merged by the vocal and material influence of enthusiasts among the directly benefited group that can visualize financial rewards only by pursuing the path of laissez faire and, like the proverbial lie, when repeated often enough becomes the generally accepted fact.

For example, the oft repeated statement that American expansion of foreign trade is the direct result of benefits attained through the administration of the Reciprocal Trade Agreements Act. One of the important revelations of this period of unemployment, fully admitted but stubbornly disregarded by the powerful group of profiteers engaged in foreign commerce and trade, is that our Marshall plan, lend lease, mutual security, and economic and military programs not only impose a staggering tax load on the American people but actually account for a sizable segment of unemployed labor formerly engaged in the production of everyday consumer goods made for and purchased by the American household.

Under the slogan "We must buy from in order to sell to," the American markets are being forced to accept foreign-made commodities produced by low-paid labor in foreign countries to enable them to build up dollar reserves in this country. These dollars, of course, are intended to purchase in this country products which they themselves are unable to produce in sufficient quantities to meet their demands. The importation of these commodities in quantities sufficient to create dollar reserves is promising to be very dangerous to our own economy. Plant after plant, formerly enjoying a fair profit and formerly capable of employing many trained production workers, has been forced to curtail production or cease operations altogether because of the loss of markets for their products through imported similar products made abroad by labor paid one-fourth or less than labor receives here in America.

It is the admitted policy of those responsible for the administration of the Reciprocal Trade Agreements Act to permit the importation of these competing products into the American market free from import duties or sufficiently low as to crowd out our own products. Here are a few examples: Oil and oil products are admitted in quantities causing our own producers to go on limited production. Fuel oil—residual—a cheap by-product produced abroad, is allowed to enter the American markets to compete with coal. Textiles and a number of household products come into the American market in such quantities as to make it unprofitable for American mills to continue operations. Chemicals, dyes, electronic devices, household tools, toys, and many other things we formerly manufactured for our own trade are being permitted to enter markets in quantities that can only spell doom and destruction of many small industries so necessary in a well-regulated and well-balanced national economy.

With war-torn countries' productive capacity restored, largely through American aid, they now are looking to America for dollars, the most envied currency in world markets.

Our reciprocal trade administrators open wide the doors to these countries, permit them to send us unlimited quantities of their consumer commodities practically free from import duties, hoping thereby to be able to sell these countries more machinery and equipment with which they can further increase their production for export.

As these imported products replace some of our American-made commodities in the shops and on the counters of our merchants, throughout the Nation American factories have been compelled to furlough or permanently discharge employees who over the years have helped to build and support local private industry.

As these institutions have had to cease operations one by one, leaving specially trained employees without jobs, their spending power and their tax contributions are lost to local business and to local State and Federal Government in the form of taxes. No longer able to purchase automobiles, household equipment, food, and raimant, their economic predicament reflects itself through the entire line of commerce exchanges until it is finally felt at the top level. Thus we see business decline and employment slowdown mushrooming.

Reciprocal trade has been given another 5-year extension. American tariffs are already lower than those of any other industrial nation in the world. If our President further reduces tariffs by 25 percent as he is empowered to do under this legislation, what chance of survival is there for small industry and the labor it supports?

SENATE

TUESDAY, MAY 27, 1958

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

O Thou God of love and hope, through all the length of changing years Thy goodness faileth never. Grant us of Thy mercy a valiant heart for any duty which in these days of strain and stress may be entrusted to our fallible judgment. In a confused day, save us from any panic of spirit. May we draw our inner strength from deep wells. May the highest truth illumine the nearest duty, and our loftiest aspirations transfigure the humblest task.

Make us brave enough to bear the truth and to follow its gleam, wherever it may lead us. Hasten the day when the black remnants of savagery which now blight our social order will haunt the memory of a new generation but as an evil dream of a night that is past. By the fierce fires of global contention, may barriers to brotherhood be burned away, and mankind, whose inmost needs are one, find at last the peace of the one fold and the one Father of all. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Monday, May 26, 1958, was dispensed with.

COMMITTEE MEETINGS DURING SENATE SESSIONS TOMORROW

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Subcommittee on Railroad Retirement of the Committee on Labor and Public Welfare was authorized to meet during the session of the Senate tomorrow.

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Labor Subcommittee of the Committee on Labor and Public Welfare was authorized to meet during the session of the Senate tomorrow.

TEMPORARY UNEMPLOYMENT COMPENSATION ACT OF 1958—MINORITY VIEWS

Under authority of the order of the Senate of May 22, 1958,

Mr. DOUGLAS (for himself and Mr. KERR), as members of the Committee on Finance, submitted on May 26, 1958, minority views to accompany the bill (H. R. 12065) to provide for temporary additional unemployment compensation, and for other purposes, which were ordered to be printed as part 2 of report No. 1625.

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.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 166) authorizing an appropriation to enable the United States to extend an invitation to the International Civil Aviation Organization to hold the 12th session of its assembly in the United States in 1959.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 7870. An act to amend the act of July 1, 1955, to authorize an additional $10 million for the completion of the Inter-American Highway;

H. R. 10746. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, and for other purposes;

H. R. 12356. An act to amend the act entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes," approved August 30, 1954; and

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

H. R. 12377. An act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour; and I ask unanimous consent that statements be limited to 3 minutes.

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

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

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, and withdrawing the nomination of Perry C. Harris, to be postmaster at Browning, Ill., which nominating messages were referred to the appropriate committees.

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

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. RUSSELL, from the Committee on Armed Services:

Richard Charles Abel, and sundry other midshipmen, United States Naval Academy, for appointment in the Regular Air Force, in the grade of second lieutenant.

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

UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of Walter H. Hodge, of Alaska, to be United States district judge, division No. 2, district of Alaska, for a term of 4 years.

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

CIRCUIT COURTS, TERRITORY OF HAWAII

The Chief Clerk read the nomination of Frank Aloysius McKinley, of Hawaii, to be fourth judge of the first circuit, circuit courts, Territory of Hawaii, for a term of 6 years.

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

UNITED STATES ATTORNEY

The Chief Clerk read the nomination of Henry J. Cook, of Kentucky, to be United States attorney for the eastern district of Kentucky for a term of 4 years.

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

UNITED STATES MARSHAL

The Chief Clerk read the nomination of John Burke Dennis, of Missouri, to be United States marshal for the western district of Missouri for a term of 4 years.

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

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified immediately of the confirmation of these nominations.

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

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

WILLIAM H. FRANCIS, JR.

Mr. JOHNSON of Texas. Mr. President, over the weekend a very sad event occurred; it distressed me deeply. William H. Francis, the Assistant Secretary of Defense for Manpower, Personnel, and Reserve Forces, died unexpectedly. He was just 43 years of age.

Bill Francis was a close, personal friend of mine. For many years I have been close to him and have been very close to his entire family. They have been among my dearest friends. He was a hard working, loyal American. Those of us who worked with him know how much he contributed to the security and to the defense of our beloved country.

Mr. President, it is a great tragedy that a man of such brains, such energy, and such dedication, a man who still had so much to contribute to the land he loved, should pass away at such an early age.

I was out of the city, Mr. President, when the news reached me. My thoughts and my prayers have been with the surviving members of his family, and I hope that time will soon bring healing solace and comfort to them.

Mr. President, this Nation has lost one of its most aggressive, one of its most able, one of its most dedicated public servants; and I have lost one of the best friends I ever had.

Mr. BRIDGES. Mr. President, I regret that because of official business I was not present at yesterday's session of the Senate to pay my deep respect in memory of William Howard Francis, Jr., whose untimely death occurred Saturday.

As Assistant Secretary of Defense he made an invaluable contribution to the Senate Committee on Armed Services and to the Nation as the principal architect of the incentive pay bill for the military services, which has just been signed into law by the President. This bill will be a monument to his memory.

His work on this law, however, was only the last in a long series of unselfish services to his Nation, his State, and his party. His death is a real loss to all.

I extend my deepest, heartfelt sympathy to his widow, Mrs. Caroline Francis, Jr., to his uncle, Mr. Charles I. Francis, to his mother, Mrs. William H. Francis, Sr., and to the other members of his family.

EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT ON STATE AGRICULTURAL EXPERIMENT STATIONS

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report on the State agricultural experiment stations, 1957 (with an accompanying report); to the Committee on Agriculture and Forestry.

PLANS FOR WORKS OF IMPROVEMENT IN KENTUCKY, NORTH DAKOTA, AND SOUTH DAKOTA

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting, pursuant to law, plans for works of improvement on Canoe Creek, Ky., and Wild Rice Creek, N. Dak. and S. Dak. (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON TORT CLAIMS PAID BY DEPARTMENT OF STATE

A letter from the Secretary of State, transmitting, pursuant to law, a report on tort claims paid by that Department, during the calendar year 1957 (with an accompanying report); to the Committee on the Judiciary.

RESOLUTION OF CITY COUNCIL OF CLAREMONT, CALIF.

The VICE PRESIDENT laid before the Senate a resolution adopted by the City Council of the City of Claremont, Calif., favoring the enactment of legislation to provide for the continuation of Federal flood control work in the Los Angeles area, which was referred to the Committee on Public Works.

CONCURRENT RESOLUTION OF LEGISLATURE OF LOUISIANA

Mr. ELLENDER. Mr. President, I present, for appropriate reference, a concurrent resolution of the Legislature of the State of Louisiana, relating to the maintenance of Fort Polk as a permanent military installation. I ask unanimous consent to have the concurrent resolution printed in the RECORD.

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

Senate Concurrent Resolution 4

Whereas responsible officials of the United States Government made a binding commitment to the people of Louisiana and more specifically to the people of the maneuver area of Louisiana that Fort Polk would be maintained as a permanent installation if

the people of Louisiana would obtain approximately 7 million acres of land for maneuver purposes for the benefit of the Army; and

Whereas the people of Louisiana cooperated wholeheartedly in obtaining the required acreage, without cost to the Government and went even further and obtained additional schools, additional recreational facilities, and additional public facilities for the benefit of military personnel and floated large bond issues to the limit of the capacities of the various municipalities and political subdivisions to carry out the aforesaid purposes: Now, therefore, be it

Resolved by the Senate of the State of Louisiana (the House of Representatives concurring), That the Louisiana Legislature hereby urges the President of the United States and the Secretary of Defense to maintain this vital defense installation at Fort Polk in compliance with the previous commitments to the people of Louisiana; be it further

Resolved, That copies of this resolution be sent to the President of the United States, the United States Secretary of Defense and to each member of the Louisiana delegation in the United States Congress.

LETHER FRAZER,
Lieutenant Governor and President of the Senate.

ROBERT ANGELLE,
Speaker of the House of Representatives.

RESOLUTION OF ILLINOIS-MISSISSIPPI CANAL AND SINNISSIPPI LAKE COMMISSION

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the RECORD a resolution adopted by the Illinois-Mississippi Canal and Sinnissippi Lake Commission on May 1, 1958, memorializing Congress to take favorable and immediate action on the omnibus rivers and harbors authorization bill (S. 3686) introduced by the Senator from California [Mr. KNOWLAND] and other Senators, on April 24, 1958.

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

Whereas the Illinois-Mississippi Canal, extending from Bureau on the Illinois River to Rock Island on the Mississippi River, and fed by water from Rock River and Sinnissippi Lake, created by a dam across Rock River, has been abandoned by the United States Corps of Engineers as a navigable waterway; and

Whereas the Illinois-Mississippi Canal and Sinnissippi Lake Commission was created by the Illinois General Assembly in 1953 and has been re-created each biennium since that date, for the purpose of obtaining rehabilitation and transfer of title to said canal and lake to the State of Illinois for recreational purposes; and

Whereas legislation was procured in 1955 authorizing the State of Illinois to accept transfer of the aforesaid properties under certain specified conditions; and

Whereas bills in Congress designed to implement the rehabilitation and transfer of said canal and lake to the State of Illinois have twice been transferred to and included in an omnibus rivers and harbors bill, which twice has been approved by both the Senate and the House of Representatives in the United States Congress; and

Whereas on both occasions of passage of said omnibus bills, the President of the United States has vetoed said bills for reasons made public by the President on both occasions; and

Whereas there now has been introduced in the United States Senate, an omnibus rivers and harbors bill, S. 3686, including only those measures approved by the Corps of Engineers and the Bureau of the Budget, and acceptable to the President of the United States; and

Whereas the measure involving rehabilitation of the said Illinois-Mississippi Canal and Sinnissippi Lake is included in S. 3686: Therefore, be it

Resolved by the Illinois-Mississippi Canal and Sinnissippi Lake Commission, in meeting assembled this 1st day of May 1958, in room 309 of the statehouse, Springfield, Ill., and concurred in by the Governor of Illinois, that the Congress of the United States be memorialized to take favorable and immediate action on said bill, S. 3686; and be it further

Resolved, That the President of the United States is respectfully urged to approve said bill, S. 3686, upon passage by the Congress; and be it further

Resolved, That a suitable copy of this resolution be forwarded to the President of the United States; the Honorable Dennis Chavez, chairman, Senate Committee on Public Works; the Honorable Robert S. Kerr, chairman, Subcommittee on Rivers and Harbors; the Honorable Charles A. Buckley, ranking Democratic member, House Committee on Public Works; the Honorable J. Harry McGregor, ranking Republican member, House Committee on Public Works; the Honorable Everett M. Dirksen, and the Honorable Paul H. Douglas, Senators from Illinois; and to all Members of the Illinois delegation in the House of Representatives.

Adopted this 1st day of May 1958.

FRED J. HART,
Chairman, Illinois-Mississippi Canal, Sinnissippi Lake Commission.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

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

S. 2119. A bill to expedite the utilization of television facilities in our public schools and colleges, and in adult training programs (Rept. No. 1638).

By Mr. MORSE, from the Committee on the District of Columbia, with an amendment:

S. 3493. A bill to amend the District of Columbia Unemployment Compensation Act of 1935, as amended (Rept. No. 1639).

By Mr. MORSE, from the Committee on the District of Columbia, with amendments:

S. 2419. A bill to amend the District of Columbia Unemployment Compensation Act, and for other purposes (Rept. No. 1640).

By Mr. CLARK, from the Committee on the District of Columbia, with amendments:

S. 3058. A bill to amend the act regulating the bringing of actions for damages against the District of Columbia, approved February 28, 1933 (Rept. No. 1641).

BILLS INTRODUCED

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

By Mr. JAVITS:

S. 3900. A bill to liberalize the tariff laws for works of art and other exhibition material, and for other purposes; to the Committee on Finance.

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

By Mr. CHAVEZ:

S. 3901. A bill for the relief of Ong Shew Lee;

S. 3902. A bill for the relief of Sha Shiao Fong;

S. 3903. A bill for the relief of Bing Yee Hoo; and

S. 3904. A bill for the relief of Chin Ping Chang; to the Committee on the Judiciary.

By Mr. BARRETT:

S. 3905. A bill to provide that the amount of social security benefit based on disability will not be reduced by any benefit awarded under laws administered by the Veterans' Administration or Armed Forces based on disability; to the Committee on Finance.

By Mr. NEUBERGER:

S. 3906. A bill directing the Administrator of General Services to withhold further action relating to the disposal of certain land in the city of Roseburg, Oreg.; to the Committee on Government Operations.

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

By Mr. CASE of South Dakota:

S. 3907. A bill for the relief of Clarence C. Ewing; to the Committee on the Judiciary.

By Mr. EASTLAND (by request):

S. 3908. A bill to amend section 7 of the War Claims Act of 1948; to the Committee on the Judiciary.

By Mr. KERR:

S. 3909. A bill for the relief of Mrs. Mathilde Ringol; to the Committee on the Judiciary.

By Mr. KERR (for himself and Mr. CASE of South Dakota):

S. 3910. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; to the Committee on Public Works.

By Mr. CAPEHART:

S. 3911. A bill granting the consent of the Congress to the consolidation for investment purposes by the State of Indiana of certain Congressional township funds in each State; to the Committee on Labor and Public Welfare.

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

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

S. 3912. A bill to amend the Atomic Energy Act of 1954, as amended; to the Joint Committee on Atomic Energy.

COMMISSION TO INVESTIGATE THE GOLD MINING INDUSTRY

Mr. MURRAY. Mr. President, I submit, for appropriate reference, a concurrent resolution providing for the establishment of a Commission to study the gold mining industry. This concurrent resolution is intended to be in lieu of Senate Joint Resolution 16, previously reported out by the Senate Interior and Insular Affairs Committee, but which has not yet been acted upon by the Senate.

It is my hope the Committee on Interior and Insular Affairs will be able to report this concurrent resolution promptly.

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

The concurrent resolution (S. Con. Res. 91) was referred to the Committee on Rules and Administration, as follows:

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

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

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

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

Resolved by the Senate (the House of Representatives concurring), That there is hereby established a Commission, to be known as the Commission on the Gold Mining Industry (hereafter referred to as "Commission") which shall be composed of 16 members as follow: (1) Five members who are Members of the Senate; (2) five members who are Members of the House of Representatives; and (3) six members from persons in private life who are familiar with the gold mining industry. The members who are Members of the Senate and the three of the members from private life shall be appointed by the President of the Senate, and the members who are Members of the House of Representatives and three of the members from private life shall be appointed by the Speaker of the House of Representatives, but not more than three of the Members appointed from either House of Congress shall belong to the same political party. The members of the Commission shall serve without compensation other than compensation received as Members of the Senate and House of Representatives, but they shall be reimbursed, in accordance with Senate regulations, for travel, subsistence, and other necessary expenses incurred by them in connection with the performance of the duties vested in the Commission.

SEC. 2. Vacancies in the membership of the Commission shall not affect the power of the remaining members to execute the functions of the Commission, and shall be filled in the same manner as in the case of the original selection. The Commission shall select a Chairman and a Vice Chairman from among its members at the organization of the Commission and at the beginning of the 86th Congress. The Vice Chairman shall act in the stead of the Chairman in the absence of the Chairman.

