quota numbers would produce an increase of 60,000 immigrants annually. This allegation is not necessarily correct. There is no guaranty that unused quota numbers would be exhausted. If, as now, the Congress has permitted the issuance of over 154,000 visas and perhaps 70,000 are unused each year, I submit that it is incorrect to suggest that the use of these unused quota numbers constitutes an increase in the quota. My bill merely provides a way by which unused quota numbers can be utilized, but it does not increase their number in this respect.

In summary, Mr. Speaker, the fact is that the President's recommendations as contained in my bill would increase the maximum limitation on the total annual quota by about 65,000 numbers. No one can correctly assert as a fact that a change in the limit means that the limit will be reached, however, and the actual restrictions and limitations in the use of the parole provision in my bill could prevent excessive use of such a provision as it now exists in the present law.

I believe that the modest increase proposed in the legislation is justified by the economic absorptive potential of the United States, whose population is increasing so rapidly that the effect of the arrival of a few extra immigrants per year will hardly be noticed.

At the proper time I will discuss the other proposals contained in the President's recommendations and the other provisions of my bill.

Civil Rights Versus States Rights and God-Given Human Rights

EXTENSION OF REMARKS

OF

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1957

Mr. RIVERS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement by the distinguished gentleman from Illinois, the Honorable NOAH M. MASON, on Wednesday, February 6, 1957, before the Judiciary Committee of the House on the so-called proposed civil rights legislation.

There has been no voice in the Congress who has spoken out against the tendency of the central Government to take over the State functions—all in violation of the Constitution—than has Mr. MASON. There has been no voice in the Congress who has spoken with more force of effect against the tendency of the Supreme Court to arrogate unto itself the legislative functions of this Congress than has Mr. MASON.

No man in Congress has less to gain by such a position than he. He speaks without hope of reward because he comes from neither the North or South where this issue seems uppermost in the minds of these two sections. He speaks as an American, concerned only with the pathetic and tragic trend of our National Legislature. He speaks with clarity on the dangerous threat which the Supreme Court poses both to the Congress and to the only bulwark left to our constitutional government, States rights. Mr. Speaker, I would to God there were more men in Congress like Mr. MASON. He has left his mark in these historic Halls. So long as he lives his voice will be a vital and clarion call for constitutional government—a government which treats all men of all colors, from all sections with impartiality:

CIVIL RIGHTS VERSUS STATES RIGHTS AND GOD-GIVEN HUMAN RIGHTS

(Testimony of the Honorable N. M. MASON, Representative, Illinois 15th District, on civil rights before the House Judiciary Committee, Wednesday, February 6, 1957)

Mr. Chairman and members of the committee, in discussing the explosive subject of civil rights I approach it without bias, discussing it both impartially and impersonally—if that is possible—ignoring the controversial segregation issue almost entirely, placing the emphasis upon God-given human rights and States rights and the tendency of our leaders to sacrifice those rights in order to establish by law the mirage of civil rights.

We have all heard the old saying, "The cure can be worse than the disease." In connection with the proposed civil-rights legislation that saying may well apply. We might exchange States rights and our God-given human rights for a civil rights program and be much worse off after the exchange. Let us not exchange the real blessings we now enjoy for the fancied or fictitious blessings that may be a part of the mirage known as civil rights.

Habits, customs, obligations are much more effective than any civil rights program implemented by Federal laws. Laws are not particularly efficient. Custom is much more effective than any law because it polices itself. A law has little chance of being enforced if it does not have the approval and support of the majority of the people affected.

Prohibition was once the law of the land. It was a part of our written Constitution. However, because it did not reflect the conscience of the majority of our people, it was not enforceable from a practical standpoint and it had to be repealed.

Edmund Burke once said, "I know of no way to bring an indictment against a whole people." Of course, that statement applies in a democracy such as ours. It does not apply under a despot; it does not apply in Russia.

Any attempt to enforce a Federal law—or a so-called Supreme Court decision—upon 48 States that have different conditions, different customs, different social standards, and different personal consciences is simply an effort to indict, to arraign, to try a whole Nation, a whole section, a whole State. It just cannot be done in a democracy; it can only be done under a dictator. Is that what the civil rights program proposes to do? Must we lose our personal freedom? Must we surrender our precious guaranteed States rights in order to establish a program of civil rights? These are questions that bother me. They worry me. Isn't the cure much worse than the disease?

Laws reflect reform; they never induce reform. Laws that violate or go contrary to the mores of a community never bring about social peace and harmony. Our times call for patience, for moderation, for gradual evolution—not revolution by Federal law or by Supreme Court fiat.

Can the explosive Israeli-Arab controversy be settled properly and permanently by force, by law, by U. N. fiat? Can segregation advocates and integration advocates be brought into harmony by force, by Court fiat, by law? These are parallel controversies—one as explosive as the other.

Today the 85th Congress under President Eisenhower is facing the same civil rights proposal that the 81st Congress faced under President Truman. In 1948 President Truman gave the following as his civil rights objectives:

1. We believe that all men are created equal under law and that they have the right to equal justice under law.

2. We believe that all men have the right to freedom of thought and of expression and the right to worship as they please.

3. We believe that all men are entitled to equal opportunities for jobs, for homes, for good health, and for education.

4. We believe that all men should have a voice in their government, and that government should protect, not usurp, the rights of the people.

Mr. Truman further stated, "These are the basic civil rights which are the source and the support of our democracy."

I say these are all worthy objectives. No decent, law-abiding citizen would question these objectives nor oppose them. But—President Truman's methods for bringing about these objectives were questioned. His methods were opposed.