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

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

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

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

LIBERALIZATION OF TARIFF LAWS FOR WORKS OF ART

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill to amend the Tariff Act of 1930 to liberalize the tariff laws for works of art and other exhibition material, and for other purposes.

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

The bill (S. 3900) to liberalize the tariff laws for works of art and other exhibition material, and for other purposes, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Finance.

Mr. JAVITS. Mr. President, in the other House a similar measure is being introduced by Representative FRANK THOMPSON, JR., of New Jersey.

The recommended changes would first, modernize the definition of "works of art" that can be imported duty free to encompass works made of any material and in any form, including collages, along with certain abstract sculptures, lithographs, and modern tapestries, and, second, increase the availability of works of art and other articles for educational and cultural use throughout the United States and in exhibitions, including display in commercial galleries, but not for sale.

Yesterday I had a press conference in New York City at one of the museums, which was attended by all the museum representatives, at which specific pictures were made of what may be imported duty free and what may not be. It was obvious an arbitrary distinction is made, one which frustrates the reputation of the United States as a country which is interested in new cultural development.

Statements have been made, in and out of Congress, reflecting on modern art as some abstraction to such an extent as to give an impression to the world that many in the United States are reactionaries on such subjects. This is far from the fact, as anyone knows who has visited the United States. Our people are alert to and appreciative of modern art and sculpture, and our artists are original, productive, and world famous.

Yet the cultural prestige of the United States is on trial in the artistic centers of the Free World because of the dated tariff regulations and customs rulings which severely limit the original works of art allowed free entry following purchase abroad by United States art museums, and dealers, as well as private collectors, who must rank as potential donors to museums. The amendments I am submitting would bring us up to date with the modern art world and keep us abreast of future developments in this fast changing field whose very vitality is so often expressed in nonconventional forms.

Communist and Fascist societies have long been infamous for their attempts to stifle artistic creations which vary from their political line and to demand absolute conformity of their artists in every field. As the world's leading democratic society dedicated to the freedom of individual expression in all forms, we cannot afford outmoded laws which frustrate the free interchange of works of art between the United States and other countries.

The key amendment we are proposing would enlarge the definition in paragraph 1807 of the Tariff Act of 1930 to admit duty free original works of art not only done in oil, pen and ink, water colors, and other more traditional mediums but also in any other mediums, including applied paper and other materials, manufactured or otherwise, such as are used on collages," and original sculpture and statutory "constructed from any material or made in any form," not limited to conventional materials and representative forms.

Under the present act as administered an original Picasso or Matisse painting would be imported duty free, but a Picasso or Matisse collage on precisely the same subject, valued perhaps at as high as $20,000, as some are, would very likely be subject to a customs levy of $4,000. That is because collages—a recognized fine arts medium in which the artist frequently glues or nails various materials such as paper, cloth, and even manufactured objects to a surface—are not now considered works of art, and the Treasury Department reports that it is usual for the Customs Bureau to classify them according to the component material of chief value. They are frequently dutiable at the normal high rate, however, based on their value as a work of art.

In addition, although a famous court decision regarding the bird in space sculpture ruled in favor of free importation of sculpture which did not represent a form in its true proportions, abstract sculptures which represent neither the human nor some other form of nature cannot enter free. That is why we consider it essential to classify original works of art made of any form and out of any material not subject to duty.

These changes and others we are submitting to remove the import restriction on certain printing processes such as lithographs not over 20 years old, hand-woven tapestries by modern artists, "models of inventions and other impovements in the arts" for use by architectural schools and other groups, and to encourage the acquisition and preservation of "ethnographic and artistic objects" from primitive societies made 50 years prior to their date of entry if enacted into law will be welcomed at home and abroad. They will continue to contribute to the recognition that we as a people are not solely concerned with material development but are deeply interested in cultural advancement which has been symbolic of most great civilizations. It is also consistent with the achievement of our announced goal of world peace upon which all cultures depend if they are to prosper aesthetically as well as economically.

To help increase the people's opportunities for art appreciation in all forms, now so often limited to the larger cities and even there to specialized groups, we are also proposing amendments to paragraph 1807 to allow free entry for the sculptor's model and 10 replicas, compared to the 2 allowed at present, to answer the demand for original casts by museums and collectors. Another

change in paragraph 1809 would encourage the exhibition of works of art throughout the country by allowing their importation for display purposes "within the territorial limits of the United States." And finally, to expand the potential audience size for exhibitions, an amendment to paragraph 1809 would provide that works of art "may be transferred temporarily to a commercial gallery or other premises of educational, scientific, agricultural, or cultural purposes or for the benefit of charitable organizations, and not for sale."

In every way we must seek to keep the tariff laws abreast of the modern situation.

Mr. President, our country is recognized in the world as the Free World leader not only by virtue of its productive power, but also by virtue of its inventive genius, artistic inspiration, and cultural attributes. The bill about which I am speaking is a move toward establishing that fact firmly.

Mr. President, I remind Senators that a great sensation in international relations was recently created by a brilliant young pianist from Texas, Mr. Cliburn. I think this fact indicates the power of artistic creation in terms of international relations when one has a forward looking and open point of view. The purpose of the bill is to foster that idea, Mr. President. I hope very much it will have the early attention of the appropriate Senate committee.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of the bill, an analysis of the need for passage of the bill, and an article from the New York Times of today, entitled "Javits Bill To Ask End to Art Duties."

There being no objection, the bill, analysis, and news article were ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That paragraph 1720 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1201, par. 1720), is amended to read as follows:

"PAR. 1720. Models of inventions and of other improvements in the arts, to be used exclusively as models and incapable of any other use, except as they may be used in educational and cultural exhibitions."

SEC. 2. Paragraph 1807 of such act, as amended (19 U. S. C., sec. 1201, par. 1807), is amended to read as follows:

"PAR. 1807. Original paintings in oil, mineral, water, or other colors, pastels, original drawings and sketches in pen, ink, pencil, or water colors, or original works of art in any other media, including applied paper and other materials, manufactured or otherwise, such as are used on collages, artists' proof etchings unbound, and engravings and woodcuts unbound, lithographs not over 20 years old, or prints made by other hand-transfer processes unbound, original sculptures or statuary, but the terms 'sculpture' and 'statuary' as used in this paragraph shall be understood to include professional productions of sculptors only, whether in round or in relief, in bronze, marble, stone, terra cotta, ivory, wood, metal, or other materials, or whether cut, carved, or otherwise wrought by hand from the solid block or mass of marble, stone, alabaster, or from metal, or other material, or cast in bronze or other metal or substance, or from wax or plaster, or constructed from any material or made in any form as the professional productions of sculptors only, and the term 'original' as used in this paragraph to modify the words 'sculptures' and 'statuary,' shall be understood to include the original work or model and not more than 10 castings, replicas, or reproductions made from the sculptor's original work or model, with or without a change in scale and regardless of whether or not the sculptor is alive at the time the castings, replicas, or reproductions are completed. The terms 'painting,' 'drawing,' 'sketch,' 'sculpture,' and 'statuary,' as used in this paragraph, shall not be understood to include any articles of utility or for industrial use, nor such as are made wholly or in part by stenciling or any other mechanical process, and the terms 'etchings,' 'engravings,' and 'woodcuts,' 'lithographs not over 20 years old,' or 'prints made by other hand-transfer processes,' as used in this paragraph, shall be understood to include only such as are printed by hand from plates, stones, or blocks etched, drawn, or engraved with hand tools and not such as are printed from plates, stones, or blocks etched, drawn, or engraved by photochemical or other mechanical processes."

SEC. 3. Paragraph 1809 of such act, as amended (19 U. S. C., sec. 1201, par. 1809), is amended to read as follows:

"PAR. 1809. (a) Works of art, collections in illustration of the progress of the arts, sciences, agriculture, or manufactures, photographs, works in terra cotta, parian, pottery, or porcelain, antiquities, and artistic copies thereof in metal or other material, imported in good faith for exhibition purposes within the territorial limits of the United States by any State or by any society or institution established for the encouragement of the arts, science, agriculture, or education, or for a municipal corporation, and all like articles imported in good faith by any society or association, or for a municipal corporation, for the purpose of erecting a public monument, and not intended for sale nor for any other purpose than herein expressed; but bond shall be given under such rules and regulations as the Secretary of the Treasury may prescribe, for the payment of lawful duties which may accrue should any of the articles aforesaid be sold, transferred, or used contrary to this provision within 5 years after the date of entry hereunder and such articles shall be subject at any time within such 5-year period to examination and inspection by the proper officers of the customs: *Provided,* That the privileges of this paragraph shall not be allowed to associations or corporations engaged in or connected with business of a private or commercial character.

"(b) In connection with the entry of works of art and other articles claimed to be free of duty under this paragraph, surety on bonds may be waived in the discretion of the collector.

"(c) Articles entered under this paragraph may be transferred from one institution to another, subject to a requirement that proof as to the location of such articles be furnished to the collector at any time, and such articles may be transferred temporarily to a commercial gallery or other premises for educational, scientific, agricultural, or cultural purposes or for the benefit of charitable organizations, and not for sale, upon an application in writing in the case of each transfer under this subparagraph describing the articles and stating the name and location of the commercial gallery or premises to which transfer is to be made, and provided in the case of any such transfer the sureties, if any, on the bond assent in writing under seal or a new bond is filed. No entry or withdrawal shall be required for a transfer under this subparagraph."

SEC. 4. Paragraph 1811 of such act, as amended (19 U. S. C., sec. 1201, par. 1811), is amended to read as follows:

"PAR. 1811 (a) Works of art (except rugs and carpets made after the year 1706), collections in illustration of the progress of the arts, works in bronze, marble, terra cotta, parian, pottery, or porcelain, artistic antiquities, and objects of art of ornamental character or educational value which shall have been produced prior to 100 years before their date of entry, but the free importation of such objects shall be subject to such regulations as to proof of antiquity as the Secretary of the Treasury may prescribe. Antique frames on original works of antique or modern art may be entered at any port of entry.

"(b) Violins, violas, violoncellos, and double bases, of all sizes, made in the year 1800 or prior year.

"(c) Ethnographic or artistic objects made in the traditional aboriginal styles of the North, Central, and South American countries and of the Caribbean Islands, the countries of the African Continent, and of the islands of Micronesia, Melanesia, Polynesia, southeast Asia, and Australia, and made at least 50 years prior to their date of entry."

SEC. 5. Paragraph 1812 of such act, as amended (19 U. S. C., sec. 1201, par. 1812), is amended to read as follows:

"PAR. 1812. Gobelin and other handwoven tapestries used as wall hangings."

STATEMENT ON NEED FOR BILL TO LIBERALIZE THE TARIFF LAWS FOR WORKS OF ART AND OTHER EXHIBITION MATERIAL, AND FOR OTHER PURPOSES

Paragraph 1720: Paragraph 1720 provides for the free entry of models. At present the words "to be used exclusively as models and incapable of any other use" prevent the free entry of architectural and other models for use in exhibitions.

The phrase "except as they may be used in educational and cultural exhibitions" is added so that museums may import architectural and other models free of duty for study and exhibition at schools of architecture and other organizations such as the Architectural League, New York. (Museums may now import such models under par. 1809 (q. v.), but many potential exhibitors may not, and models so imported may not be transferred to commercial galleries. The use of material entered under permanent exhibition bond (par. 1809) will be facilitated if proposals listed below are adopted. Organizations such as the Architectural League will, however, be required to pay duty unless par. 1720 is amended.)

1. GENERAL REMARKS

Paragraph 1807:

The obvious intent of this paragraph is to allow free entry to all bona fide original works of art. This is a great advantage to American art museums and dealers as well as private collectors, who are potential donors to the museums.

However, the wording of the paragraph, which has not been revised since 1930, has permitted the development of regulations which make certain works dutiable under paragraph 1547 as "works of art not especially provided for" or even (frequently) under paragraphs which were not intended to cover original works of art and which work considerable hardship when applied to very valuable objects. Two paragraphs often used in this way are 1023 (20 percent ad valorem) and 1413 (17½ percent ad valorem) for "manufactures not especially provided for" of hemp and paper respectively. When these paragraphs are used, the duty is invariably based upon the value as works of art which is often in excess of $10,000. When as "manufactures of hemp and paper" this value might be 15 cents. These regulations vastly increase paperwork for importers and the customs service. They cause needless delay and have sometimes forced importers to take court action against the Government. Above all, they frustrate the intent of Congress.

2. MATERIALS

Paragraph 1807 includes a list of traditional artists' materials, which was apparently meant to include all those used in bona fide works of art. But artists are constantly using new materials, many of which are not manufactured as "art supplies"; and works incorporating such materials are excluded by implication.

For example, more and more artists in this country and abroad are making "collages," that is pictures or abstract compositions made of paper, cloth, small objects (manufactured or not), etc., pasted, glued, sewn, pinned, or nailed together and often combined with drawing or painting in traditional mediums. Collage as a fine arts medium was invented by Picasso and Braque about 1912. The best collages of these artists are now valued as high as $20,000. Collages by Picasso, Gris, Braque, Matisse, Schwitters, Burri, and other important 20th century artists are in the collections of most of the great art museums of the United States, including

(a) The Metropolitan Museum of Art, New York.

(b) The Art Institute of Chicago.

(c) The Philadelphia Museum of Art.

(d) The Baltimore Museum of Art.

(e) The Museum of Modern Art, New York.

(f) The San Francisco Museum of Art.

(g) The Columbus Gallery of Fine Arts.

(h) Yale University Art Gallery.

Several are illustrated in Masters of Modern Art edited by Alfred H. Barr, Jr., Museum of Modern Art, New York, 1954.

Neither the esthetic nor the commercial value of modern works of art depends in any way on the materials of which they are made. This is generally recognized by artists, dealers, scholars, collectors, and museum officials. Paragraph 1807 is therefore modified to include some of the materials typical of colleges and the words "in any other media" added to allow free entry to these and works in any new mediums that may come into use by professional artists.

3. PRINTING PROCESSES

In the same way original prints in limited editions printed by hand can be made in other ways than those listed in the paragraph, especially by lithography, and the purpose of the paragraph is defeated by the implied limitation to specified techniques. The paragraph has therefore been changed to include prints made by other hand-transfer processes.

4. EDITIONS OF SCULPTURE

Three-dimensional works of art other than unique models and constructions are customarily cast from molds or reproduced by other quasi-mechanical means in strictly limited editions of usually no more than 10 replicas. Each unit is finished by hand, and the first is not more valuable or original than the last. In exceptional cases an edition is completed by associates after the death or incapacity of the sculptor. In addition to the edition one sculptor's model made by hand in less permanent material is often preserved. This too is considered an original work of art.

Such editions are a normal feature of professional production in sculpture and do not constitute mass-produced commercial reproductions. The practice is traditional and not a recent innovation. It is recognized in the present wording of the paragraph; but the limitation to 3 replicas, the customs regulation that they must be the first 3 made, and failure to mention the sculptor's model raise obstacles to the importation of certain works identical with those admitted free.

In view of the large number of American museums and private collectors interested in casts of the same work, the wording is changed to admit the sculptor's model and not more than 10 replicas.

5. ABSTRACT SCULPTURE

The present language of the paragraph would seem to allow free entry to all bona fide sculpture without regard to its form or title. However, a Treasury ruling of 1916 (T. D. 36309) requires sculpture to consist of "imitations of natural objects, chiefly the human form * * * in their true proportion of length, breadth, and thickness * * *." As a result of the famous Brancusi Bird in Space decision of 1928 (T. D. 43063) sculpture, though still required to represent a natural form, need no longer render it in its exact proportions. Although in his decision in the Brancusi case Judge Waite recognized that "There has been developing a so-called new school of art, whose exponents attempt to portray abstract ideas rather than to imitate natural objects," customs officials are still required to follow the 1916 ruling and deny free entry to all frankly abstract sculpture, which makes no claim to derivation from any natural form. (At the same time paintings and drawings are admitted whether abstract or not if made from traditional materials.) Thus it happens at times that free entry for sculpture hinges entirely upon its title. Recently a piece of sculpture—not purely abstract—with the French title "Masque" was first denied free entry on the grounds that a mask is not a natural object, but was later admitted when it was shown that "Masque" may also be translated "masker" or "masquerader" and that this was the correct rendering in the particular case in hand.

Abstract sculpture is being produced here and abroad by many artists who have forsaken the idea of duplicating or distorting the human or animal form. Their works are included in many museum and private collections and are commonly illustrated in publications on the art of our time.

Since the 1916 ruling bars a large and increasing proportion of all the sculpture being made from duty free entry, we have inserted the words "made in any form."

1. TRANSFER WITHOUT PERMISSION

Paragraph 1809 (c): Since all institutions privileged to use this paragraph must first establish their noncommercial character, there is no risk that objects freely transferred from one to another might be put to illegitimate use. Thus the permission required for each move imposes a useless burden on the institutions and the Government.

2. TRANSFER WITH PERMISSION

Benefit and other nonprofit exhibitions must often be held on the premises of commercial organizations. It would be useful if material entered under exhibition bond might be shown in such exhibitions with permission.

The changes in this paragraph have therefore been made to simplify the work of the Customs Service as well as that of institutions privileged to use the paragraph and to increase the availability of such material for educational and cultural use.

Paragraph 1811 (a): Because of the specific date used in paragraph 1811 as a criterion for free entry it applies every year to older material. An importer must now establish an age of 128 years instead of the 100 which was the original intent of Congress. This paragraph is constantly of use to American museums and collectors, but its usefulness diminishes with the passage of time.

Paragraph 1811 (c): Objects representing the material culture of primitive peoples may be considered antique at an earlier age than is customary for other artistic antiquities. Some reasons for this are:

1. Within the past 50 years many of the cultures represented by such objects have disappeared, diminished, or changed radically.

2. In the absence of records it is often impossible to be certain of the age of such material.

3. The very preservation of such material frequently depends upon its posession by a museum, especially when it is no longer valued by its makers.

4. In many culture areas objects more than 50 years old are almost nonexistent because of the perishable materials used and the corrosive effect of climate and vermin in the local environment.

These objectives are seldom if ever capable of any use other than study and display, and they do not compete with any American products. An age of 50 years is more than enough to bar all modern commercial products and imitations made for the tourist trade.

Paragraph 1812: It would be a great convenience to American museums if the many modern tapestries not made at the Gobelin factory could be imported as duty free works of art. At present many tapestries designed by Picasso, Lurçat, Maillol, Miro, and Léger, and other modern artists are denied free entry because they are not Gobelin tapestries. In this bill the paragraph is amended to allow free entry for other hand-woven tapestries made for use as wall hangings.

[From the New York Times of May 27, 1958]

JAVITS BILL TO ASK END TO ART DUTIES—CUSTOMS CHANGES SOUGHT TO EXEMPT IMPORTED COLLAGES AND ABSTRACT SCULPTURE

(By Sanka Knox)

An abstract sculpture or a collage may be a thing of beauty to its owner, but it is dutiable merchandise to the Government.

A move to win official art standing for certain kinds of creative foreign works that now are disparaged by the tariff law was announced yesterday by Senator JACOB K. JAVITS.

The New York Republican, in a meeting with museum officials, said he planned to introduce in the Senate today legislation designed to correct antiquated rulings on what constitutes a work of art. The meeting took place at the Museum of Primitive Art, 15 West 54th Street.

According to the Tariff Act of 1930, which defines an original work of art, such objects as abstract sculptures, collages, lithographs and primitive carvings are ruled out of the art family.

SUBJECT TO LEVIES

They are subject to customs levies, while original works of art may enter the country free of duty. In many cases the Customs Bureau will levy a high tax on a collage, which is a picture consisting of varied materials applied in a pattern.

It was recalled at the meeting that in 1956 an imported collage by Alberto Burri was classified by Customs as a manufacture of vegetable fibers because it had a background of burlap.

But, although it was not art, according to Customs, it received a levy of $90, or 20 percent of its declared value of $450. Its owner, Donald Peters, protested the tax, saying that if his import was vegetable matter, then it was worth $1 and the Government was entitled to 20 cents. Mr. Peters lost the argument.

Collage as an art form was invented about 1912 by Pablo Picasso and Georges Braque. One of Picasso's earliest collages, Man With a Hat, a charcoal, ink and pasted paper construction now owned by the Museum of Modern Art, is valued in five figures, a spokesman said.

BOND HAD TO BE POSTED

The museum posted a 5-year bond to bring it in duty-free, but under the law it could not dispose of the work during the

bond period without paying duty. The museum was also prevented from lending it without permission.

A small collection of works from the Museum of Modern Art was assembled at the meeting to point up the alleged inconsistencies of the tariff law. One object, a geometric painting by Piet Mondrian in oils on canvas, was allowed free entry because it was composed of traditional materials.

Another work, a sculptural relief in the same general style by Ben Nicholson, was taxable. The museum was permitted to import it under bond, but a private collector or dealer would have had to pay duty.

Under Treasury requirements, levy-free sculpture must consist of "imitations of natural objects, chiefly the human form * * * in their true proportion of length, breadth and thickness."

Senator JAVITS said the rulings concerning the free admission of collages and sculpture "have become so artificial in terms of development of art today that they have made us almost an object of ridicule."

WITHHOLDING ACTION RELATING TO DISPOSAL OF CERTAIN LAND IN ROSEBURG, OREG.

Mr. NEUBERGER. Mr. President, I am submitting for the RECORD a letter I addressed to Franklin G. Floete, Administrator, General Services Administration, on May 14, and a letter I received in reply from Mr. Floete this morning. I believe these letters are self-explanatory.

In keeping with my expressed plan, as mentioned in my May 14 letter to Mr. Floete, I introduce, for appropriate reference, a bill which would direct the Administrator of the General Services Administration to take no further action prior to December 31, 1958, relating to the land designated in the bill. It is my hope, Mr. President, that even if the Administrator is unable to defer further the sale of the property at this time, the proposed law will be helpful, in the event the bids on this property are rejected, the possibility of which Mr. Floete indicates in the last paragraph of his letter. An identical bill is being introduced in the House, today, by Representative CHARLES O. PORTER, of the Fourth Oregon District.

I ask unanimous consent that the bill and letters be printed in the RECORD.

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

The bill (S. 3906) directing the Administrator of General Services to withhold further action relating to the disposal of certain land in the city of Roseburg, Oreg., introduced by Mr. NEUBERGER, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Administrator of General Services shall take no further action, prior to December 31, 1958, relating to the disposal of the following described tract of land situated in Douglas County, Oreg.:

All of lots 6 and 7, block 29, city of Roseburg, Douglas County, Oreg., except that portion of said lot 6 described as follows:

Beginning at a cross chiseled in the sidewalk in the west line of said lot 6 from which the street monument at the intersection of Rose and Washington Streets bears north 62 degrees 02 minutes west 30.0 feet and north 28 degrees 01 minutes east 90.26 feet; thence south 62 degrees 02 minutes east 35.67 feet to a brass cap; thence south 28 degrees 01 minutes east 8.63 feet to a brass cap; thence north 62 degrees 01 minute 30 seconds west 35.7 feet to the east line of Rose Street; thence south 28 degrees 01 minutes west 8.63 feet to the point of beginning.

The letters presented by Mr. NEUBERGER are as follows:

UNITED STATES SENATE,
COMMITTEE ON PUBLIC WORKS,
May 14, 1958.

Mr. FRANKLIN G. FLOETE,
Administrator, General Services Administration, General Services Building, Washington, D. C.

DEAR MR. FLOETE: I appreciated your courtesy in sending me a copy of your May 2 letter addressed to Representative CHARLES O. PORTER in which you point out that the remainder of the Lillie Lela Moore property in Roseburg, Oreg., about which Mr. PORTER had written on April 24 has been withheld from disposal since June 2, 1953. I appreciate, too, the cooperation and counsel you provided which served as a guide to the House Committee on Government Operations in amending H. R. 6995 in such a way that it won support in the House. This bill is now pending before the Senate Committee on Government Operations and I am hopeful that it will win the support of the Senate before the 85th Congress adjourns.

This bill, once enacted, will go far toward achieving the splendid goal set by the Douglas County Historical Society and its hundreds of friends. This organization has shown great perseverance in its effort to establish a museum and historical landmark in Roseburg, Oreg., which would serve the entire county and its more than 70,000 inhabitants.

With the society so near to achieving its main objectives, I think you will agree that it would be most unfortunate if every possible step were not taken to bring its full plan into realization. That plan was discussed at some length Tuesday when Mr. Jones, my administrative assistant, talked with Mr. Brunson, of your staff. Briefly, that plan calls for the construction of a historical museum on the two lots which are presently the subject of bids now scheduled to be opened May 28. In your letter to Representative PORTER, you took cognizance of the possible interest the Douglas County Historical Society might have in acquiring these two lots, when you suggested that the society "may submit a bid therefor in response to the advertising. The property may be purchased for cash on terms requiring 20 percent down, the balance payable in 40 equal quarter-annual installments with interest at 5 percent per annum."

In a call from the society's president, I was informed that the Douglas County Historical Society would very much like to buy this property. However, the situation, at this particular time makes it practically impossible for the organization to enter a bid. For this reason, members of the society and their broad group of supporters throughout Douglas County and the State of Oregon are gravely concerned, lest these lots will be acquired by private interests who are completely indifferent, it seems, to the public interest and historical uses to which these lots might be turned. Letters expressing this public concern have been received in my office in the last few days. Congressman PORTER has received similar requests.

If these lots could be the subject of bid—or even better—of negotiation, a few months later, this could very possibly be worked out in terms satisfactory to the General Services Administration, the Douglas County Historical Society and the citizens of the county. Under the plan proposed by spokesmen for the society, and by the authority provided in their charter, voters of the county would be asked in the November election to approve a levy which would provide funds for their County Historical Society for use in purchasing the lots to construct the museum building thereon. Oregon law empowers them to do this as a chartered public organization.

In view of these plans for the realization of their objectives which have been propounded in concrete, realistic, and practical terms by the society officials, and in consideration of the evident wide support from the public, I am having a bill drafted which would facilitate and expedite their proposals. Perhaps there is administrative authority without such a bill, the measure, however, would certainly lend direction and emphasis to the accomplishment of the society's major objectives.

It seems to me that the ultimate fulfillment of these plans now hinges on the suspension for a few more months of the proposed and imminent opening of bids scheduled for May 28. However, at this time, postponement of the sale for a few more months certainly will have no adverse effect on any other use for which the property conceivably may be purchased. Accordingly, I would like to request that the General Services Administration, in the interest of the general public, delay until in November any further action on disposal of the subject lots.

I have discussed this proposed bill with Representative PORTER who is well aware of the deep interest of his constituents in preserving the Moore property intact and establishing a historical center in the county. He concurs completely in my request.

Your cooperation and understanding of these matters are greatly appreciated.

With kind regards, I am

Sincerely,

RICHARD L. NEUBERGER,
United States Senator.

GENERAL SERVICES ADMINISTRATION,
Washington, D. C., May 23, 1958.

Hon. RICHARD L. NEUBERGER,
United States Senate,
Washington, D. C.

DEAR SENATOR NEUBERGER: We are unable to consider favorably the request made in your letter of May 14 that we withdraw our public offering of the remaining portion of the Lillie Lela Moore property at Roseburg, Oreg.

Prolonged delays in the disposal of surplus real property are, in our judgment, inimical to the basic provisions of the Federal Property and Administrative Services Act of 1949 relating to the disposition of such property. A decision to delay this sale is made more difficult by the fact that the property has been extensively advertised for sale and the scheduled bid opening on May 28 is imminent. It would be impracticable to notify interested bidders of the change in plan and would tend to lessen the confidence of the bidding public in the competitive bid procedure, on which we rely for a substantial portion of our sales.

In the event we do not receive a bid commensurate with the appraised fair market value of the property, all bids will be rejected, in which event we will defer a further offering of the property until November. At that time we will favorably consider the negotiated sale of the two lots to the Douglas County Historical Society at the current appraised fair market value of the property, provided legislation is enacted which will renew or supplant our expiring negotiating authority now provided under section 203 (e) of the act cited above.

Sincerely yours,

FRANKLIN FLOETE,
Administrator.

CONSOLIDATION FOR INVESTMENT PURPOSES BY STATE OF INDIANA OF CERTAIN CONGRESSIONAL TOWNSHIP FUNDS

Mr. CAPEHART. Mr. President, I introduce, for appropriate reference, a bill granting the consent of the Congress to the consolidation for investment purposes by the State of Indiana of certain Congressional township funds in such State. I ask unanimous consent to have printed in the RECORD and appropriately referred a joint resolution of the General Assembly of the State of Indiana, relating to the subject matter of the bill.

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

The bill (S. 3911) granting the consent of the Congress to the consolidation for investment purposes by the State of Indiana of certain Congressional township funds in such State, introduced by Mr. CAPEHART, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The joint resolution presented by Mr. CAPEHART was referred to the Committee on Labor and Public Welfare, as follows:

Senate Enrolled Joint Resolution 15

Joint resolution memorializing the Congress of the United States to enact appropriate legislation to permit the State of Indiana to manage and invest the money in the Congressional township fund

Whereas in 1785 the Continental Congress of the United States set aside section No. 16 in each Congressional township for the use of the schools by the inhabitants of such township; and

Whereas these sections of land so set aside have been sold, and the money realized from the sale thereof has been put into a trust fund which is now invested by the respective counties;

Whereas it is opinion of the various county auditors of the State that the investment of the small amount of money in such funds is of little financial value to the citizens of their counties; and that the money in such funds would realize a larger return if invested by the State: Therefore be it

Resolved by the General Assembly of the State of Indiana—

SECTION 1. The Congress of the United States is hereby memorialized and requested to enact appropriate legislation to permit the State of Indiana to manage and invest all money in the Congressional township fund for the benefit of the inhabitants of each Congressional township.

SEC. 2. The secretary of the Senate of the Indiana General Assembly is hereby instructed to forward a copy of this resolution to the House of Representatives and the Senate of the Congress of the United States; and to send a copy to each Member of the House of Representatives and the Senate who represent the State of Indiana in the Congress of the United States.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, TO CORRECT UNINTENDED BENEFITS AND HARDSHIPS—AMENDMENT

Mr. LONG submitted an amendment, intended to be proposed by him, to the bill (H. R. 8381) to amend the Internal Revenue Code of 1954, to correct unintended benefits and hardships and to make technical amendments, and for other purposes, which was referred to the Committee on Finance, and ordered to be printed.

TEMPORARY ADDITIONAL UNEMPLOYMENT COMPENSATION—AMENDMENTS

Mr. CAPEHART submitted amendments, intended to be proposed by him, to the bill (H. R. 12065) to provide for temporary additional unemployment compensation, and for other purposes, which were ordered to lie on the table, and to be printed.

Mr. COOPER (for himself, Mr. REVERCOMB, and Mr. JAVITS) submitted amendments, intended to be proposed by them, jointly, to House bill 12065, supra, which were ordered to lie on the table, and to be printed.

Mr. DOUGLAS submitted an amendment, intended to be proposed by him, to House bill 12065, supra, which was ordered to lie on the table, and to be printed.

AMENDMENT OF MUTUAL SECURITY ACT OF 1954—AMENDMENT

Mr. MORSE submitted an amendment, intended to be proposed by him, to the bill (H. R. 12181) to amend further the Mutual Security Act of 1954, as amended, and for other purposes, which was ordered to lie on the table, and to be printed.

NOTICE OF HEARING ON THE NOMINATION OF EDWARD T. WAILES TO BE AMERICAN AMBASSADOR TO IRAN

Mr. GREEN. Mr. President, I wish to announce that the Senate has today received the nomination of Edward T. Wailes, of the District of Columbia, to be Ambassador to Iran.

Notice is hereby given that the nomination will be eligible for consideration by the Committee on Foreign Relations after the expiration of 6 days, in accordance with the committee rule.

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

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

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

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

CARDINAL STRITCH

Mr. PROXMIRE. Mr. President, the world has been made poorer by the death of Cardinal Stritch.

The brilliant scholar and priest showed, from an early age, the bright promise which was to be so completely fulfilled in his life. He graduated from grammar school at 10, and had his bachelor of arts degree at 16. When he was named Bishop of Toledo, Ohio, he was at 34 the youngest member of the Roman Catholic hierarchy in the United States.

When he was only 43 he was made Archbishop of Milwaukee. The people of Wisconsin will remember him particularly for the memorable 10 years in Milwaukee. He was next appointed Archbishop of Chicago, the largest Archdiocese in the United States, with an estimated 2 million communicants. Then, in 1945, his career reached a climax with his appointment as a Cardinal of the Roman Catholic Church.

Samuel Cardinal Stritch was the first American-born Cardinal of the Roman Curia, the central government of the Roman Catholic Church. He ascended to this position last March 1, when Pope Pius XII appointed him Pro-Prefect of the Congregration of the Propagation of the Faith, with the responsibility for supervising the worldwide missionary activity of the church.

America and the world can ill afford the loss of so stout-hearted a fighter for freedom and the dignity of the human spirit. Samuel Cardinal Stritch will be mourned wherever men place value on the things of the spirit.

SECOND HOOVER COMMISSION REPORT—RESOLUTION OF SUPPORT BY NEW JERSEY STATE FEDERATION OF WOMEN'S CLUBS

Mr. SMITH of New Jersey. Mr. President, the New Jersey State Federation of Women's Clubs, at its convention this month, adopted a resolution of support for the implementation of the Second Hoover Commission Report. It made particular reference to certain recommendations including reorganization of the Federal budget and accounting system, and expansion of the program within the Department of Defense for basic and applied research.

Mr. President, this outstanding organization represents over 46,000 clubwomen in New Jersey. I ask unanimous consent that a copy of the aforementioned resolution be printed in the RECORD at the conclusion of my remarks.

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

SECOND HOOVER COMMISSION REPORT

Whereas there is great demand by thoughtful and public-spirited citizens for economy and a more efficient Government; and

Whereas the New Jersey State Federation of Women's Clubs (by resolution at the annual convention, 1950) endorsed and supported the reorganization plan for the first Hoover Commission appointed by Congress to effect savings in Government; and

Whereas the second Hoover Commission empowered by Congress to study Government operations has reported waste, duplication, and disregard of economy in Government operations as well as inefficiency in basic and applied research within the Department of Defense; and

Whereas there are comparatively few recommendations brought in by the second Hoover Commission which have been acted upon to date, and we believe that immediate implementation of the remaining recommendations would save the Government billions of dollars, the most urgent among them being:

1. Elimination of nonessential services in competition with private enterprise;

2. Reorganization of the Federal budget and accounting system—

(a) by fixing appropriations under an annual accrued spending formula;

(b) by halting the stockpiling of unspent funds from past budgets (as provided by H. Res. 8002 now before Congress);

3. Establishment of a supply and service administration within the Department of Defense, thereby centralizing procurement and distribution of nonmilitary goods and services commonly used by all the Armed Forces;

4. Expansion of the program within the Department of Defense for basic and applied research;

5. Establishment of a senior civil service: Therefore be it

Resolved, That the New Jersey State Federation of Women's Clubs in convention assembled, May 1958, endorses and supports the implementation of the recommendations of the second Hoover Commission, and respectfully urges the appropriate committees of the Senate and the House of Representatives to take immediate action (and to work for their enactment into law); and be it further

Resolved, That copies of this resolution be forwarded to the President of the United States, Dwight D. Eisenhower; to His Excellency, Gov. Robert B. Meyner; to the resolutions chairman of the General Federation of Women's Clubs, and to all Senators and Representatives currently representing the State of New Jersey in the Congress of the United States of America.