Now—President Eisenhower wants the 85th Congress to do through legislation almost exactly what President Truman wanted the 81st Congress to do, namely:

1. Establish a permanent Commission on Civil Rights, a joint congressional Committee on Civil Rights, and a Civil Rights Division in the Department of Justice.

2. Strengthen existing civil-rights statutes.

3. Provide Federal protection against lynching.

4. Protect more adequately the right to vote.

5. Establish a Fair Employment Practice Commission to prevent unfair discrimination in employment.

6. Prohibit discrimination in interstate transportation facilities.

Only one of these six methods for establishing civil rights—"Prohibit discrimination in interstate transportation facilities"—comes within the jurisdiction of the Federal Government as outlined in the Constitution. The other five are all State functions, State responsibilities, State obligations. They come within the police powers of the various States, and were definitely left to the States by the Constitution.

Why then should the Federal Government violate States rights by assuming functions that belong to the States? Wouldn't that be going contrary to the supreme law of the land—the Constitution?

When the Federal Constitution was before the States for ratification, four of the States demanded guaranties that "freedom of the press, of speech, and of religion," would be a part of the Constitution. Nine of the States insisted that "States rights" be guaranteed. And so the 10th amendment was made a part of the Bill of Rights so that the Federal Government would be restrained from ever interfering with human liberty and human dignity.

The first nine amendments in the Bill of Rights deal with the rights of the people, God-given rights; the 10th amendment deals with the powers of the Federal Government. It limits those powers. It says to the President, to the Supreme Court, and to the Congress: "You may do what the Constitution specifically says you may do, but you may do no more. Those powers that are not given you are either reserved to the States or they belong to the people." That is what the 10th amendment spells out, and we must not forget it in our desire to establish civil rights.

In 1952, speaking at Des Moines as a candidate for the Presidency, General Eisenhower said: "The Federal Government did not create the States of this Republic. The States created the Federal Government. The creation should not supersede the creator. For if the States lose their meaning our entire system of government loses its meaning and the next step is the rise of the centralized national state in which the seeds of autocracy can take root and grow."

At the conference of governors in Seattle early in 1953 President Eisenhower declared: "I am here because of my indestructible conviction that unless we preserve in this country the place of State government with the power of authority, the responsibilities, and the revenues necessary to discharge those responsibilities, then we are not going to have America as we have known it. We will have some other form of government."

In the words of President Eisenhower himself, therefore, the destruction of constitutional States rights will sow the seeds of autocracy, bring about some other form of government in America, and force us to establish a dictatorship.

Yet in the face of those words the President proceeded to ask Congress to create a new Cabinet office to supervise the Nation's health, education, and welfare. Under the 10th article of the Bill of Rights protection of the people's health, education, and welfare is reserved to the respective States of the Union. The President's actions, therefore, do not coincide with his words.

Not only that—but the President's own Commission on Intergovernmental Relations, after an exhaustive study by a carefully selected group of highway experts, recommended a complete set of practical plans for the adequate expansion of the Nation's highway systems under State responsibility with little or no financial aid from the Federal Government. Here was a practical official proposal for the restoration of States rights that the President ignored entirely when he submitted to the Congress his own system of highway expansion under Federal control and supervision.

And if that is not enough to convince anyone that the President's actions do not conform to his words, take the Report of the Commission on Intergovernmental Relations on Federal Aid for Schools. A 15-man study committee on education submitted a 200-page report on that subject which stated definitely: "We have been unable to find a State that cannot afford to make more money available to its schools or that is economically unable to support an adequate school system."

Yet the Secretary of the new Cabinet post, Mrs. Hobby—who was also a member of the Commission on Intergovernmental Relations—and President Eisenhower both ignored that report and presented to the 84th Congress a Federal school aid program that would cost $2 billion. The question arises: Does the President—in the face of his own words—continue to ignore the recommendations of his own Commission on Intergovernmental Relations? I say his recommendations for Federal school aid are exactly opposite from the recommendations of his own Commission on Intergovernmental Relations.

Mr. Chairman, I know these three examples: (1) a Cabinet officer to look after the health, education, and welfare of the people; (2) a Federal system of highway construction; and (3) Federal aid for public schools, are not examples of civil rights. But they are definitely examples of the violation of States rights. And—as such—have a direct bearing and relationship to civil rights, because the proposed civil rights program is also a direct violation of States rights as guaranteed by the Constitution.

I had the good fortune to serve on the Commission of Intergovernmental Relations under the chairmanship of Dean Manion, one of the greatest constitutional lawyers in America. The one great principle he emphasized was that the purpose of the American Government is to preserve and protect our God-given rights; that the American Government is a mechanism for the protection of human rights; that civil rights are rights provided by law that definitely come under the jurisdiction of the States, not under the jurisdiction of the Federal Government; that whenever the Federal Government undertakes to establish or set up a program of civil rights, it must of necessity encroach upon States rights and upon God-given human rights.

Can we afford to do that? Dare we violate the Constitution by ignoring the following clear and concise language?

"The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

Reducing Government Competition

EXTENSION OF REMARKS

OF

HON. WATKINS M. ABBITT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1957

Mr. ABBITT. Mr. Speaker, on Monday, February 4, 1957, the Honorable BURR P. HARRISON, Representative of the Seventh Congressional District of Virginia, delivered, at the third national reorganization conference of the Citizens Committee for the Hoover Report meeting in Washington, D. C., a magnificent address which I hope every citizen of this great Nation of ours will read. It points up some of the vital issues facing our people.