AIR SAFETY

Mr. MORTON. Mr. President, I ask unanimous consent to proceed for 5 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Kentucky may proceed.

Mr. MORTON. Mr. President, the tragic air accident which occurred a week ago today involving a Capital Airlines Viscount and a National Guard jet trainer reemphasizes the need for more effective control of the airways. The administration and the Congress share the responsibility for action that will bring about greater traffic safety for aircraft.

Last week the President issued a 5-point directive and gave Gen. Pete Quesada emergency powers to accelerate air safety action. I commend the President for what he has done. I think it will be necessary to go much further if these accidents are to be prevented, and it is my belief that legislation is required.

On the day following the accident, I made a flight from Andrews Air Force Base in one of the newest jet interceptors, which will soon be delivered to the Air Force. The plane was the JF-101B, commonly known as the Voodoo, and it is produced by the McDonnell Aircraft Corp., of St. Louis. It is one of the fastest operational planes in the world. The plane itself is a two-seater, with powerful jet engines and a unique airbrake. It carries 2 atomic rockets, as well as 2 conventional high explosive rockets. It is designed to intercept approaching enemy bombers and destroy them with the air-to-air weapons which it carries. The atomic rockets are designed for use against a formation of bombers, and the conventional rockets against single bombers.

We were in the air only 30 minutes on this flight. During this time we attained a speed of well over 1,000 miles an hour, and were at an altitude of more than 50,000 feet. In fact, we were at 40,000 feet in just over 2 minutes after leaving the ground. During these 30 minutes, the plane consumed in excess of 13,000 pounds of fuel.

It was a bright, clear day, with almost perfect visibility. The plane handles easily and is very smooth in flight. There was no feeling of high speed or excessive vibration. The only way that I could tell that we had gone through the sound barrier was by watching the instrument panel.

The climb of the plane is so rapid that we attached our oxygen masks before takeoff. This mask has built into it a microphone which permitted me to talk to the pilot during the flight. Before we left the ground, I was fully briefed on how to operate the emergency safety devices. I was shown how to throw off the canopy over the cockpit and how to fire the charge which would blow me out of the plane and automatically open my parachute at the proper time. I confess to some degree of nervousness while receiving these instructions.

The terrific speed of this plane convinces me that we must, as soon as possible, establish joint control over military and civilian aircraft in flight. There have recently been four bad crashes involving military jets and conventional commercial airlines. As the airlines begin using jets, the danger will increase. The increasing and alarming number of near misses reported by airline pilots lends further substance to the fact that the day of see-and-be-seen flight operations is rapidly drawing to a close.

During my supersonic flight in the Voodoo, I saw another jet aircraft approaching on a crossing course at such a distance it was barely visible. The intervening distance was closed so rapidly that I could hardly believe it. The speed of our jets is simply fantastic—we were flying more than 17 miles a minute. This problem of speed is of great concern to all of us, from an air safety standpoint.

Unified control and supervision of all aircraft is absolutely imperative if these tragic accidents are to be avoided. Some have suggested that we curtail military operations, but this, in my opinion, would be suicidal to our national defense. The United States Air Force is today the greatest deterrent against major war. Unless it flies, it cannot remain proficient. The answer to these tragic accidents is not to stop flying, but to establish traffic control on the airways.

I commend the Senator from Oklahoma [Mr. MONRONEY] for sponsoring and vigorously supporting his bill, S. 3880, entitled the Federal Aviation Act of 1958. This bill will create an independent agency directly responsible to the President and the Congress. It gives to that agency the authority to regulate the use of all air space of the United States by both civil and military aircraft. It transfers to this agency the responsibilities now assigned to CAA and the Airway Modernization Board. In order to obtain the proper liaison with military aviation, it provides for the appointment by the Secretary of Defense of a special military adviser to the administrator of the new agency.

There undoubtedly will be strong opposition to the Monroney bill. During the course of the hearings, some other plan may be developed to accomplish the purpose of the proposed legislation. Be that as it may, prompt and full hearings on this measure will, I feel sure, lead to whatever legislation is necessary to achieve greater safety on the airways.

Naval vessels at sea or in harbor abide by the rules of the road, just as do commercial or private vessels. Army trucks abide by the traffic laws, along with private or commercial motor vehicles. There is no reason why a unified traffic-control system cannot be worked out covering military, private, and commercial aircraft. The speed of today's aircraft makes it important; the speed of tomorrow's aircraft makes it essential.

EMERGENCY HOUSING PROGRAM

Mr. SPARKMAN. Mr. President, I invite the attention of Senators to the fact that under the emergency housing program enacted into law in the early part of this year, which I had the honor of sponsoring, the new housing starts and applications for loans continue to increase. In a recent statement of the Federal National Mortgage Association covering low- and moderate-priced housing, a report for April 1 through May 15, 1958, it is shown that there have been total commitments of $179,870,000.

Mr. President, I ask unanimous consent that the statement from FNMA be printed at this point in the RECORD as a part of my remarks.

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

Weekly report—Special assistance program No. 10, covering low- and moderate-priced housing, Apr. 1, 1958–May 15, 1958

[Commitments to purchase FHA-insured and VA-guaranteed mortgages not exceeding $13,500 covering housing on which construction has not been started]

Week ending—	FHA-insured		VA-guaranteed		Combined	
	Number	Amount	Number	Amount	Number	Amount
Apr. 10	410	$3,989,000	199	$2,455,000	609	$6,444,000
Apr. 17	989	11,384,000	907	11,059,000	1,896	22,443,000
Apr. 24	1,657	19,002,000	1,227	15,292,000	2,884	34,294,000
May 1	1,682	18,503,000	1,437	17,973,000	3,119	36,476,000
May 8	1,607	18,705,000	2,036	25,578,000	3,643	44,283,000
May 15	1,567	18,276,000	1,398	17,654,000	2,965	35,930,000
Total	7,912	89,859,000	7,204	90,011,000	15,116	179,870,000

NOTE.—These commitments cover housing in 465 communities located in 36 States, Hawaii, and Puerto Rico.

Mr. SPARKMAN. Mr. President, in the same connection, quite an interesting article was published in the current issue of the U. S. News & World Report under the heading "Housing: Where Business Is Getting Better." The article relates to a survey throughout the country and indicates the great progress which is being made in the field of housing. I ask unanimous consent that the 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:

HOUSING: WHERE BUSINESS IS GETTING BETTER

Signs are growing that a new boom in home building is to offer strong medicine for an ailing United States economy.

Consensus of builders and lenders—surveyed by U. S. News & World Report—points to a 10 percent rise in starts in 1958.

Warmer weather, an abundance of mortgage money, and new rules for easier borrowing are behind this new upturn.

All across the country now, home builders and mortgage lenders are reporting an upsurge in home financing and building, and a quickening of interest among home-hunting families.

It is a shift that has come only in the past few weeks.

Talk to these builders and lenders—as members of the board of editors of U. S. News & World Report have just done in a nationwide survey—and you get the idea that home building can be a stout prop for a sagging economy in 1958.

Warmer weather, after a dismal winter, is bringing out thousands of families to view model homes. And new credit rules make buying easy—GI loans with no downpayments, and very low downpayment loans insured by the Federal Housing Administration. Result: Families are ordering. Many builders are months behind in filling orders.

Outcome of this new trend, builders and lenders predict, is to be the start of about 1,150,000 homes this year—up more than 10 percent from 1957—despite a slow beginning in bad weather. To start that many homes, builders will have to keep up an average annual rate of 1.25 million for the rest of 1958. Only in the years 1950 and 1955 have more than 1.25 million homes been started.

EASY-CREDIT MAGIC

In the suburbs of Kansas City, Kans., a home builder reports that liberalized rules on FHA and GI mortgages have helped a lot. He is building homes in the $17,000–$20,000 price range, and 85 percent of them are selling with no downpayment.

"Our buyers," he explains, "are mostly young white-collar workers with 2 or 3 children. They earn good money—$6,000 to $10,000 or more a year, and they can afford monthly payments on a home. But they have little cash for downpayments. When the downpayment requirement for GI homes was dropped, they started home hunting."

In the San Antonio, Tex., area, a builder foresees a 30 percent rise in housing starts this year, despite a slow beginning. This means an additional 1,500 to 2,000 starts in that community. "We're working," he says, "to catch up with demand now." He reports that home builders who were squeezed out by tight money last year are coming back into operation now that they can get financing easily.

For their part, mortgage lenders in most communities admit frankly that they can't find enough good applications for all the funds they have available, despite a rise in demand.

"There's been an increase in demand for real estate loans, but not in proportion to the amount of money available," says a mortgage-company official in San Francisco.

"We're out looking for borrowers, advertising widely," says a savings and loan official in Memphis, Tenn. He credits better weather with most of the shift.

In Massachusetts, mortgage money is superabundant and lenders are offering loans at 4¾ percent interest, a full half of 1 percent under the FHA limit. One builder operating in a south shore suburb 20 miles out of Boston has expanded his plans for 1958 by 50 percent since January 1. He is 3 months behind in filling orders. He attributes his huge demand, though, to the fact that he has the low-cost land and the setup to build homes at $10,000.

BUILDER PROBLEMS

It is in low-cost and medium-cost homes that demand has risen most sharply in most communities.

"We find," says an official of a savings and loan association in St. Petersburg, Fla., "there has been a 20- to 25-percent increase in mortgage-loan applications—practically all in the low-priced homes. The trend is toward the $13,500 level. I think 90 percent of the efforts of home builders and mortgage bankers will be concentrated in low-priced homes—that's where the market is."

An official of the Dime Savings Bank of Brooklyn, N. Y., one of the country's biggest home-mortgage lenders, notes that "sales of new homes have picked up in the medium-priced range, and also in the low-priced range."

More and more builders, however, are beginning to complain that they can't build low-priced homes with costs what they are. A Los Angeles builder says, "Low-cost homes are becoming a joke. Land costs are up $300 to $400 in just the last couple of years to an average of $1,800 for a 60-foot lot."

A Cleveland builder says, "We consider a $16,500 to $17,000 home a small, or low-cost home in Cuyahoga County. You have to cross over the county line to find much building in the $15,000-and-below class." He adds, though, that "there's been a decided upturn in activity, with lenders, builders, and buyers showing more enthusiasm now."

SOME RAISE DOUBTS

Many lenders are wondering whether the spurt in FHA and GI loans means a real increase in home financing, or just a shift from conventional loans—those not backed by Government. An official of a big insurance company—one of the country's largest mortgage lenders—says the rise in FHA and GI loans may be robbing the conventional market to some extent.

A high official of another big insurance firm doubts this. "My inclination," he says, "is to feel that any pickup would be among people who didn't quality for conventional loans."

The head of a large bank in Dallas, too, believes the spurt in home building under Government-backed mortgages is real, not just a shift from conventional financing.

Dissenting views come from cities hard hit by the recession.

The head of a savings and loan office in Detroit says loan applications there still are declining. Where people are afraid for their jobs, he reports easier credit is no help.

A Chicago banker reports that the trend of home building in that city—though not in all of its suburbs—is still down.

San Francisco lenders are cautious in their predictions. Says one: "It will take 5 or 6 months to know whether the public will respond to the easing of Government regulations. Easy terms already have raised demands for mortgages from builders themselves. When these homes are created, we will find out if sales will hold up to the expectations of builders."

CONSENSUS: OPTIMISTIC

Most builders and lenders, however, are confident.

In the Dallas area, building is really booming. Housing starts financed by FHA mortgages in the first 4 months totaled 1,516, against 746 in those months of 1957, with conventionally financed starts rising to 981 from 690. GI starts were down, but a banker reports that in the first 3 weeks of May alone more GI homes were started than in January, February, and March together.

The manager of a development company selling homes from $23,350 up, in Marin County, just north of San Francisco, reports his sales jumped 60 percent in the first month after rules were liberalized on GI loans. "The demand for homes has never stopped," he says, "but financing problems and this little recession slowed down our sales. We had to reduce our building. But we're moving now."

A Baltimore, Md., savings and loan official reports: "Terms now being advertised by lenders here are the most attractive in the past year—25 years and 5 percent on conventional loans. We've taken in more loan applications in 2 months than in any similar period in a year and a half."

And from a Topeka, Kans., lender, "I'd say applications have picked up 30 to 40 percent in Lawrence and the Kansas City area where we operate."

These reports leave no doubt that a recovery in home building is underway. If it lasts, it could go far toward ending the recession.

TAX REDUCTION FOR SMALL BUSINESS

Mr. SPARKMAN. Mr. President, immediately following that article in the U. S. News & World Report is another very interesting short article entitled, "Tax Break for Small Business."

The article indicates that there may be tax relief for small business, and states five different points which the Secretary of Commerce, Sinclair Weeks, has advocated.

Mr. President, it happens that every single one of the points listed was recommended by the Select Committee on Small Business at the beginning of this year. As a matter of fact, most of those items were proposed last year or even 2 years ago, and were opposed by the administration.

Earlier this year the distinguished Senator from Minnesota [Mr. THYE], the ranking minority member of the Select Committee on Small Business, and I appeared before the House Committee on Ways and Means to present a bill which the Senator from Minnesota and I had sponsored in the Senate and on which some 37 different Senators had joined in cosponsorship. We appeared before the House Committee on Ways and Means and presented our program.

I am delighted, Mr. President, to observe the administration is swinging into line, at least in part. I congratulate Mr. Weeks, the Department of Commerce, and the administration for this belated action in endorsing a tax relief program for small business. I hope the administration will remain faithful to the proposal.

I heard over the radio this morning that the President in his message to the House of Representatives relating to excise taxes had virtually ruled out any tax relief for this year, but I observed in the newspapers a note to the effect that there might be some compromise on the point, and that the administration might

agree to some tax relief for small business, if it had to.

Mr. President, it is the last part of the statement which rather disturbs me. I wish the administration would stand firm. If the administration favors tax relief for small business, as Mr. Weeks professes in his presentation to the House Committee on Ways and Means, and to the Congress, I hope the administration will stand firm. Goodness knows that small business throughout this country needs tax relief. I hope, Mr. President, we shall be able to get tax relief legislation passed at the present session of Congress.

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

Mr. SPARKMAN. I am glad to yield to the Senator from Louisiana.

Mr. LONG. I am pleased to hear the Senator from Mississippi make that statement. I should like to say to him that the Senate will vote tax relief for small business, whether the administration stands firm or not. I believe that decision has about been made by Senators.

Mr. SPARKMAN. I am glad to hear that comment from the Senator from Louisiana, who is a member of the Finance Committee of this body. I have felt the same way. I have felt Congress was planning to give tax relief to small business this year. I am delighted the Senator from Louisiana has made that statement.

Mr. LONG. It would be helpful if the administration would stand firm and support the proposal, but I believe tax relief will be provided.

Mr. SPARKMAN. It would be of great help to have the administration support the proposal. The Senator will remember that only a year ago the Senate was considering a tax bill and was about to pass it when the telephones reaching Senators across the aisle became very busy with calls directly from the administration. One Senator stated on the floor of the Senate, as can be found in the CONGRESSIONAL RECORD, that he had just been notified by Secretary Humphrey that if the Senate would refuse to agree to the action proposed at that time, before the session of Congress was completed the administration would sponsor a program to give tax relief to small business. Such a program never materialized. That is one reason I refer to the belated action of the administration. I hope the administration will stand firm.

Mr. President, I ask unanimous consent that the article to which I have referred be printed in the RECORD at this point as a part of my remarks.

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

TAX BREAK FOR SMALL BUSINESS

Small businessmen in this country are to get tax relief and a new avenue to long-term loans and equity capital, if Congress approves a plan urged last week by Secretary of Commerce Sinclair Weeks.

Here is what Mr. Weeks, in testimony before the House Committee on Banking and Currency, urged Congress to do:

Encourage investment in small firms by liberalizing tax deductions on losses taken in such investment. Right now, capital losses can be charged to ordinary income only in a limited way. The plan is to allow ordinary loss deductions up to $50,000 a year for new investments in small firms—companies with a paid-in capital of a half million dollars or less and a net worth of $1 million or less.

Let taxpayers use faster tax writeoffs for depreciation of used machinery and equipment. "The life history of most new businesses," said the Secretary, "starts with used equipment."

Give small corporations the privilege of being taxed as partnerships. Idea is to let small firms adopt a corporate status without its tax disadvantages.

Offer a 10-year stretchout for payment of estate taxes where an estate is made up largely of investments in closely held firms. Purpose: to avoid the sale of firms to pay estate taxes.

Create a new system to provide small firms with long-term loans and equity capital. Funds would come from new investment companies, which would be set up with private capital but would get loans from the Government. These investment companies and their own stockholders would get to deduct against their ordinary income all the losses they sustain in these operations.

This plan is given a good chance of adoption by Congress this year.

EXTENSION OF UNEMPLOYMENT COMPENSATION

Mr. MURRAY. Mr. President, my distinguished colleague from Montana [Mr. MANSFIELD] and I were among the cosponsors of S. 3244, which provided for unemployment reinsurance grants to the States, as well as other purposes. Those of us who come from States seriously affected by the recession, such as Montana, are particularly aware of the shortcomings of H. R. 12065, which provides merely for loans to States.