Representative HARRISON is one of the outstanding Members of the Congress. He is a hard-working, conscientious, dedicated public servant who is determined to do his best to preserve for our people our republican form of government.

Under leave to extend my remarks in the RECORD, I desire to include therewith the splendid address made by Congressman HARRISON.

REDUCING GOVERNMENT COMPETITION

(Address by Hon. BURR P. HARRISON, of Virginia, delivered at the third national reorganization conference of the Citizens Committee for the Hoover Report, Washington, D. C., on February 4, 1957)

In 1954 Budget Director Hughes said:

"The Federal Government * * * is * * * the largest electric power producer in the country, the largest insurer, the largest lender and the largest borrower, the largest landlord and the largest tenant, the largest holder of grazing land, the largest holder of timberland, the largest owner of grain, the largest warehouse operator, the largest shipowner, and the largest truck-fleet operator."

The report of the Second Hoover Commission on Business Enterprises, containing recommendations for 479 separate actions of reform, was submitted in May 1955. In a bulletin issued by the Citizens Committee in November, 1956, it is said, "Thirty-nine percent of the recommendations have been or are being implemented in full in principle, or as to objective."

In other words, after nearly 2 years, the Government either is doing something or thinking about doing something in regard to 39 percent of the recommendations.

What are some of the reasons for the development of counterpressures which stretch out adoption of the Commission's recommendations on a rack of economic, political, and psychological tensions.

First, there is the old bureaucratic argument that a commercial operation of the Federal Government, from ice-cream factories to Bluebeard's Castle, a hotel in the Virgin Islands, should be retained because it seems to be providing an article, or a service, at less cost than if the article or service were provided by private industry. In operation after operation, the Hoover Commission found that, if all expenditures for personnel and other overhead, such as depreciation, interest on investment, etc., were taken into consideration, the purchase could be made from private enterprise at the same or less cost.

It is refreshing, however, to note that the last argument has been rejected by Director of the Budget Brundage on a broader basis. The Director makes this flat statement:

"The decision whether to continue or discontinue a Government activity solely on an apparent cost basis runs counter to our concept that the Government has, ordinarily, no right to compete in a private-enterprise economy."

This forthright policy, if rigidly adhered to in the future, will mean the complete adoption of the Commission's recommendations in the civil government.

Let us turn to situations peculiar to the Department of Defense. Here we are told that a particular activity must be maintained under exclusive control of the military to protect our national defense because of security considerations or as a pilot operation to establish standards for a key item.

In other words, the Russians will get us unless the military continues its vital military and secret operations of moving picture studios, ice cream plants, tree and garden nurseries, dental repair shops, clothing factories, coffee roasting plants, and jewelry repair shops. It is heresy bordering on disloyalty to question any such 2,500 commercial and industrial-type facilities in which Government capital invested exceeds $15 billion. There is one activity of the military which I especially urge should not be disturbed: the manufacture of ophthalmic goods. Not only is this necessary to manufacture spectacles for the colonel's lady—and possibly Judy O'Grady—it is also obvious that some of our military leaders are in need of opticals—possibly a spyglass—to see when they are conducting a business they have no business conducting.

The Hoover Commission recommended the restriction and realistic limitation of the integrated Military Air Transport Service to persons and cargo necessary for military air transportation, and that transportation on service carriers be authorized only after commercial carriers had been utilized to maximum practicable extent. This recommendation follows the declaration by Congress, and the policy approved by the President, that private enterprise is to be encouraged in this field.

The Department of Defense insists it is essential the military have in being a substantial fleet of transport and cargo planes, with adequately trained crews, for immediate use in the event of a future D-day. Obviously, we cannot demand that the military get out of the airline business—flying scheduled trips all over the world on routes similar to those of commercial carriers—if to do so would endanger defense readiness.

There is reason to wonder, though, whether it really is essential, for force-in-being and training purposes, that the Military Air Transport Service maintain, as I am informed, more than 40,000 persons in its transport operations and operate in its global air ferry services almost as many aircraft as all the certificated American commercial airlines together use wholly or partly in their international service. Aircraft under control of MATS carried 617,000 passengers in fiscal year 1955, all of whom couldn't have been junketing Members of Congress. As I am informed MATS operates between 700 and 800 transport aircraft, and the Department of Defense controls approximately 4,000 transport types, this figure obviously does not include thousands of passengers carried by transports of the Armed Forces on training or other flights.

As I understand it, MATS schedules flights in accordance with prudent training requirements, but its quarterly operations summaries customarily list many extra flights as, "to move traffic backlog."

If MATS accumulates so much traffic backlog, would it not be consistent with our national civil aviation policy to encourage private enterprise participation in the job? Although air carriers have only recently been able to persuade the Department of Defense to contract for private carrier assistance as far as 6 months in advance, the Military Sea Transportation Service, relying heavily on private shipping, has been taking steps to insure a cargo and transport fleet in being for the future by contracting in advance for the use of ships, notably tankers, even before the keels are laid.

I do not presume to suggest a yardstick for participation of private transportation facilities—air, sea, and land—in the movement of military traffic, but the defense agencies should be giving it active and continuing consideration, inasmuch as heavy military passenger and cargo movements of a routine nature seem destined to remain part of the peacetime transportation picture for the indefinite future.

I should like to comment briefly on what seems to me to be the strongest force operating against the movement for reduction in Federal business-type activity—a growing acceptance of dependence on Government, even among citizens who are loud in their demands for economy in the gross.

It seems to me that many members of the business community who can see clearly the undesirability of the Government's running an ice cream factory have become increasingly resigned to letting the Government compete, or even take over, in larger spheres which we used to regard as reserved to private enterprise.

The growing tax burden, its expansion accelerated by inflation, has reduced many citizens to an outlook of fatalism:

"Sure, I know my taxes pay for public housing and public power and loans, but taxes keep going up anyway. If I get a loan, or some cheap electricity or subsidized housing, at least I'll get a little something back for my money. If I don't, some foreigner will get it—that's where most of it is going, anyway."

There is no purpose in our pausing to indict this viewpoint as specious or un-American. It exists, and it helps keep the Government active in public housing, public power, and other fields in which private enterprise should supply the need.

The ads in the national magazines, proclaiming the private enterprise can do it better, are not enough. The man in the street says, "Show me."

I realize there have been some instances in which the proof has been forthcoming in dramatic and incontrovertible form, but these cases are isolated, and their lessons have not gotten across to the public on a broad enough basis to alter the easy acceptance of Federal pap.

The most discouraging development, to my mind, has been the progressive abdication of private enterprise in the field of long-term credit. The increasing reliance on Government guaranties and other credit crutches presents us with paradoxical spectacles. The private housing industry, for example, which properly abhors the continuation of a Federal public-housing program, insists, year after year, that it cannot survive unless the Federal Government extends its activity in the mortgage-banking field, by an increase in Fannie May limits, or by other means.

We have come so far along this road that a major withdrawal by the Federal Government from the lending and loan-guaranty fields would create a dangerous vacuum if private enterprise did not demonstrate in advance a capacity and willingness to occupy the space. We must remember that the Federal Government moved in because of a vacuum which private sources created by their own failure to meet public demand for credit, notably in home financing and in small business.

In many communities, particularly the smaller ones, the banks and other private lending institutions simply have not come close to satisfying the credit demand.

Events have proved that deciding nothing can be done does not settle the matter. It merely heads the prospective homebuyer, the small-business man and those elements of the economy anxious to sell to them, toward Washington.

Clearly, private enterprise should not be bludgeoned into making or guaranteeing unsound loans. But neither can private enterprise rail against Government competition when it assists in the creation of a vacuum for the prompt occupancy of a willing bureaucracy.

We have prided ourselves on the development of an economic system in which private initiative has succeeded in providing, at increasing efficiency and, where inflation has not intervened, at declining cost, the goods and services for which private demand has developed. This ingenuity has achieved tremendous things. And yet, it apparently has not been equal to the task of supplying credit of the sort demanded.

I do not mean to minimize the problems inherent in trying to reestablish the dominance of private enterprise in the credit structure, but I do contend that business cannot counter the federalization of enterprise in this country merely by preaching in the abstract of the virtues and capacities of private initiative and the sinfulness of governmental competition. The time is long past when it was considered disgraceful to come to Washington with hat in hand. Some of the best people are doing it now.

Last week, as one of the first pieces of legislation ready for floor action in this session of Congress, we were asked in the House of Representatives to approve an increase of $80 million in the business loan authorization of the Small Business Administration. Leaving aside the disaster loan operations of this agency, we have here a renewed demand for normal commercial credit which private suppliers are not filling. This is not seizure by Government but an occupation by invitation.

If we are going to stem this dangerous tide toward an economic state of affairs in which the Government holds a mortgage interest in virtually every business in the Nation, private enterprise is going to have to concentrate its vaunted ingenuity and initiative on a means of supplying the credit demand of individual and business.

This is a stern challenge. If it can be met, we shall have moved a giant step toward the lean and frugal structure of Government which we insist we want. If it is not met, it will not seem so important, a few years from now, that we were able to get the Defense Department out of the ice cream business.

Members of Congress Greet French Ambassador Herve M. Alphand

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, February 7, 1957

Mr. CELLER. Mr. Speaker, under leave to extend my remarks I herewith insert statements by the Ambassador and myself made at a luncheon I tendered in honor of the French Ambassador on January 29, 1957, in the Speaker's Dining Room, at which were present a number of our distinguished colleagues. In introducing His Excellency, the French Ambassador, I stated:

M. Herve Alphand, who is only 49 years old, seems on first acquaintance to be a career diplomat straight out of the pages of Somerset Maugham. He has had a brilliant academic career. He completed his "bacho," which is the French equivalent of the first 2 years of an American college, at the age of 16—and his knowledge of painting, music, and literature is fully equal to his grasp of international affairs.

M. Alphand comes from a long line of diplomats. His family began its government service under the Bourbons back in 1707.

In line with the family tradition, M. Alphand's grandfather entered the Ministry of Interior. His father, however, chose the Ministry of Foreign Affairs, and after World War I he was Ambassador to Moscow.

Strangely enough, in view of the fact that he appears to be the very model of a career diplomat, M. Alphand never studied for a foreign service career. His formal education was concentrated on law and economics. After finishing his formal schooling, he spent a year in military service, after which in 1930 he entered the Ministry of Finance, and was the youngest man ever to attain the eminent post of Inspecteur des Finances.

During World War II he joined the Free French in London while his wife remained in the United States. He served in various posts with the Free French and attended the San Francisco Conference where the United Nations Charter was written. He also represented his country on the NATO Council of Foreign Minister Deputies, and afterward served as the permanent delegate before taking up his post as French representative at the United Nations, a post which he held until his appointment as Ambassador to Washington.

M. Alphand believes firmly that France must remain a strong Western democratic power, and that France and the United States must always be in the same camp. He has said: "I am certain that France and the United States can never differ fundamentally on vital international problems."