Last week Montana's Acting Governor, the Hon. Paul Cannon, telegraphed me and other Members of the Montana Congressional delegation concerning H. R. 12065. Governor Cannon pointed out why he and the Attorney General of the State of Montana, the Hon. Forrest H. Anderson, concur in the recommendation that H. R. 12065 be amended to provide for unemployment reinsurance grants. Governor Cannon stated his and Attorney General Anderson's position as follows:

I have this day sent the following telegram to Senator PAUL DOUGLAS:

"I have this day received an opinion from Montana Attorney General Forrest H. Anderson stating that he has examined H. R. 12065 and our State unemployment acts as thoroughly as time limitations will permit and he is of the opinion that none of our State laws or constitutional provision will prevent us from taking advantage of this Federal legislation if it is passed. Mr. Anderson did state, however, that H. R. 12065 provides only for loans to the States which must be negotiated through a formal agreement between the State and the Federal Government. He stated this machinery is cumbersome and time consuming and may prevent the funds being granted under the bill from reaching the unemployed workers when they are needed most. He further stated legislation previously introduced in Congress provided for direct grants-in-aid to the States for the purpose of extending unemployment benefits for a longer period and these direct grants could be made from presently existing surplus Federal funds in this respect relative to the direct grants-in-aid I am in absolute accord with the recommendation of the attorney general of Montana I would request therefore that due to the serious continuing unemployment problem in Montana together with mounting exhaustions of workers benefit periods that your honorable body will approve H. R. 12065 with above proposed amendment incorporated therein as expeditiously as possible."

Mr. President, the entire Montana Congressional delegation—Senator MANSFIELD, Representative LEE METCALF, Representative LEROY ANDERSON and I concur in the position taken by these two officers of our State. Laboriously negotiated loans to the States will not do the job in Montana, which for many weeks had the highest rate of unemployment of any of the States. H. R. 12065 should be amended to provide for increased grants to the States.

EFFECT OF UNITED PRESS-INTERNATIONAL NEWS SERVICE MERGER

Mr. KEFAUVER. Mr. President, yesterday, I had called to my attention news accounts of Sunday, May 25, announcing the merger of the United Press Association with the International News Service.

From the news accounts it is my understanding that, acting upon rumors that such a merger was pending, the Antitrust Division of the Department of Justice sent telegrams on last Friday night to United Press and International News Service asking that both parties talk with the Justice Department before consummating the deal. It is my understanding that officials of both of these organizations replied by saying that the merger agreement had already been signed on May 16.

Mr. President, the seriousness of this merger cannot be overestimated. Prior to this merger, there were three news services in the United States. The Associated Press is a cooperative newsgathering organization limited exclusively to its own membership and which offers none of its services for sale to anyone other than members. Heretofore, United Press and International News Service competitively offered their services to smaller newspapers and radio stations all over the country. In effect, these small newspapers and radio stations have had the benefit of competitive rates to choose from. Unless voted into membership by Associated Press, these small radio stations and newspapers now face an absolute monopolist in securing news service.

Not only is this future effect created by the merger of these two news services for the small newspapers and radio stations but an immediate disaster has apparently fallen on some 400 International News Service employees who, I understand, have already received notice of severance.

From the newspaper account it is my understanding that officials of the Antitrust Division of the Department of Justice are presently seriously considering the application for a preliminary injunction pending litigation of this matter. I have commended Hon. Victor R. Hansen, Assistant Attorney General in charge of the Antitrust Division of the Department

of Justice, for the promptness with which he has acted in this matter as well as the report that he is seriously considering the application for a temporary injunction. However, Mr. President, I am afraid that this action by the Department of Justice may possibly be too late. I hope this is not the case, but I say this because there is presented in this merger a perfect example of the scrambling of assets which, even though litigation proves successful, may for all practical purposes prove impossible to unscramble. In my opinion, Mr. President, this is a perfect demonstration of the need for premerger notification legislation which is now pending before the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary, of which I am chairman. Hearings have been held on bills dealing with this subject which will in the very near future be reported to the full Judiciary Committee.

A similar bill has been reported by the House Judiciary Committee. The bill is sponsored by Representative CELLER and other Members of the House, and is now pending in the Rules Committee of the House, awaiting a rule for consideration on the floor.

Had there been such a requirement in the law, United Press and International News Service could not have consummated this merger without giving notice to the Federal Trade Commission and the Department of Justice. Had this been done, quite obviously, either one of these agencies could have been afforded the opportunity of studying the proposal and if it were believed that section 7 of the Clayton Act would be violated, a preliminary injunction might have been applied for in the Federal district courts. In this manner irreparable harm could have been avoided by precluding the scrambling of the assets and cessation of certain operations, as well as the discharge of valuable employees.

I shall follow with a great deal of interest the manner in which the Department of Justice handles this matter. Speaking for myself as one of the coauthors of the Celler-Kefauver amendment to section 7 of the Clayton Act which was passed in late 1950, I certainly support the questioning of this merger. There is presented here a simple question of arithmetic. Prior to the merger there were two news services offering service generally to the small newspapers and radio stations throughout the United States. Today, there is only one. This is not a tendency toward monopoly. This is monopoly. Mr. President, I ask unanimous consent that the articles from the New York Times of May 25, 1958, describing the merger of United Press and International News Service be made a part of the RECORD, as well as my letter of yesterday to Mr. Hansen.

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

UNITED PRESS AND INTERNATIONAL NEWS SERVICE AGENCIES MERGE; ANTITRUST ISSUE RAISED BY UNITED STATES

(By Russell Porter)

The United Press Association and the International News Service announced yesterday they had merged into a new agency called United Press International.

The announcement had been expected to be made today. It was put ahead a day after action by the Antitrust Division of the Justice Department. The Department, hearing rumors of the merger, sent telegrams Friday night asking both parties to talk with it before consummating the deal. The agency said that a serious antitrust question was involved.

Officials of both news-gathering organizations replied in telegrams saying they did not believe the merger raised any such question. They said the merger agreement had been signed May 16 but announcement had been postponed pending completion of physical and operational changes.

It was understood the International News Service, a Hearst organization, would contend it has been losing money. The Supreme Court has held that the merger of a business that is losing money does not violate the antitrust law.

About 400 International News Service employees are expected to lose their jobs because of the merger. An International News Service spokesman said all would receive severance pay. The International News Service had from 400 to 450 editorial employees in the United States and foreign countries, about 150 clerical and business employees and 65 teletype operators.

United Press and International News Service bureaus were notified yesterday noon to carry United Press International credit lines on their news and feature stories beginning immediately.

It was reported no buying or selling was involved in the deal, but information on this was withheld. Whether there was an exchange of stock could not be learned.

However, William Randolph Hearst, Jr., editor in chief of the Hearst Newspapers, and two other Hearst executives were named to the new United Press International board of directors. The other Hearst directors are J. D. Gortatowsky, chairman of the board of Hearst Consolidated Publications, and G. O. Markuson, vice president and treasurer of the Hearst Corp.

Frank H. Bartholomew, United Press president, was named president of the new agency. Its vice president is Kingsbury Smith, who was International News Service general manager.

The United Press International takes over more than 5,000 clients from the United Press and 3,000 from the International News Service. It also takes over physical facilities, including teletype machines, office equipment, and photographic equipment of International News Pictures, which is included in the deal.

The merger included the still-picture service of both wire services. United Press Movietone will be operated by United Press International, but Telenews, a television news-film service that was operated by the International News Service, was not included in the merger. Telenews will be continued separately by the Hearst organization.

FIRST DISPATCH SENT

Both United Press and International News Service wires carried the merger announcement in a story marked with the United Press International credit.

It said:

"This is the first dispatch of the new service, which will embrace the largest number of newspaper and radio clients ever served simultaneously by an independently operated news and picture agency."

The Associated Press, the other big American news agency, is a cooperative news-gathering organization.

The Associated Press supplies news to 7,275 newspapers, radio, and television stations. Both the Associated Press and the United Press International gather and distribute news both in the United States and in foreign countries.

The United Press International story announcing the merger included the following statement by Mr. Bartholomew:

"The consolidation of the two services will assure a stronger competitive news and pictorial-news report to newspapers, radio, and television stations throughout the entire civilized world.

"Like the newspapers dependent upon us for news, ours will be a business organization, collecting and distributing one of the world's most perishable products, news. We believe private enterprise with a profit incentive is the best guaranty of objective coverage of world news, exactly as it is for the subsequent publishing of that news in the great independent newspapers of the world.

"The combining of the two services will guarantee broader and more efficient news and pictorial reporting on a worldwide basis.

"Economics was an important factor in the creation of the great new news network. Costs of covering the world news fronts have risen steadily with rapidly improving means of transmitting both news and pictures by leased wires and electronic processes."

The United Press International announcement said work on the merger had been underway since last September.

Replies to the Justice Department inquiries were sent by Mr. Bartholomew and Richard E. Berlin, president of the Hearst Corp. Both said they would be glad to discuss the merger with the Department and furnish it with information.

ANTITRUST STATUS OF MERGER SIFTED—JUSTICE DEPARTMENT CALLS FOR TALKS—SEES SERIOUS QUESTION OF LEGALITY

(By Anthony Lewis)

WASHINGTON, May 24.—The Justice Department warned the United Press and International News Service today that their merger "may raise a serious question under the antitrust laws."

Victor R. Hansen, Assistant Attorney General in charge of the Antitrust Division, gave the warning in a telegram to the two news services. He added that he would "like the opportunity to discuss the matter with you before any such merger is consummated."

Although no official statement was made, it was evident that the Justice Department was giving serious consideration to legal action to stop the merger. Antitrust lawyers worked through the day at the Department on a hurried study of the merger.

The relevant antitrust law is section 7 of the Clayton Act of 1914. It prohibits mergers whose effect may be substantially to lessen competition, or to tend to create a monopoly.

If the Justice Department does not decide to act against the merger, its most likely step would be to go into a Federal district court—presumably in New York—and ask for a preliminary injunction against it.

According to Department lawyers, fast action will be necessary if any is to be taken at all. The feeling is that once the United Press has disbanded the staff and machinery of International News Service it will be most difficult to put it back together.

LIKE UNSCRAMBLING AN EGG

In general, mergers are much easier to stop before they are consummated. As lawyers put it, trying to break up a completed merger is like trying to unscramble an egg.

This explains why Mr. Hansen's telegram sought some consultation with the news services before their amalgamation was completed.

But in the telephone conversation with the Justice Department today, United Press officials indicated that they had moved as quickly as possible to consummate the merger.

They said among other things that they had already sent dismissal notices to unwanted International News Service employees. A Justice Department lawyer said this action had brought the merger close to an accomplished fact.

Whether the United Press-International News Service merger does violate the Clayton Act is an extremely complicated question. The answer depends, among other things, on factual data that the Justice Department does not yet have.

FINANCES A FACTOR

For example, the courts have construed section 7 not to apply to the situation when one of two merging firms is, as the Supreme Court put it, "a corporation with resources so depleted and the probability of rehabilitation so remote that it faced the grave probability of business failure."

If International News Service were shown to be in bad financial shape, in short, the Government could not use the antitrust laws to make it stay in business. But no one here knows whether International News Service qualifies for this doctrine of the "failing corporation."

The fact that two news-gathering concerns are merging might, however, make the courts apply the Clayton Act with particular stringency.

The theory of any Government action in the case probably would be that a reduction in the number of wire services from three to two would not only give newspapers less choice in the placing of their business but also deprive the public of a valuable variety of news sources.

PLAN FOR MERGER CONSIDERED IN 1927—INTERNATIONAL NEWS SERVICE ABANDONED IDEA FOR LINK TO UNITED PRESS AS HEARST EXPANDED NEWS AGENCY

The merger of International News Service with the United Press, announced yesterday, was tentatively explored as long ago as 1927.

In that year, newspapers owned by the late William Randolph Hearst and serviced by the Hearst-owned International News Service found themselves in a conflict of interest with the Associated Press, to which several Hearst newspapers belonged. The Associated Press charged that the two news services were unnecessarily competing, pirating each other's news and creating an uneconomic situation.

According to newspaper historians, the Hearst organization then considered the possibility of joining forces with the United Press. This idea was shortly abandoned when the Hearst newspaper chain expanded its own news-gathering service.

The United Press and International News Service were the second and third major news agencies, respectively, to be formed in the United States. The first was the Associated Press, founded 100 years ago in New York.

The founding of the Associated Press was the result of stiff competition for news between the Wall Street, or financial, newspapers, and the uptown newspapers, known then as the penny press. Enterprising newspapers maintained swift ships to sail out of New York Harbor, meet slower incoming ships from Europe, skim them of news and speed back to New York.

PONY EXPRESS USED

Wealthier paper used their own pony express to bring news of Congress to New York. Other papers found it necessary to establish their own pony expresses and build their own swift news boats. Expenses for these services ran high. In the late 1840's, James Gordon Bennett of the New York Herald and David Hale of the financial district's Journal of Commerce met and called a truce. This resulted, in 1848, in the formation of a jointly sponsored news-gathering service known as the Associated Press.

As more and more newspapers sprung up in the Nation, other news services were formed. In 1907 the United Press was founded. It was first designed to serve four links in the Edward W. Scripps chain of newspapers, in Cleveland, Cincinnati, St. Louis, and Kansas City. It started with a staff of 12, including the copy boy.

MAY 26, 1958.

Hon. VICTOR R. HANSEN,
Assistant Attorney General,
Antitrust Division,
Department of Justice,
Washington, D. C.

DEAR JUDGE HANSEN: I have had called to my attention articles respecting the merger of the United Press Associations and the International News Service, which appeared in the New York Times on May 25, 1958.

From these articles and from other information that I have had called to my attention it is my understanding that, prior to this merger, there were three principal news services in the United States. They were the Associated Press, the United Press Associations, and the International News Service. It is also my understanding that the Associated Press is a cooperative news-gathering organization, principally referred to as a membership association which does not offer for sale news service to anyone other than its members. I have been informed that both United Press and International News Service were competing news services offering services generally to any buyer.

I note from the press reports that when this matter came to your attention, you immediately contacted the United Press Associations and the International News Service requesting that both parties talk with the Antitrust Division before consummating the deal and that you were informed that the agreement had already been signed. May I commend you upon the promptness with which you proceeded in this matter considering the seriousness of this merger. This seriousness is exemplified by the fact that some 400 INS employees are expected to lose their jobs because of the merger. Even more important, however, is the threatened elimination of the competition that existed between these two services, especially for the small newspapers and radio stations throughout the United States. In my opinion, the AP service may be discounted when considering this matter because its service is only furnished to its members. With the merger of UP and INS, in practicality, the small newspaper and radio station is now faced with an absolute monopoly of national news, it having no other source to turn to unless it is voted into membership by AP.

From the press account, I note that the Department is considering applying for a temporary injunction in this matter pending litigation. May I again commend you for this consideration and urge that you very seriously consider this move. As previously pointed out, the merger of these two news agencies is a merger of, not only facilities, but persons. Once this merger has taken place and employees are cut adrift, it will be most difficult to unscramble the situation in the future and practically impossible to ever restore the true service picture after many employees have been cut adrift and gone to other endeavors.

The circumstances of this merger also impress me with the great need of pending premerger notification legislation. As I understand the news account, you had no notice of this merger until after it was consummated. The eggs have been scrambled and the need of a preliminary injunction, even at this late date, is all the more apparent.

I shall follow with great interest the manner in which you proceed in this matter.

Sincerely,

ESTES KEFAUVER,
Chairman.

NEED FOR CENTRALIZED AIR TRAFFIC CONTROL

Mr. KUCHEL. Mr. President, the people of California are airminded. The State of California is the center of the aviation industry in this country. All of us who live within the confines of that great Commonwealth recognize the fast worsening problem of proper and effective air traffic control.

The Los Angeles Times of May 24, 1958, recounted what a veteran airline pilot had to say about the air traffic conditions over the metropolitan Los Angeles area, as follows:

> Los Angeles is probably the most congested airspace we have in the country today.

Earlier this week I indicated something of the hazard of congestion in northern California. One of my constituents wrote to me stating that there was a near miss between a commercial airline plane upon which he was traveling and two military jet aircraft in the vicinity of San Francisco. One, the commercial plane, was under control of the Federal CAA. The two fast traveling military jets were not under control of the CAA.

The unhappy fact is that in the past 15 months California has been the scene of several grievous air collisions, with all the tragedy which ensued. God alone knows how many near misses there have been.

The Los Angeles Sunday Examiner of May 25, 1958, made the following comment:

> Civilian-military flight friction can be stated simply: Airliners fly mapped routes and need CAA permission by radio even to change altitude; military planes, the jets at 500 to 600 miles per hour and faster, fly as they please, under no control but the pilot's.

Earlier I was very glad to join as coauthor, with the distinguished junior Senator from Oklahoma [Mr. MONRONEY] and other Senators, of a bill introduced in the Senate to create one single centralized Federal agency to be charged solely with the responsibility of controlling all air traffic above the geographical area of continental United States except in time of emergency. I believe that such a measure is in the public interest. I believe that legislation of that character should be enacted expeditiously. I was delighted to read the editorials which appeared a few days ago in the two great southern California newspapers to which I have referred. I ask unanimous consent that the full text of the editorials be printed in the RECORD.

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

[From the Los Angeles Sunday Examiner of May 25, 1958]

ROULETTE OR SAFETY?

The civilian-military aircraft collision high over Maryland, almost on Washington's doorstep, was in a zone through which both

the President and Vice President had flown in separate planes a short time before.

Thus it dramatized as no other recent midair collision the weaknesses and the inadequacy of the Federal air-traffic-control system.

President Eisenhower moved swiftly by ordering the quickest action possible to separate military and civilian flights. Five restrictions against military planes ranging the skies without limit were given immediate effect.

Congress reacted dramatically, in a quick and heartening way and with an overall sense of urgency.

Already at hand were legislative proposals and the factfinding and conclusions of committees and boards that had been given impetus but not urgency by:

1. Three near misses every day on commercial air routes;

2. Two hundred and forty-eight previous deaths in collisions in less than 2 years; and

3. Four previous military-civilian collisions fatal to 160 persons.

The day after the Maryland tragedy, bills were introduced in both Houses to create a new, single civilian agency to control both military and commercial flights except in time of war.

The House Appropriations Subcommittee exacted a promise from the Civil Aeronautics Administration and the Air Force for new safety measures, then took to the President himself the plan on which he acted for immedate CAA emergency control of military flights.

On the second day, the House Government Operations Subcommittee started an inquiry into the Maryland collision and a review of Federal aviation policies. So did the Senate Aviation Subcommittee, before which CAA revealed it had already taken over control of military flights in some congested areas.

Simultaneously, President Eisenhower ordered a top-level White House study of air safety under a Presidential assistant, retired Lt. Gen. Elwood R. Quesada, which started last Friday. The administration had announced just last Sunday a 5-year, $1 billion modernization of existing facilities for air-traffic control.

Civilian-military flight friction can be stated simply: Airliners fly mapped routes and need CAA permission by radio even to change altitude; military planes, the jets at 500–600 miles per hour and faster, fly as they please, under no control but the pilot's.

Representative PRINCE H. PRESTON, JR., Democrat, of Georgia, chairman of the Appropriation Subcommittee, states it even more simply:

"Brother, it's Russian roulette."

The sense of urgency and the temper of the Congress to give this priority add up happily to one answer: The Nation may have a sound plan for safe air-traffic control before the summer's end.

[From the Los Angeles Times of May 24, 1958]

AIR TRAFFIC OVER LOS ANGELES

Los Angeles is now to be classified as a high-density air-traffic area by the Civil Aeronautics Administration.

COLLISION DANGERS

While this offers some encouragement in the matter of air safety the surprising thing is that the action was not taken long ago in view of the fact that this is one of the busiest air-traffic centers in the Nation. More important is that for several years we have been up among the leaders in the frequency of near collisions in the air, a distinction that is frightening to say the least.

It could be that technical and operating difficulties were in part responsible for the seeming reluctance to classify Los Angeles as a high-density air-traffic center. The Civil Aeronautics Administration is reported to have held back on the basis that such action might lead to the possible disruption of civil aviation—for example, two-way radios will become mandatory for all aircraft using the area.

Not only that, all aircraft entering the area will be required to notify control towers and maintain communication through radio, meanwhile holding their speeds to reasonable levels.

No one pretends that this is going to solve the problem. Actually, State Assemblyman Frank Bonelli, a member of the legislative Subcommittee on Aeronautics, says that the Los Angeles air-traffic situation can go only one way—get worse.

TESTIMONY OF PILOT

His statement has support in the view expressed by Carl Christenson, a veteran United Airlines pilot, who testified before a Senate committee in Washington that "Los Angeles is probably the most congested air space we have in the country today."

Others have pointed out that when high-speed jet airliners go into service, the numerous problems in handling present traffic will be increased.

Maj. Gen. Joseph Caldera, Air Force director of flight safety, says that the collision hazard could be substantially reduced if all en route traffic is required to fly under instrument flight rules, regardless of weather. This would bring all aircraft under ground control; under visual flight rules, it is the responsibility of the pilot to see and be seen and no ground control is involved.

In line with this, President Eisenhower himself has taken a hand in the situation nationally, ordering the implementation of a 5-point emergency air-safety program pending development of a long-range plan expected to be ready in 3 months.

ACTION BY PRESIDENT

Although the CAA had initially protested that invocation of instrument-flight regulations would overload ground control facilities now hard pressed to handle civilian traffic, the President's program applies instrument flight rules to jet trainers flown by students on civilian airways, requires them to stay off civilian airways when traveling from higher to lower altitudes, and brings military operational flights on civilian airways under both IFR and CAA control.

Additionally jet planes on cross-country and similar flights will have to file flight plans with the CAA and jet trainer pilots must keep away from civilian airways in making proficiency flights. If these undertakings are carried out there should be a diminishment in the air collision hazard.

Some remedial measures have already been taken; new CAA programs to apply cooperative local flight rules over trouble spots such as Las Vegas where heavy civilian traffic is likely to merge with military traffic. New air regulations require that all pilots henceforth be especially vigilant when operating under visual flight rules since it has been shown that 98 percent of air collisions occur under these conditions.

Suggestions have also been advanced urging the prohibition of all military flying over the Los Angeles Basin as well as in other localities where commercial traffic is heavy. It has been proposed that military air installations be shifted out—far out—of populated areas but the question of expense and national security must also be considered in relation to these matters.

But an effective Federal airways control system is at least 5 years away in the opinion of experts. It is increasingly evident that we must have it.

FORT CLATSOP NATIONAL MEMORIAL AT ASTORIA, OREG.

Mr. NEUBERGER. Mr. President, Presidential action is imminent on a bill to authorize establishing of a National Memorial at Fort Clatsop, Oreg. Affirmative action by the President on our bill, S. 3087, will lead to creation of the first historic shrine in Oregon and the first national recognition anywhere along the Lewis and Clark trail of the epic-making expedition which brought the flag of the United States overland across the North American Continent, for the first time. In the winter of 1805–06, Fort Clatsop was the encampment of the intrepid explorers, Meriwether Lewis and William Clark, and the band of men whose westward trek opened the hinterlands of our vast continent. Fort Clatsop National Memorial will give fitting recognition to this climactic event in American expansion.

Fort Clatsop National Monument can be established by the Secretary of the Interior when title to not less than 100 acres in the vicinity passes to the Federal Government. Shortly after the legislation which I introduced for establishment of Fort Clatsop Memorial was passed by the House of Representatives, I wrote to National Park Service Director Conrad Wirth to urge that acquisition of this land be expedited. If this is accomplished, it will be possible for the Secretary to designate the memorial during the coming year, when the State of Oregon celebrates its 100th anniversary of statehood in 1959. It is my hope that Fort Clatsop National Memorial can become a reality during Oregon't centennial year.

I ask consent to have printed in the RECORD in connection with my remarks an editorial from the Astorian-Budget, of Astoria, Oreg., for May 20, 1958, entitled "Fort Clatsop Park Nearer," and an editorial from the Oregon Journal, of Portland, for May 23, 1958, entitled "Fort Clatsop Goal Won," both of which give expression to the widespread approval I have heard for memorializing the history-making Lewis and Clark Expedition with a suitable national shrine. Both editorials are particularly informative and instructive. I also desire to include in the RECORD, Mr. President, an editorial from the Oregonian of Portland of May 25, 1958, which describes the foresight of the Oregon Historical Society in retaining and preserving the original site where Fort Clatsop was constructed by Lewis and Clark a century and a half ago.

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

[From the Astorian-Budget of Astoria, Oreg., of May 20, 1958]

FORT CLATSOP PARK NEARER

Completion of Congressional action on the Fort Clatsop national memorial park bill is great news for this area.

Establishment of this quarter million dollar park at the site of one of the Northwest's greatest historical events is bound to create a tourist attraction of enormous drawing power.

Thanks of this community and of the whole Northwest are due to Senator NEUBERGER who initiated the national memorial park legislation, and Representative NORBLAD, who carried the bill through the House.

There seems no serious obstacle left to prevent dedication of the new park at the 1959 Oregon centennial.

Officials of the Clatsop Historical Society report they are overjoyed, and rightly so. After years of discouraging effort by this organization to preserve the site in reasonable attractiveness, its greatest dreams are realized by the Federal acquisition.

Permanent management and custodial care will insure that tourists always will be welcomed at the site.

It is to be hoped that the National Park Service will make good personnel selection for management of the park. A local superintendent with a solid background in historical lore of this area, seems the most logical choice.

In money alone, the Fort Clatsop memorial park project is going to mean quite a bit to this area.

The House-passed bill provided for initial expenditure of $284,600, plus $22,000 a year for administrative expenses. The $284,600 included $30,000 for acquiring land, $236,000 for development of the area and $18,600 for repairs to existing facilities.

That $236,000 for development ought to be enough to make a highly attractive project out of old Fort Clatsop.

[From the Oregon Journal, Portland, Oreg., of May 23, 1958]

FORT CLATSOP GOAL WON

It takes a little while to grasp the full meaning of Congress' action in approving the establishment of Fort Clatsop, near Astoria, as a national memorial under the National Park Service. The House this week passed without opposition the measure introduced by Representative WALTER NORBLAD. It awaits now the President's signature.

This will put the spot where Lewis and Clark wintered in 1805–6, at the end of their historic trek across half a continent, in the same classification with the Lincoln Memorial and Thomas Jefferson Memorial, both in Washington, D. C., and the Lee Mansion, Arlington, Va.

Not even the most loyal Oregon resident will assert that Fort Clatsop has quite the same historic interest nationally as these others. But when one considers that the Lewis and Clark expedition made secure the United States claim to the great Pacific Northwest, and when he further considers that what has now just happened makes Fort Clatsop the most important spot along the whole Lewis and Clark trail, he cannot doubt the national significance of this designation.

The recommendation for it came only after a thorough study by the National Park Service, which is faced by all kinds of requests that other historic spots be similarly recognized. Senator WARREN D. MAGNUSON, Democrat, of Washington, made such a plea in behalf of Fort Columbia, the Lewis and Clark overnight camp in southwest Washington, after learning of Senator RICHARD L. NEUBERGER'S initial action which led to the Fort Clatsop designation.

There has been some confusion of terminology, since the first requests were for national monument instead of memorial status. The Park Service defines monuments as "landmarks, structures, objects or areas of scientific or prehistoric interest—" and memorials as "structures or areas devoted to the commemoration of ideas, events or personages of national significance." It is easy to see that Fort Clatsop more readily fits the latter category.

The bill carries with it an appropriation of $284,600 for improvement of existing facilities, acquisition of more land and area development. It is hoped that the Park Service can move quickly enough on this project that Fort Clatsop can be dedicated in connection with Oregon's centennial celebration next year.

We should not fail to mention the unselfish role played by the Oregon Historical Society in all this. It has owned the site since 1901. With the cooperation of many Clatsop County community interests, it has built and preserved a replica of the expedition's log fort. With the same cooperation, it has worked hard to win national recognition, and it stands ready now to turn the property over to the National Park Service free and clear.

The Journal has commented before on the mutuality of interests of all the people along the Oregon coast. Here is something in which all can properly rejoice. It is, in fact, a gain for all of Oregon and all of the Pacific Northwest.

[From the Oregonian, Portland, Oreg., of May 25, 1958]

FORT CLATSOP TRIUMPH

Now that unanimous action in both Houses of Congress has assured the establishment of a Fort Clatsop National Memorial Park at a Federal expenditure of some $280,000, it is well to take note of the foresight that made the project feasible.

It was more than a half century ago, in 1901, that the Oregon Historical Society acquired title to 6½ acres atop a grassy knoll south of Astoria as the site of 1805–6 winter encampment of the Lewis and Clark Expedition. Even then, the society was reasonably certain of the site's authenticity, confirmed by a study of old photographs, the accounts of early settlers and Indians, and record-book entries.

In the intervening years, however, the validity of the location has been questioned by excavators who seemed to expect to uncover something like the Parthenon on the bank of the Lewis and Clark River. Although their spades turned up clear evidence of fire pits, the archeologists shook their heads and muttered about the need to discover buttons, or buckles or pottery. Thomas Vaughan, director of the Oregon Historical Society, explained logically that such objects had been quickly appropriated by Indians. But the exasperating doubts continued to exist in some parts of the Federal bureaucracy, even after a county-wide civic undertaking succeeded in completing a replica of the 1805–6 fort on the society's property.

The Fort Clatsop National Memorial Park Act is a triumph of historical conservation. If it had not been for the action of the Oregon Historical Society in fixing the location of the site long ago and battling for its recognition since then—if it had not been for the Clatsop County cooperative effort in rehabilitating the site in 1953 (at the urging of the Oregonian) and constructing a replica of the fort—the most important historical site of the Northwest would probably have been lost to posterity. Thanks to this forehandedness, the Pacific Northwest and all the Nation gain a major new shrine worthy of the visits of millions of Americans.

It is not often that the State and county historical societies demonstrate so spectacularly their great worth to the people as a whole. With the Oregon centennial almost upon us, thousands of Oregon citizens might profitably seek membership in their State and local societies to do their part in an important conservation task which is now borne by a total of fewer than 4,000 persons at both levels. That is less than one-half of 1 percent of the population of Oregon, a sorry showing for a State with the truly great historical heritage that is Oregon's.

DR. ALVIN RADKOWSKY AND NUCLEAR REACTORS

Mr. CASE of New Jersey. Mr. President, yesterday at Shippingport, Pa., the first United States nuclear reactor producing electric power in quantity was dedicated.

The reactor represents the achievement of many men in private industry and in the Government. Among them is a distinguished scientist from the State of New Jersey, Dr. Alvin Radkowsky.

Dr. Radkowsky was born in Elizabeth, N. J., a city in my own home county of Union. He received both his elementary and high-school education in the Elizabeth public schools. A graduate of the College of the City of New York, he received his master of arts in physics from George Washington University, and in 1947 his doctorate from Catholic University.

Since 1950, he has been senior physicist in the Naval Reactors Branch of the AEC, headed by Admiral Rickover. In 1955 he attended the first international conference on peaceful uses of atomic energy held in Geneva, and he has submitted two papers for the forthcoming conference to be held in Geneva this fall.

In addition to several contributions made to science while a student studying under Dr. Teller and later while working as an electrical engineer for the Navy, Dr. Radkowsky has made significant advances in the field of reactor technology. One of these is the development of a method for increasing the life of a reactor core. This development, commonly referred to as the burnable poison method of reactor control consitutes a major contribution to nuclear power engineering and to the effectiveness of the United States Navy. In recognition of its significance, the Navy, in 1954, conferred upon Dr. Radkowsky the Navy's highest civilian award, the Distinguished Civilian Service Award.

Essentially, as I understand, the use of the burnable poison method opens the way to build cores of almost unlimited life and allows the number of control rods in a nuclear power reactor to be substantially reduced. A control rod, when inserted in a fissionable reactor core absorbs neutrons and slows the rate of fission. Early reactors required a relatively large number of such control rods and expensive mechanisms to activate them. Dr. Radkowsky conceived the idea of built-in controls in the core itself. He proposed putting in the core itself neutron-absorbing material in such a manner that it would be burned out at a rate roughly proportional to the rate at which the fissionable material was consumed. This continuous and homogenous check rein on reactivity has made it feasible to operate a reactor safely with far fewer control rods and has greatly extended the lifetime of the core. It is now being utilized in a large number of naval reactors.

Another one of Dr. Radkowsky's accomplishments is the conception of the "seed and blanket" principle for reactor cores, which is used in the nuclear powerplant which was dedicated yesterday.

Uranium as it is found in the earth's surface consists of a very small percentage—about seven-tenths of 1 percent—of U–235 and the remainder, for all practical purposes, is U–238. It is, of course, the small percentage of U–235 which furnishes the preponderance of

fissions in uranium. Means have been devised progressively to remove U–238 from U–235, making the uranium richer in U–235 and thereby a better reactor fuel. But the separation or enriching process is expensive.

In a reactor moderated with ordinary water, some fuel enrichment is necessary to allow the reactor to go critical and sustain a chain reaction. This enrichment can be disbursed homogenously through the core, or in segregated small areas commonly called spikes, or in zones and in annular rings. In the annular ring, the seed is made of fully enriched uranium and is surrounded on the inside and the outside by a natural uranium blanket. It is this scheme which is in use at the Shippingport plant, and it was developed largely through the efforts of Dr. Radkowsky and Westinghouse.

In addition to simplifying control, since only the seed need be controlled to control the entire reactor, this scheme tends to utilize more fully the supply of fissionable material and to permit reactor operation to continue until a large portion of the natural uranium is consumed or fails mechanically.

This type of core shows promise of substantially reducing future costs of nuclear power in large central station plants, as well as in nuclear power plants for large ships. Even greater improvement may be expected, I am informed, by combining the burnable poison concept with the seed and blanket core.

Mr. President, even to a layman like myself, these are significant developments. And it is on such developments that we rely for maintaining our scientific preeminence and our defense strength. Behind them lies the deep devotion and hard work of men like Alvin Radkowsky.

THE MURA HIGH SPEED ACCELERATOR PROJECT, MADISON, WIS.

Mr. WILEY. Mr. President, it was my privilege to appear before one of the joint committees today, in relation to the need for immediate authorization for the MURA high speed accelerator project in Madison, Wis. Among other things, I stated that it would be a national tragedy if we allowed 18 months more or less to go by without meeting that particular situation head on.

I ask unanimous consent that my statement be printed in the RECORD.

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

SENATOR WILEY URGES AEC IMMEDIATLY RECONSIDER AUTHORIZATION OF MURA ACCELERATOR AT MADISON—SAYS IT WILL BE NATIONAL TRAGEDY IF 18 MONTHS MORE ARE LOST

Gentlemen, I appreciate the opportunity of appearing before you today.

My purpose is simple: I am here respectfully to recommend that you direct the Atomic Energy Commission to reexamine immediately its decision which was, unfortunately not to request the authorization of funds for the construction of the high-speed accelerator near Madison, as recommended by the Midwest Universities Research Association.

In my judgment, if the AEC refuses to reconsider its position, the result will be a national tragedy.

I use my words very carefully, I assure you.

Why will it be a national tragedy?

For these reasons:

1. Competent observers believe that the United States is now behind the Soviet Union in high-speed physics experiments.

2. The outcome of our race with the Soviet Union for research in high-speed physics may well affect the future capacity of the United States to be supreme in nuclear warfare.

3. The loss of 12 to 18 months in going ahead on the MURA project will mean that the gap between ourselves and Russia, instead of being narrowed by us, will become even wider—to our worse disadvantage.

4. And we will have lost 12 to 18 months of precious opportunity to train the brilliant minds of young American scientists.

Now, gentlemen, I do not presume to be an expert in science as a whole, or on this MURA project, in particular.

I am only a layman.

I have tried, however, to examine the key issues. I have discounted from my thinking the fact that this project will be established in my own State.