M. Alphand has always devoted himself to dissipating temporary misunderstandings which, according to him, are usually due to lack of information, a situation that often arises among the best of friends. His major aim is to bring about a better understanding of France, and to strengthen our alliance which has continued without interruption for nearly two centuries.

Among the major problems that face France today is that of Algeria. We must try to understand and see this problem whole. Carping criticism irritates—helps little.

France has been our friend for nearly 200 years. We shed our blood together in two world wars. We cannot forget her decisive aid to Washington in our struggle for independence. The years between should not dim our memories. We must not be blind to the efforts of France to work out a constructive solution anent Algeria.

We must remember that the development of Algeria since 1830, when France first set foot there—made up part of the French legend—not unlike the trailblazing of the American pioneers west of the Mississippi during the same decades, and which has become part of our national legend. Algeria then was a land of arid stretches not unlike our great western plains. France built up those wastelands until we can see plainly the progress made.

Algeria is French territory and under the French Constitution. Algeria is as much a part of France as Hawaii is of the United States.

Now, Egyptian money and arms (Russian made) pour into Algeria. Innocent minds in Algeria are inflamed daily by blasts from Cairo and Moscow radios. France has poured much treasure into Algeria and increased its economic levels. Mere prating of French colonialism is nonsense. France, at great sacrifice, set Tunisia and Morocco free. Algeria's problem is totally different. We cannot permit a vacuum to exist there, free for Russian domination.

There is a solution to the problem of Algeria, but that solution must be sensible, realistic, and afford protection to 9 million native Algerians and protection to 1,200,000 natives of French European origin. United States can and must help in such an effort at amity and justice. France needs our moral support.

The Ambassador followed with his remarks:

I am very grateful to Congressman CELLER for his kind words about me. I deem it a great honor to have been invited to meet with so distinguished a group of American legislators and to have this opportunity to say a few words to you.

In my many years of service to my Government in different parts of the world I have never felt so much at home away from home as I do when I am here in the United States.

Almost two centuries of close alliance and mutual assistance in times of need have welded a kind of friendship between our two countries which can never be destroyed by temporary differences of opinion on a particular issue. As in any closely knit association, whether in personal family life or in the family of nations, misunderstandings and differences are bound to arise, but they only serve to emphasize the more permanent state and trust and devotion.

Let us for a moment discuss some of the differences confronting us today and permit me to give you the French point of view.

In reply to the frequently voiced criticism of my country for its policies of so-called colonialism, I would like to mention the bold steps taken by France in the past 10 years to emancipate the peoples of Asia and Africa, to raise their standards of living, and to help them participate in the progress of the modern world.

Morocco and Tunisia are now independent. We believe that, in their own interests, these states should maintain with France, within the framework of an association freely consented to, relations of mutual confidence in military, financial, and administrative matters.

May I recall, also, what we are doing in dark Africa. There we have set up the autonomous Republic of Togoland, ratified by a free plebiscite. And all our policies are directed toward granting an ever greater autonomy to French territories everywhere.

As to the criticism of our policy in Algeria as one of "outdated colonialism," may I say that those who know Algeria, those who know what France has accomplished there understand only too well what our intentions are there. I wish to add only two remarks:

In the first place, I wish to recall that Premier Mollet has just proposed that free elections be held in Algeria in the presence of observers from countries which also live under the regime of freedom. I only wish that the masters in the Kremlin would grant to the Kadar government in Budapest the same permission to hold free elections in Hungary.

Secondly, at a time when the United States is trying to build up a defense against communism in the Middle East, it would be strange for its ally France to throw North Africa wide open to communism by giving up Algeria. I am certain that the so-called Algerian nationalists do not possess either the experience or the necessary leadership to establish and administer a state. The only well organized group among the Algerian rebels is the Communists. Are we willing, at this time, to accept the establishment, for the first time, of a so-called People's Republic on African soil? In such a case would not the whole of the African Continent be in danger of swinging to the East? What, then, would be the fate of Europe itself? What consequences would this have throughout the world, including this hemisphere?

Thus this question of Algeria, which seems to you so remote, and which is ignored by so many of your countrymen, is of essential importance to the future of the entire free world, of which France and the United States, together with Great Britain, are the main pillars.

Speech of Senator Sparkman to Jaycees of Jasper, Ala.

EXTENSION OF REMARKS
OF
HON. CARL ELLIOTT
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Thursday, February 7, 1957

Mr. ELLIOTT. Mr. Speaker, under leave to extend my remarks, I include an address made by Alabama's junior Senator, the Honorable JOHN J. SPARKMAN, before the junior chamber of commerce of my home town of Jasper, Ala., on Friday night, January 11, 1957:

SPEECH BY SENATOR JOHN SPARKMAN, OF ALABAMA, BEFORE THE JUNIOR CHAMBER OF COMMERCE YOUNG-MAN-OF-THE-YEAR-AWARD BANQUET, JASPER, ALA., JANUARY 11, 1957

We are here tonight honoring a young man who has already achieved success. He has achieved that success right here in Alabama—right here in Walker County, where many of the necessary ingredients for success lie all about him.

A young man, either on the point of deciding on, or in the early stages of his career, often wonders if he should take Horace Greeley's advice and "Go west," or take someone else's advice and go north or east.

To many young men, the grass does look greener in distant pastures. But my hope is that young men and young women, born and reared in Alabama, may resolve that today their futures lie in Alabama. I hope that so far as it may be reasonably done young people of Walker County may cast their future lot in Walker County.

Alabama needs the ability, the initiative and the productiveness of her young men and young women. One of our greatest needs in Alabama is an industrial development that will make jobs available for our own people and thus put an end to this never-ending migration of our young people and the resulting terrific economic loss.