So far as I am concerned, the issue is not where it will be built, but (a) when it will be built; and (b) whether it will be built in the freest possible atmosphere of a university, as against the more closed atmosphere of a Federal laboratory.

Here, in this room, you have present before you the three men who know this project best: Dr. R. O. Rollefson and Dr. Keith Symon, and Dr. H. R. Crane. They are prepared, and are qualified, to answer any technical question which you may wish to put to them.

Although all three of these gentlemen are officials of MURA (Dr. Rollefson being director, Dr. Symon being technical director, and Dr. Crane being president of MURA), Dr. Crane is at the University of Michigan and professor of physics there. He is, therefore, in a position to speak as an outsider about the work which has been going on at Madison, Wis.

I may say that these gentlemen have not come down here on their own initiative. Had it not been for my personal request, they would not be here today. They have never wanted to become involved in a controversy of any kind. They are scientists. They believe in working closely with the AEC. But they are here at my request, because they sense, as I do, the crucial factor of time. They are here to provide information to the committee. And I hope their statement will serve to correct some of the misstatements and misunderstandings which have gained currency about the MURA program.

The strength of the MURA technical group and the scientific contribution it has made have been amazing. This is particularly true in view of the fact that only for a few months of its existence (from November 1955 to May 1956) has the MURA group seemed to have an assured future. It is fortunate that in spite of this uncertainty, it has held so many of its key people. However, this will not continue true much longer. You now have the opportunity to give assurance to the future of the MURA group.

Gentleman, you have heard it many times before. But it is nonetheless true. Time is of the essence.

If the Joint Committee on Atomic Energy chooses not to direct the AEC to reexamine its position, then 1958 is lost, and 1959 is lost. The very earliest the project could presumably be authorized would be mid-1959. And work would probably not be commenced until the start of 1960. Even if the authorization is given now the machine cannot be completed until 1963 at the earliest—and some say 1966.

Is there anyone in this room who could say with assurance that the loss of these 18 months would not be significant, in terms of our technical race with the Soviet Union?

Last October Professor Crane said on his election to the presidency of MURA: "We can regain the lead in high energy physics if we can forget the idea that we cannot afford it, and if we act quickly. Such a machine as MURA proposes would cost about $100 million, and would require 8 years to build. But it would make possible discoveries in physics in a range we have not yet entered. What the physics of the super energy range will lead to in the next decade or two, we cannot even imagine, but we would like to be the first to find out. This is the kind of research that looks far into the future. We must not forget that the high-energy physics of the twenties and thirties culminated in the release of atomic energy.

"In times when the Nation is worried, as it is now, there is a strong tendency for the Government to pour its resources into 'crash programs' that will give short-range results, and to curtail basic, long-range research. Basic science in this country has been suffering from this policy, and acutely, since sputnik. Congress should realize we are not in this race for a matter of months, but probably for decades. It should support the agencies that are responsible for our scientific future so they can be ready for the challenges before they come, not after.

"Shortly after the Geneva Conference on atomic energy in 1955, at which Russian scientists boasted of their IO–BEV accelerator, the United States Atomic Energy Commission announced its intention to finance a super accelerator that would insure our position for at least 10 years. The urgency was short-lived, and financing for construction of such a machine never materialized. The AEC has supported the model studies, however, and this contract has just been renewed."

Now, back on the issue of allowing the status quo to continue—a status quo of uncertainty as to MURA's future—perhaps, a status quo of 18 months.

Is there anyone in this room who could dispute the fact that a delay of this kind might well prejudice the safety of the United States?

Let not future Congresses look back upon this date and say, "If only the Joint Committee on Atomic Energy had seized the initiative and insisted that the AEC revise its position. If only more precious time had not been lost."

MURA IS READY TO GO AHEAD

Last February, Dr. Symon testified before the Subcommittee on Research and Development as follows:

"Representative PRICE. Dr. Symon, do you believe that you have done enough development work up to this point that if you were given the go-ahead signal on the full-scale accelerator you would be in a position to start immediate detailed design work?

"Dr. SYMON. Yes, sir; I think we would.

"Representative PRICE. That would indicate then, that a failure to get approval of the proposal at the present time is the only thing holding you back.

"Dr. SYMON. Yes; or at least it begins to hold us back if it is delayed very much longer.

"Representative PRICE. With respect to the full-scale accelerator that you hope to have some day, would that be the concept of the two counteracting beams within the same tube?

"Dr. SYMON. Yes, sir."

Gentlemen, the MURA project may be a theory. And yet, it is a theory grounded in reality. The working model for MURA works. The scientists who built that model

are among the best in the land. To authorize a green light for them is to save money, not waste money. I urge, therefore, that you give your favorable consideration to a mandate to the AEC, directing that it reconsider its position.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Is there further morning business?

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

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

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

ADDITIONAL UNEMPLOYMENT COMPENSATION

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. R. 12065, Calendar No. 1655, the Temporary Unemployment Compensation Act of 1958, and that, notwithstanding the expiration of the morning hour, the Senate continue with its consideration.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 12065) to provide for temporary additional unemployment compensation, and for other purposes.

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

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

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, after consultation with the distinguished minority leader, I announce that there will be no votes before 3 o'clock this afternoon, because Senators of the minority party are having an important conference.

It is uncertain whether action can be completed today on H. R. 12065, the temporary unemployment compensation bill, but it is planned to have the Senate remain in session until a reasonable hour this evening to do so. If action on the bill is not completed today, it will be considered again tomorrow. It is expected that action on the bill will be completed tomorrow; but if not, consideration of the bill will be resumed on Thursday. Late sessions will be held on Wednesday and Thursday nights, if late sessions should be necessary, in order to complete action on the unemployment compensation bill.

It is not expected that the Senate will vote on the mutual-security bill this week. We do expect to make it the pending business and to have the chairman of the Committee on Foreign Relations explain the bill to the Senate on Thursday. It is planned to give all Senators adequate time to prepare to address themselves to the subject, and no votes are expected to be taken on the bill on Monday or Tuesday of next week.

A number of States will have primary elections next Tuesday; therefore, in an endeavor to accommodate Senators, no votes will be scheduled on Tuesday.

If necessary, the Senate will convene early on Wednesday, June 4, and will remain in session late on that day in an attempt to pass the mutual-security bill and any other bills of an emergency nature, including appropriation bills, which may be reported in the meantime.

Senators may make their plans to be away from Thursday of this week through Tuesday of next week without missing any votes on the mutual-security bill, assuming the Senate passes the unemployment compensation bill. All these plans, of course, are based on the assumption that action on the unemployment compensation bill will be completed before Thursday of this week.

ORDER FOR SENATE TO CONVENE AT 9:30 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the hour for the convening of the Senate tomorrow be 9: 30 a. m. At that time the Senate will proceed to the rotunda of the Capitol to attend the services for the unknown soldiers.

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

THE 1934 TRADE AGREEMENTS ACT

THE MOST IMPORTANT LEGISLATION BEFORE CONGRESS IN A CENTURY

Mr. MALONE. Mr. President, the House of Representatives will soon consider the most important piece of legislation to the future of this Nation in a century of time.

They call it reciprocal trade, probably because that phrase does not occur in the act—and never was a part of it from its inception. It was a trick phrase to make it palatable to the American people.

RECIPROCAL TRADE—A CATCH PHRASE

It never was reciprocal—never intended to be—and does not operate that way. It is the 1934 Trade Agreements Act, first enacted as an emergency and extended 10 times, always an extended emergency, and now expires on June 30 of this year.

The act was simply a further transfer of the constitutional responsibility of Congress to the executive branch. Continuing the trend of destroying the division of powers of the three branches of Government. If the act is not extended beyond June 30, it means that from that date forward the State Department, acting for the Executive, cannot make any more bilateral trade agreements, and 36 competing foreign nations sitting in Geneva, Switzerland, operating under the General Agreement on Tariffs and Trade, cannot make any more multilateral trade agreements. It means that after 2 months' notice had been served on the Secretary General of the United Nations, all the products included in trade agreements or the multilateral trade agreements would be canceled and control over such products returned to the Tariff Commission, an agent of Congress.

After 6 months' notice had been served on nations which are parties to bilateral trade agreements made by the State Department, in representing the President of the United States, the bilateral trade agreements would be canceled, and the tariff or duties on the products covered by such bilateral trade agreements would likewise be returned to the control of the Tariff Commission, an agent of Congress.

The adjustment of the duties or tariffs on all such products reverts to the Tariff Commission at the statutory rates to be adjusted in accordance with the provision of section 336 of the 1930 act—Public Law 361 of the 71st Congress.

The Tariff Commission, under the 1930 Tariff Act, section 336, is definitely instructed to adjust the flexible duties or tariffs on each product to represent the difference in the cost of production of the domestic article and the article of a like byproduct in the chief competing nations.

The Tariff Commission shall do this on their own motion, on the request of the President, on the request of Congress, or of any consumer or producer. Not the high cost nor the low cost, but the reasonable cost of production in each case must be determined by the Commission; and the difference is recommended as the duty or tariff—and the American workingmen and investors are back in business.

The Commission may consider that differences in cost every year, or every 5 years, or whenever they consider it to be necessary to keep the flexible duty or tariff adjusted to preserve the difference between the effective labor cost, the taxes, and the cost of doing business in this Nation and the costs in the chief competing nation, giving the American producer equal access to his own markets. They are then competing for the American market on an equal basis with any foreign nation.

But that has not been the case for 25 years. All the propaganda which has been issued about this act and all the foreign trade it has developed is misinformation.

If we deduct the amount of money given the foreign nations and deduct the subsidies paid on the exports, and the cost of the national defense materiel given them, it will be seen that we are exporting a less percentage of our exportable goods today than we were in 1934, when the act was first passed.

As a case in point—and I shall mention only one, although thousands of such cases could be reviewed, and will be, if the bill ever reaches the Senate floor. I refer to the regulation of the domestic production of sugar—and consumption which exceeds such production.

In the hearings on the sugar bill last year before the Senate Committee on Finance, of which I am a member, the question became pertinent as to the amount of production in certain nations beyond the continental United States.

During World War II the United States allotted about 88 to 90 percent of the excess production to Cuba. In the meantime, I had visited all the nations of the world, including those in South America and the Western Hemisphere.

I was aware that Peru and other nations sought markets in which to dispose of their sugar, and that even 1 percent of the production would mean much to them. I thought we might rearrange the allocation to a small extent. The State Department, however, was adamant that we retain from 88 to 90 percent of the excess production for Cuba.

I asked why. The State Department said that Cuba bought our wheat. I said that was very interesting and asked, "When they buy our wheat, do they pay our support price for it, or do they pay the world price?"

There was some hesitation. Finally, the State Department replied, "They pay the world price."

Then I asked, "When we buy sugar from Cuba, do we pay our support price for the sugar, or do we pay the world price, where Cuba sells the remainder of its sugar and makes a considerable profit?"

After considerable hesitation, the State Department representatives replied, "We pay our support price."

This appears in the testimony early in 1956.

I calculated at that point in the record that every 100 pounds of wheat which Cuba buys from us costs the United States taxpayers $1.35. Yet we call that foreign trade. On that basis, we have had about all the foreign trade which the taxpayers can stand.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Our Money and Trade Patterns Are Leading Us Into International Socialism—Congress, Alone, Can Put an End to Our Ruinous Trade Practices," which was published in the American Mercury magazine for June 1958; an article entitled "Don't Give Our American Market Away—There Is a Way To Return the Control of Tariffs to Congress," which was published in the American Mercury magazine for May 1958.

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

OUR MONEY AND TRADE PATTERNS ARE LEADING US INTO INTERNATIONAL SOCIALISM

(By Senator GEORGE MALONE, of Nevada)

CONGRESS, ALONE, CAN PUT AN END TO OUR RUINOUS TRADE PRACTICES

We are dividing our cash and our markets, inflating our money, and pricing our products not only beyond our domestic ability to buy, but out of every market in the world.

The entire pattern (from the abandonment of the gold standard in 1933, the passage of the Trade Agreements Act in 1934, the transfer to Geneva in 1947 of the constitutional responsibility of Congress to regulate our foreign trade, and the inception of the four corporations to encourage American capital to invest in foreign, low-wage standard nations—the mutual security giveaway program) is to distribute American markets and dollars among the lower wage and living standard European and Asiatic nations.

It all adds up to international socialism in its worst form. The United States is the only producing nation in the world today that does not protect its own workingmen and investors by a duty or tariff, by import and exchange permits, or both. Thirty-seven foreign, competitive nations are sitting in Geneva, Switzerland, regulating our foreign trade through multilateral trade agreements under the auspices of the General Agreement on Tariffs and Trade.

This distribution of our foreign trade between such foreign competitive nations is being carried on under the 1934 Trade Agreements Act (so-called reciprocal trade), and now subject to death if Congress refuses to extend it.

Under this act, more than $30 billion of American capital has been invested in such foreign low wage standard of living nations to compete with American labor and investors in the textile, livestock, mining, crockery, glass, precision instrument, machine tool, chemical and electro-chemical and several hundred other fields. Congress can retain its constitutional responsibility to regulate foreign trade and the national economy through allowing the 1934 Trade Agreements Act to expire in June 1958. The contest is between the American workingman and investors working for American wages and paying American taxes, as opposed to the international investor paying the foreign low standard of living wages and no American taxes.

The Congress can stop inflation and return to honest money through a reorganization of the Federal Reserve System.

A strong nation has always led in establishing a sound currency. We should no longer retain our managed-dollar currency.

We have stored in various depositories in this country, including Fort Knox, $22,406,000,000 in gold, but a statement from the Treasury tells me that $16,200,000,000 of dollar credits are now owned by foreign nations and individuals, and that it is customary to honor these dollar credits of foreign nations in our gold when presented for payment.

The individually owned foreign dollar credits can be, therefore, at any time converted to foreign-nation owned credits—and thereby quickly and suddenly subject to redemption in United States gold payments. If all foreign dollar credits today were honored by gold payments in the customary manner, we would then have only $6.2 billion of United States gold left in the United States Treasury to back the $27.4 billion of outstanding United States paper currency, which is not up to the Congressionally required 25 percent by law.

On April 1, 1957, I introduced Senate bill 1775 which provides in part: "That notwithstanding any other provision of law, gold in any form, mined subsequent to the enactment of this act, within the United States, its Territories, and possessions may be melted, smelted, concentrated, or otherwise treated so as to prepare it to be sold, or held and stored as is, or has been customary with gold, and it may be bought, held, sold, or traded upon the open market within the United States, its Territories, and possessions for any purpose whatsoever without the requirement of licenses and it may be exported without the imposition of duties, excise taxes, the requirement of licenses, permits, or any restrictions whatsoever."

Then on April 16 I introduced Senate bill 1897 which provides in part: "All money of the United States, including money issued by banks, shall be maintained on a parity with the standard gold dollar by freedom of exchange at its value with standard gold bullion or coin at the United States Treasury."

Congress is our legislative body. It cannot shift the responsibility. The Constitution distributes the powers among the three branches of government and it is no defense for Senators and Congressmen to say that the President recommends specific legislation or that propaganda has wrongly influenced public opinion. Legislative decisions are theirs alone to make.

The Export-Import Bank was established on February 12, 1934. It is completely financed by the American taxpayers who are obligated by Congressional action to finance individuals and corporations up to $5 billion to build plants and operate mines in foreign nations—with their sweatshop labor—and to import such goods into this Nation, in direct competition with American workingmen and investors. This organization is now asking for an additional $2 billion for that purpose.

The International Bank for Reconstruction and Development was established on July 31, 1945, and the American taxpayers are obligated for $3.15 billion to finance foreign nations to build plants and mines to be operated by low-wage labor and import their goods into this country.

The International Monetary Fund was established on August 11, 1945, and Congress has obligated the taxpayers of the Nation for $2,750 billion for the same purpose of financing foreign operations, using cheap foreign labor, and importing the goods into the United States.

The International Finance Corporation was established on August 11, 1955, and the Congress has obligated the taxpayers to the amount of $35,168,000 for the purpose of financing foreign operations and production with cheap labor and then importing the goods into this Nation under the free-import policy.

It will be noted that the Export-Import Bank was established in the same year that the 1934 Trade Agreements Act, the free-import act, was passed by Congress; that the International Bank for Reconstruction and Development was established in 1945; that the International Monetary Fund was established in 1945; and that the only new organization to finance foreign production is the International Finance Corporation, established in 1955.

The pincers movements, including five methods of disbursing the wealth and the markets of the United States throughout the world, is an important part of the grandiose, international socialist scheme to make the economic system of this Republic a part of the nations of old Europe and Asia, and again to join us to the interminable trade wars of old Europe.

This pincers movement—to control and destroy the free American economic system—includes these five major operations:

First. In 1933, we followed England off the gold standard and immediately priced ourselves out of the world markets, through inflation.

Second. In 1934, Congress transferred its constitutional responsibility to regulate foreign trade through the adjustment of the duties, which we call tariffs, to the executive branch, with the full right to sacrifice and destroy all or any part of any industry in this Nation, if it were judged by him that his foreign policy of securing agreements and treaties with foreign nations would thus be furthered. Free imports—trade—will inevitably be tied to free immigration and the free movements of goods and people throughout the world.

Third. In 1947, the Executive did transfer that constitutional responsibility of Congress to regulate foreign trade, through the adjustment of such duties or tariffs, to Geneva, Switzerland, into the complete power of competitive foreign nations, under the auspices of the General Agreement on Tariffs and Trade—GATT—which he caused to be set up under the 1934 Trade Agreements Act as extended to June of 1958.

Under this act, 37 foreign competitive nations have proceeded to divide the American markets among themselves, through multilateral trade agreements over which the Congress has no control whatever.

Fourth. In 1946, following World War II, the Congress started the worldwide distribution of American taxpayers' money, through the $3¾ billion gift-loan to England. This gift-loan was immediately followed by the so-called Marshall plan of $17 billion for 5 years—and now must be a permanent annual drain on the American taxpayer, according to the testimony of our Secretary of State.