Of course, no young man can expect to sit here in Alabama or Walker County and wait for a glowing future to unfold before him. Any man who expects the future to glow must provide the flame to spark that glow. He must look about him. He must size up the opportunities that face him.

I am convinced that there are many opportunities in Walker County for a young man willing to apply himself. The young man who wishes to size up Walker County and its opportunities might well take a look at Walker County's history.

Like many good things American, Walker County's history started with the Indians. This county was originally a territory formed by the boundaries of the Creek, Chickasaw, and Cherokee Indian nations. Walker's history is steeped in the sweat of the common man's toil, for its first settlers were primarily farmers from the Carolinas, north Georgia, and eastern Tennessee. They were seeking just a little land on which to scratch out their simple wants from Walker County's fertile hills.

It was not until the 1820's that the mainstream of settlers found its way into the county. With this mainstream came a desire on the part of these new settlers to search deeper into the resources of the county. One of their first findings was coal.

There is some question as to whether the first coal mined in Alabama was mined in Walker County. It is known that the first flatboat of coal to reach Mobile was shipped from Walker County. And while people came first to farm, mining eventually achieved equal importance with agriculture.

Although today we see the county groping its way out of a serious economic plight, the combination of farming and mining was so strong by the time of the panic of 1837 that this depression produced only a slight effect on the economic picture here. The rest of the Nation, however, suffered shattering economic setbacks.

The county's population has grown from 2,200 in 1830 to around 65,000 today. The coal mines did much to help this growth, but the demand for coal has fallen off considerably in the last 5 years. The advent of the diesel engine was the prime factor in Walker's declining coal market.

While the hardships brought on by that falling market were severe, and the suffering of Walker County's people great, that falling market—in the view of some—has really been a blessing in disguise. It has caused Walker county to pause, to take stock of itself, and to come up with a sharp appraisal of its other resources.

This reappraisal has a parallel in the situation that faced the entire South many years ago. In the old days, people spoke of King Cotton, because that was the primary crop on most farms and and plantations. The boll weevil came north from Mexico and

temporarily conquered King Cotton. Then the whole South began to reappraise itself. That reappraisal resulted in the South finding and ferreting out its other resources. And for opening its eyes the South erected, in one place, at least, a monument to the boll weevil.

I am not necessarily suggesting that Walker Countians erect a monument to the declining coal market. I am, however, complimenting you on your foresight in making a sweeping and profitable reappraisal of the county's assets.

Those earlier settlers would be pleased to know that the opportunities they saw in farming are being carefully explored today. They would be proud to know that farming has returned to prominence as a vital factor in the county's economy.

The whole State has learned of Walker County's "Operation Drumstick." Under "Operation Drumstick," the forward-looking people of this county have established the poultry industry as the backbone of the county's industry. Walker County is coming back, mainly through the efforts of young men like you here, ably guided by the older leaders of the county. For it was through the leadership of business and civic groups that a program of diversified industry and farming was established here.

In 1955 the poultry business, alone, produced 3 million broilers. The 1956 figure is estimated to be in the neighborhood of 6 million.

Five years ago 6,000 Jasper workers depended on the mines for a livelihood. Today approximately 1,000 work in the mines. Other workers are finding employment in five furniture factories, a ladies' lingerie factory, a number of chicken-feed mills, and in the many small businesses that thrive here and in neighboring towns.

Today a substantial number of Walker Countians are finding that they can make about the same wages raising 7,500 broilers that they can make in the mines. The average broiler raiser finds that tending his chickens takes only a small part of the day. Some are farming. Some are hiring out on construction jobs. Others are finding full- or part-time work in local factories and businesses.

In this shift away from Old King Coal Walker Countians are not forgetting coal's value to the economy. Those tipples, standing now gaunt and still, those abandoned mines whose mouths stand open but dark will yet pour more wealth into the county. Old King Coal is sick, but organizations like the junior chamber of commerce have the brains and the drive to make him well again.

Walker Countians are not forgetting that—according to one of your parent organization's own publications—this Nation's known reserves of gas will last only 32 years and that the known reserves of oil will last only 15 years at present consumption rates. These are relatively short periods when you consider that the known reserves of coal in this Nation will last for 1,000 years.

Walker Countians are not forgetting either that many industries of this Nation must rely on derivatives of coal; that there are over one billion tons of recoverable coal in place in the county; and that live-wire groups like the Jaycees will be working to find markets for the black gold in your hills.

Walker Countians know the value of education in making use of the county's potentialities. Signs of Walker County's interest in education are obvious. Right here in Jasper, Walker College stands as a symbol of this county's desire that its children shall have the opportunity to begin a college education near home, where the expense is small.

College officials foresee a gymnasium, a library, a science building, and several dormitories on the Walker College campus. Enrollment in 1956 was more than double that of 1955. The 9-month secretarial course offered by the college is, no doubt, a considerable service to the many local businessmen.

A specialist in the relationship between economics and education recently challenged Alabamians to make use of its three main assets—climate, water, and space. He said education and skill in the use of these assets can bring the people of the South to new highs in income levels. The whole South is proving this statement to be true.

I want to discuss now some of the things that are going on in Washington—things that will affect you here in Jasper.

Of major interest to the 85th Congress is the Eisenhower administration's tight-money policy. Congress will take special note of this policy's effect on the small-business man. Small business made much news in 1956 because it was in trouble. I think it is vital that Congress do something to halt the rather alarming number of bankruptcies that small business suffered in 1956.

Something should be done about the lower profits to small business; the lack of credit available to small business; and the mounting interest rates both on small business operating loans and to consumer installment buyers.

That a large portion of the small-business community of our Nation, comprising more than 4 million firms and accounting for more than 95 percent of our total business enterprises, in the past few years has been pushed closer and closer to the brink of bankruptcy is a matter of common knowledge.

As recently as January 2, headlines in the New York Times proclaimed: "Failures Climb to 15-Year High—Small Business Has Big Troubles." Beneath this headline the facts were set forth, in part, as follows: "Heightened competition, particularly in the field of retail and wholesale distribution, took a higher toll in failures in 1956 than any year since 1941. From the standpoint of dollar liability of failures, the total last year was the highest since 1935. * * *"

The inescapable fact is that our free-enterprise system has become imperiled by the rapid deterioration in the position of small and independent business establishments.

The extent and gravity of this deterioration is frightening in its implications. We know that in the distributive trades, in wholesaling and retailing, there has been what almost amounts to an epidemic of failures.

I am convinced, as one must be convinced who has given the subject serious thought, that independent small business in this country will never regain its rightful and traditional share of the rich rewards of our economic system unless—to the degree that commonsense and national self-interest dictate—it is assured an opportunity to compete on equal terms with its larger rivals in the market place.

Of the many small-business problem areas susceptible of legislative relief, none should take precedence over those involving taxes, financial and credit assistance, and increased antitrust protection.

To bring much-needed relief to small business in the tax field, I introduced five bills last Monday. Each of these bills is designed to bring the maximum relief to those who need it most—the very smallest corporations, partnerships, and proprietorships, whether they be machine shops, farms, or the corner grocery store.

The first bill provides for a graduated corporate income tax. I first introduced this bill in the closing weeks of the 84th Congress. While the press of other major legislation prevented its consideration last year, the response to the bill was so encouraging that I decided to reintroduce it in this Congress.

This bill would substitute graduated rates for the present normal and surtax rates applicable to corporate income. The present law imposes a normal tax of 30 percent on the first $25,000 of corporate net income and a surtax of 22 percent, for a total statutory rate of 52 percent on all net income over $25,000. My bill would start with a tax rate of 5 percent on the first $5,000 of corporate net income and would result in a tax saving to all corporations having up to $375,000 of net income.

This would mean a tax saving to nearly 98 percent of all corporations. The top rate on my bill would be 55 percent and would apply to all net income over $100,000. Only some 2 percent of all corporations would pay increased taxes under this bill, and then only in relatively minor amounts.

I am informed by the staff of the Joint Committee on Internal Revenue Taxation that this bill will not cause any loss in revenue. In fact it would bring about an increase in revenue in the neighborhood of ninety to one hundred million dollars. While this amount is significant, I am further informed that it would not be possible to reduce any of the rates in the bill as it stands without causing revenue loss.

The other four tax bills would benefit all forms of small business, unincorporated as well as incorporated.

One of these bills would extend the benefits of rapid depreciation to purchasers of used equipment. The 1954 Internal Revenue Code added a new provision to our tax law which enabled purchasers of new equipment to write off the cost of such equipment at accelerated rates.

This, of course, means a tax saving to such businessmen. It is a well-recognized fact, however, that many small concerns cannot afford the present-day high costs of certain equipment which they need to run their businesses. They must buy used equipment at the prices they can afford to pay.

I know of no good reason why the purchasers of such equipment should not be granted the same privilege of rapid depreciation now given to purchasers of new equipment. By virtue of the very fact that the equipment is used and possibly approaching obsolescence when purchased, it would appear to me to be only fair that the purchaser should be entitled to write off his cost over a relatively short period of time.

Another one of the bills which I introduced Monday would liberalize the requirements on the payment of estate taxes. Under the present law, the tax on the estate of the deceased is payable 1 year after the death of the decedent, except that on a showing of hardship, the Commisisoner of Internal Revenue may authorize payment over a 10-year period.

The bill which I have introduced on this subject will alleviate the problem to a great extent. It grants an estate the right to pay the estate tax over a period of 10 years without any showing of hardship. In addition, where hardship can be shown—and the term "hardship" is defined in the bill in terms of equities in a business—the tax may be paid over a period of 20 years.

One of the great benefits extended to businesses in the 1954 Internal Revenue Act was that contained in the provisions relating to approved profit-sharing plans and pension plans. By virtue of the language of the law, only "employees" could benefit from the plans. This means that a sole stockholder of a corporation who also serves as the president of the corporation may qualify as an "employee" of the corporation and thus be a beneficiary under its pension or profit-sharing plan. But a member of a partnership or a proprietor of an unincorporated business does not qualify as an "employee" under the law and thus cannot be a beneficiary under any of these tax-exempt plans.

Such plans have great and obvious advantages for the man who wants to save for his own future and for the future security of his family. One of the bills which I intro-

duced Monday would entitle the proprietors of unincorporated business to the benefits of the tax-exempt plans.

Lastly, I have introduced a bill which would grant an election to certain corporations to be taxed as partnerships. This would benefit some small corporations which are hit especially hard by double taxes—first on the corporation and then on its stockholders on receipt of dividends.

It would also be of some benefit to small corporations which might otherwise be vulnerable to the surtax on surplus accumulations. The election would be extended to all corporations having not more than 10 stockholders, all stockholders being active in the business.

Last year on the eve of the election the President's Cabinet Committee on Small Business recommended similar tax legislation for the relief of small business. The President endorsed the committee's proposals. I am asking Congress to take him at his word.

In addition to these tax bills, next week I will introduce two bills relating to credit availability for the small-business man.

One of the most difficult problems of small business is that of obtaining adequate credit—credit for working capital and credit for necessary expansion. This has been a long-standing problem but it is an especially acute one today in the face of the administration's tight-money policy.

It is for this reason that I believe that the need for a comprehensive credit program for small business is all the more compelling. My bills, if enacted, will (a) establish national investment companies authorized to make long-term capital loans to small concerns, and (b) make it possible for small-business men to get federally insured loans.

Through such a program small businesses will at long last have a dependable source of credit. Such a source of credit is necessary to insure equal competitive opportunity to small-business men.

I know that small-business men do not want a Federal handout. All they want is a chance to compete on an equal basis with the larger businesses.

The farmer, like the small-business man, is having economic trouble. I will support legislation which will bring farm income more in line with farm expenses. Alabama is basically a farming State despite the increasing number of people leaving the farms. Since 1953 farm costs have increased. Farm income has shrunk.

I intend to fight during this 85th Congress for higher price supports for Alabama's farm products. I will insist that Secretary of Agriculture Benson use the authority we have given him over the last several years to dispose, in a sensible manner, of our present farm surpluses. Specifically, I have joined with Senator HILL in sponsoring a bill to prevent further cotton acreage cuts.

School construction remains one of the desperate needs of Alabama and the Nation. I trust that vitally needed school construction legislation will not be blocked under the rather transparent effort to inject civil rights. The right to an adequate education is a right that transcends all so-called questions of civil rights. Those who inject the civil-rights issue each time that Federal aid to education is introduced in Congress are depriving both the Negro and the white child of his right to a worthwhile education.

Some rather drastic, but much-needed, cleaning up of this Nation's foreign policy is in order during the next few weeks. The day is long past when the United States can separate its domestic welfare from foreign affairs.

Perhaps the most crucial item in Congress' consideration of foreign affairs is the still-boiling Middle Eastern crisis. Terrible mistakes of the last 3 years have led to this crisis.

Fortunately, President Eisenhower has finally, but belatedly, recognized the seriousness of the Middle Eastern situation.

His proposals, while not new with but one exception, boil down essentially to this:

1. Providing economic cooperation to the Middle East.

2. Helping Middle East nations to build their defenses.

3. Making available our Armed Forces to any Middle East nation or nations who feel that the Communist threat is of such a nature that their independence is at stake; and, finally,

4. Freeing $200 million that Congress had previously appropriated for other purposes, for use in the Middle East.

His request will receive high priority during the next few weeks of Congress. And during the next few days all of us on the Senate Foreign Relations Committee will spend much time studying his suggestions. Somehow, we must prevent world war III. We must prevent Communist leaders from gaining control of more and more areas vital to our own security.

In closing, let me congratulate you young men again on the community-building job you are doing here in Jasper. Let me congratulate you on the fact that you are publicly praising the work of young men in this area who are contributing to a better community.

Your efforts will not go unrewarded. The very process of giving this young-man-of-the-year award each year serves as a beacon to those young men who may sometimes wonder: What's the use?

You are providing the flame that is making Jasper into one of the more progressive and forward-looking cities of Alabama.

SENATE

MONDAY, FEBRUARY 11, 1957

Rev. Harold M. Davis, pastor, Elkton Methodist Church, Elkton, Md., offered the following prayer:

Our Heavenly Father, we humbly thank Thee for the blessings which Thou hast given to our country; for the faith of our fathers who laid the foundation of freedom upon which we are still building; for the vast reservoir of natural resources which have resulted in our prosperity; for our faculties of mind and will which have given us the know-how to produce much goods for abundant living. For these we give Thee thanks.

We are mindful of those who have walked before us. Especially rich is our memory of one whose birthday we celebrate tomorrow. We pray that something of the spirit that was his may be ours today. In our hearts may there be malice toward none and charity for all.

God bless the Members of this body in whom the people of our Nation have placed great confidence. Help them in their offices, committees, and in other delegated responsibilities as they meet in legislative sessions. May their actions be so noble and honorable that we electors may be inspired and proud that we have exercised our right as American citizens.

May Thy presence be real to each one of the Members of this body, that they may be strengthened when weak, encouraged when downcast, and steady when wavering. May they labor together in an atmosphere of teamwork, with a freedom to be honest and frank in facing the issues of the hour. Imbue them with the spirit of wisdom, goodness, and truth; and so rule in their hearts that law and order, justice and peace will everywhere prevail.

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

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Thursday, February 7, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

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

REPORT ON OPERATION OF TRADE AGREEMENTS PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 93)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and, with the accompanying report, referred to the Committee on Finance:

To the Congress of the United States:

This is my first annual report on the operation of the trade agreements program. It is submitted to the Congress pursuant to section 350 (e) (i) of the Tariff Act of 1930 as amended by section 3 (d) of the Trade Agreements Extension Act of 1955. The trade agreements program is carried out under the authority contained in the Trade Agreements Act of 1934 and its various amendments and extensions.

Our present trade-policy objectives, which I outlined in my special message on foreign economic policy of March 30, 1954, were established after study by the bipartisan Commission on Foreign Economic Policy, constituted in 1953 pursuant to Public Law 215, 83d Congress. Most of the Commission's recommendations have been adopted and put into effect. This report outlines the steps which have been taken to achieve these foreign-trade-policy goals.

The major efforts undertaken in recent years have been concentrated, first, upon improving the substance and administration of the existing trade agreement system. These activities are described in section I of this report. They were directed primarily to a basic review of the general agreement on tariffs and trade. This review resulted in proposals for the improvement of the substantive provisions of the general