We have poured more than $70 billion of the taxpayers' money into Europe and Asia to build production facilities to compete with our own American workingmen and investors. We have built up their dollar balances to claim our gold reserves.

Fifth. Our tax dollars are going into four organizations for the sole purpose of financing foreign nations and American corporations and individuals in the construction of manufacturing and processing plants, including mining operations. Those financed utilize the cheap foreign labor and import the products into this Nation to compete with American labor and investors.

So far as I am concerned, if five other Senators will stand with me on this issue, free trade bill, no vote will be taken on the bill. If the bill is killed, then the lumber business, the machine tool business, the precision instrument business, and 5,000 other American businesses will begin to revive; because when the bill is killed American businesses will again have something to say about the American market.

As the situation now stands, today the American market is not controlled by Americans. Instead, the representatives of 37 other nations, sitting in Geneva, laugh at us while they divide the American market among their own countries. At this time the administration wishes to have authority for an additional 5 years to permit those 37 foreign nations to continue to divide the American market more and more profitably for foreigners and foreign-based industries.

I believe we can entirely kill the bill, because at last the people of the United States are waking up to the true situation.

The people of the country were slow to wake up; they were slow to realize just what the Congress has done to them in the last 24 years, beginning in 1933, when the country went off the gold standard. Since then, no one has tried to prevent inflation in the United States. No attempt to prevent inflation was made under either the Roosevelt or the Truman administration, and no attempt to prevent inflation is being made today, during the Eisenhower administration.

DON'T GIVE OUR AMERICAN MARKET AWAY—THERE IS A WAY TO RETURN THE CONTROL OF TARIFFS TO CONGRESS

(By Senator GEORGE W. MALONE, of Nevada)

We now have the prospect of Eric Johnston moving in with his "Coxey's Army" of 600 to 700 employees, trying to intimidate Congress to extend the very thing that is destroying the United States of America, namely, the policy of easy imports of the products of $2.50-a-day labor, with the help of American capital, which is encouraged to go abroad to build foreign plants and then ship their products back into the United States, duty free.

It does not make very much sense.

We have been confronted with a request which the President, through Secretary Weeks, has sent to the Congress. In private life, Secretary Weeks was in a business in which he could not have lived for 30 days without the existence of an adequate duty or tariff, to make up for the difference between the wages and cost of doing business in the United States and the wages and cost of doing business in the chief competitive nations.

Now the President has requested a 5-year extension of the 1934 Trade Agreements Act, as extended to June 1958. The present administration is the first free-import administration the Republicans have ever had in the nearly 100 years of their history, beginning with Abraham Lincoln.

The free imports advocates, supported by the low-wage foreign nations, work around the clock. In 1934, they were able to pass the Trade Agreements Act—so-called reciprocal trade—as an emergency measure for 3 years. This act has been periodically extended until it now expires in June of this year.

There has been developed a pincers movement to destroy the economic and social structure of this Nation, of which the free imports act is only one part.

The following major moves were methodically made to accomplish the purpose:

First. In 1933, Congress took this Nation off the gold standard, thus removing the only stabilizing anchor that our money ever had. Uncontrolled inflation was the inevitable result.

Second. The 1934 Trade Agreements Act transferred the constitutional responsibility of the Congress to regulate foreign trade, through the adjustment of the duty or tariff on imports, to the Executive, with the power to transfer that responsibility to foreign competitive nations at Geneva, Switzerland, which he did in 1947.

Third. The billions of dollars to Europe and Asia, about $70 billion since World War II—beginning with the three and three-fourths billions to England in 1946—the Marshall plan in 1948, and successive plans.

Fourth. Four official organizations, largely financed by this Republic, were created for the sole purpose of promoting American investments in foreign countries to utilize cheap foreign labor in the production of goods to send back to America under the free imports act.

The organizations include: The Import-Export Bank; the International Bank; the International Monetary Fund—organized by Marxian Harry Dexter White and the International Finance Corporation.

Only one of these moves was placed before the Congress at a time. Never are they mentioned together so that it can be called a coordinated plan.

We are the only Nation in the world today that does not protect the jobs of its workingmen or the domestic investments of those who invest their money in America.

There are two gimmicks involved in this matter. One was brought about when the 1934 Trade Agreements Act transferred the constitutional responsibility of Congress to regulate and to adjust duties, imports, and excises on imports—so-called tariffs—to the President, so that the teeth of the Tariff Commission were pulled. The Commission has no more authority over that matter than the man in the street. All the Commission can do is make recommendations to the President.

Testimony given by Mr. Dulles before the Finance Committee, brought out by my questioning, was that, if the President believes that through the sacrifice of a part of or an entire American industry—whether textiles, machine tools, livestock, or whatever industry it is—he can further this Government's foreign policy in securing agreements and treaties, then he may do that.

Never before in the history of the United States has such a proposal even been suggested, nor has such a proposal ever been put through the Congress.

Secretary Dulles also testified that, through the 1934 Trade Agreements Act, the President had full authority to transfer this authority to Geneva, Switzerland, under the auspices of 37 competitive foreign nations, organized as the International General Agreement on Tariffs and Trades, or GATT.

Article I, section 8, of the Constitution gives Congress the power to regulate foreign trade. Until the day comes that we take the profit out of the low sweatshop wages at the water's edge there will be no fundamental change in the wages in the foreign countries. The American investors are working with the foreign investors of those countries, and they are running those countries through kings, queens, and dictators. By holding the wages down in those countries, using our machinery and knowhow, they can bring the products here and sell them for whatever the traffic will bear.

All the colonial possessions of the world were founded by greedy mother countries that forced raw materials to come to them as cheaply as possible, held down wages and costs of processing and manufacturing the material, and forced the colonies to buy back the finished products, not allowing them to have any manufactures at all.

It is still our American market that Great Britain prizes. It is the American market that all nations with whom we trade prize. It is the market that the 37 foreign members of GATT prize, one which our State Department has, in large measure, given them. It is our market that the State Department now wishes to give more of to these GATT nations. It is our market that the supporters of the 1934 Trade Agreements Act gave them in large measure, and the market that has been given them in progressively larger measure, in each of the successive extensions of that act.

Our tariff and foreign-trade policies are established not by our sovereignty but by 37 foreign nations, each with one vote, devising and maneuvering our foreign-trade policy at sessions of GATT, meeting in far off Geneva, Switzerland.

At 12 separate sessions, since 1947, delegates to GATT have adroitly schemed ways to divide our wealth and markets with countries, commonwealths, and colonies around the world, and with their conclusions and their policies our State Department has concurred.

This is not independence. It is not economic independence, industrial independence, moral independence, or political independence. It is subjecting our citizens to the purpose and whims of 37 shifting, uncertain, and—frequently—covertly, if not openly, antagonistic foreign governments.

When we become dependent upon a foreign nation for something, we cannot fight without—especially something outside the hemisphere and across a major ocean—we can be blackmailed in peacetime into further agreements and business treaties, and in wartime compelled to do anything foreign nations wish us to do, because we cannot obtain the materials.

We do not create technical knowledge and skills through free imports of cheap labor goods in competition with our own workingmen and investors. We certainly cannot do it by substituting foreign production and the product of foreign skills for our own, which is the objective of free trade, free imports, and free traders. Nor, can they be created overnight by merely voting billions of dollars while mines, mills, and factories throughout many areas of the Nation are curtailing output or closing down because of the free import policy of our State Department and other nonmilitary agencies in our Government.

The purpose of these agencies is to increase imports, either directly, by removing tariffs or rendering them innocuous; or indirectly, by encouraging or financing competing industries in foreign countries to produce a greater flow of imports, thus crushing American industry and enterprise, so vital to our defense.

What it does is to crush the workingmen and investors of America. That is what the Congress of the United States is debating.

Senators rise on the floor of the Senate and complain of unemployment. Unemployment where? The mines are closed down. Textile mills and factories are closing down. Why? Largely because of American investments abroad, encouraged by the four organizations I have already mentioned. We encourage them to take their money abroad and to use it to pay $2.50-per-day labor and $3.50 labor, to make the materials which are brought in and sold from our shelves. It is impossible to make monkey wrenches in the United States today, when it is necessary to pay $16 or $17 a day, as against American machinery and know-how in foreign countries, with $2.50 labor.

The internationalists wish to push the Nation further and further during the next 5 years toward the brink of complete free trade, so that more and more foreign raw materials and more and more foreign manufactured goods—metals, textiles, electrical products, precisions instruments, and I could name a hundred other products—may pour into this country to flood our markets and supplant our miners, millhands, artisans and mechanics.

Why? Because our European friends, just as they did in 1776 and throughout the existence of this Republic, want our markets; and our State Department—for the past 22 years—has felt that in the interest of our foreign relations, our markets should be given to them.

This Nation fought two wars to win our independence and for 158 years, or until 1934, our statesmen sought to preserve it. Since 1934, it has been progressively whittled away. Five more years of economic disarmament such as is now proposed, and where will we be? How much more of our independence will we have forfeited, and how much more will we be dependent on foreign nations for our survival?

Economic disarmament of the United States is precisely what Soviet Russia wants; what Red China wants; what the entire Communist world wants; what in my opinion, many of our trade competitors in the so-called Free World also want—and which they have been striving for throughout our history. Economic disarmament of rival nations and peoples is what every predatory power has always wanted, but this is the first time in history that a country of free people has been advised by some of its officials in Government to destroy or disarm their own economy, which is the object of our free import policy.

For 23 successive years, administrations have been obsessed with the fallacy that our life, our economy, our wealth, and property are dependent on our foreign trade. From some of the publications of the Commerce and State Departments it would seem that nothing else matters; we must encourage more imports.

We must turn this great Nation into a dumping ground for all the wares of Europe and the Orient, good products, poor products, junk, and shoddy, it does not matter, just so foreign stuffs clog our markets.

What if our mines do close down, throwing thousands of miners out of work or on part time? What if our textile mills, or scores of other plants and factories, have to shutter, bringing distress to whole communities? What if American jobs are given to coolie, peon, and sweatshop foreign labor and the products of this cheap labor do supplant those of American workers in our markets?

Now foreign trade is not all bad, and it is definitely not all good. I take the position that trade which brings distress to American workers and communities and restricts the development and advancement of American industries—or which lessens our national defense capacities—is detrimental to our Republic. I have never objected to foreign trade conducted on a basis of fair and equal competition. In other words, I draw a distinction between sound foreign trade and destructive foreign trade, which our State Department and its free-trade champions do not. To them all foreign trade is wonderful.

There is no question that if the free and unrestricted imports continue, our Nation will be headed for the level of wages and living conditions in European and Asiatic countries. When we reach that level, it will be too late to do anything about it. We are on the way.

In 1934, the Congress abdicated its responsibility to the people as expressly stated in the Constitution—article I, section 8—and turned over its powers to regulate tariffs and the national economy to the Executive.

The Executive passed it on to the State Department. Actually, it was the State Department which made the treaty.

In 1947, the authority was transferred to the General Agreement on Tariffs and Trade, more familiarly known as GATT.

The United States, as do the 37 other foreign countries, sends a delegation to GATT to assist in dividing up our markets with every low wage country of the world—but not one single American elected official is a member of that delegation.

As for GATT, itself, Congress has no official cognizance of it. It has never been submitted to Congress for approval or rejection.

The Washington bureaucrats come in left-handed, with what is called the OTC—the Office of Trade Cooperation. If you approve trade cooperation, you approve GATT. If you do not approve it, well, the other nations will continue, anyway, to get our assistance under the old 1934 Trade Agreements Act. This was testified by Mr. Dulles under my questioning in the Senate Committee on Finance in 1955, when the act was renewed for 3 years.

The entire GATT operation is completely insulated from any vote or votes by any American citizen. You cannot vote for or against the United States delegate at GATT even should he turn your job over to a foreign worker or destroy your industry, because he is not an elected official. He is a State Department underling.

You cannot express your satisfaction or dissatisfaction with any Member of Congress because of what GATT may do to you or to your business, because no Member of Congress participates in these 37-nation sessions, nor, for that matter, have we ever been given an opportunity to vote for or against this international monstrosity itself?

The authority now transferred to Geneva, for the regulation of our foreign trade and national economy by 37 competitive nations, will—unless this Congress extends the Trade Agreements Act again—automatically revert to the Congress of the United States. Then all the multilateral agreements and bilateral agreements—as made by our Secretary of State, who worked for Dean G. Acheson until the Republican administration took over the Government—will also fall, void, by the wayside. Then all tariff authority will automatically revert to the United States Tariff Commission, under the 1930 Tariff Act—which provides that the Tariff Commission shall determine the cost of producing an article or a similar article in the chief competitive foreign nations.

The Commission will be able to do that every day or every 6 months or every 2 years, at the invitation of the President, at the invitation of a Congressional committee, or at the request of a supplier or seller.

Moreover, the Commission will be able to review any tariff regulation at its own motion, whenever it sees fit to do so.

Mr. MALONE. Mr. President, in closing I wish to say that in my opinion the erroneous data that have been issued—whether honestly or otherwise—through special writers, through magazine articles, and through speeches by persons in the State Department and others, have been responsible for extending the Trade Act the 10 times it has been extended since it was passed in 1934 as an emergency act.

Mr. President, during these 24 years since 1934 the American economy has been kept going on emergencies, including two wars and preparations for war.

Today we are living on a war economy of $40 billion a year; and I believe the Congress is getting ready to appropriate an additional $10 billion, so that next year our war economy will approximate $50 billion. Perhaps enough of this money can be spent to level off our economy, or even to raise it a little. But we are still living on a war economy.

Our American markets are being further divided among the other nations of the world through bilateral and multilateral trade agreements, under the 1934 Trade Agreements Act, as extending to June 30, 1958.

In 1933, the United States went off the gold standard, and, through inflation priced itself out of all the markets in the world, unless we pay the difference between the cost of production in the United States and the cost of production in such world markets. Mr. President, you will remember that we have given these foreign nations more than $70 billion since World War II—to do what? To build plants to use the cheap labor and produce goods to compete with the goods produced by our own American workingmen and investors.

The fruitless purpose of these gifts has been to build up a foreign dollar balance against our gold supply. That is entirely another subject; but, Mr. President, if you will examine the records you will find that if the foreign dollar balances that could be converted to nation balances were presented in to our Treasury, we would have left only about $5,700,000,000 of our gold supply—which is not a very happy prospect.

Then, Mr. President, more than $50 billion of American capital has been invested in foreign countries, to build plants of the latest American machinery to operate with what? To operate those plants with the foreign low-cost labor, returning the products to the American markets, underselling our own high living standard workingmen and investors.

Now is the time for the Congress to let the 1934 Trade Agreements Act, as extended, die. Then the Congress, the legislative branch of the Government, will regain its constitutional responsibility to regulate foreign trade, through the adjustment of duties, imports, and excises, which we have come to call tariffs; and then the workingmen and the investors of the United States will be back in business.

So, Mr. President, I say to you that the greatest harm that has been done to this country in the last quarter of a century has been the transfer of the constitutional responsibilities of Congress to the Executive. One by one, Congress has relinquished its constitutional powers, with the result that today about all Congress has left is the power to approve Presidential appointments and the power to make appropriations, which never vary more than 5 percent from that which the Executive recommends. Con-

gress is helpless so long as these acts remain in effect.

Mr. President, you may know that the President, through the State Department, can trade all or any part of any American industry to a foreign country if he believes it will further his foreign policies. Testimony to that effect was given by Mr. Dulles before the Senate Finance Committee in 1955.

Mr. President, you may also know that the rules which govern GATT—the General Agreement on Trade and Tariffs—state specifically that the 36 foreign competitive nations which are members of GATT do not have to keep their part of the multilateral agreements, so long as they can show that they are short of dollars balance of payments; and they can show that until all of our wealth, markets, and cash are equally divided.

So, Mr. President, today we are in a very precarious position.

The House will consider the 11th extension of the 1934 Trade Agreements Act next week.

If they just do not pass anything—let this act, the misnamed "Reciprocal Trade" Act, expire on June 30 of this year—and the American workingmen and investors are back in business.

POLITICS—THE BUSINESSMAN'S BIGGEST JOB IN 1958

Mr. GOLDWATER. Mr. President, of late much attention has been directed to the businessmen of the country and to their responsibilities relative to our constitutional Republic and free enterprise system.

The theme of the recent meeting of the Chamber of Commerce of the United States, which was held in Washington, D. C., was mainly that the businessman should interest himself in politics.

Recently, in the Arizona capital city of Phoenix, at the annual meeting of the Phoenix Chamber of Commerce, Mr. L. R. Boulware, vice president of the General Electric Co., addressed himself to that gathering on the subject I have just mentioned. I ask unanimous consent that Mr. Boulware's remarks be printed at this point in the RECORD, in connection with my remarks.

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

POLITICS: THE BUSINESSMAN'S BIGGEST JOB IN 1958

(Address by L. R. Boulware, vice president, General Electric Co., before annual meeting of Phoenix Chamber of Commerce)

I realize how presumptuous it is even to try to suggest what you good folks out here have as your biggest problem in 1958. But my interest and zeal are simply so great that they overreach my discretion.

You are most fortunate here. I'd like to see you and the other businessmen of Arizona not just successful in defending and preserving your opportunity to serve all Arizona citizens through your growing and advancing businesses; I'd also like to see you go on to improve and expand that opportunity so you and your businesses can live up to the full potential of your usefulness to all the public here and in the rest of our still privileged land.

I'd like to see your business climate not just match, but outdo, your wonderful physical climate. My interest in your success in this is not academic but very real. My company has chosen Phoenix as the location where the current good business climate can still be improved in a way that will help us make here the important expansion we expect our exciting new computer department to undergo in pursuing its obviously great technological and volume potential.

National and local businesses in 1958 have the common problem that they are being prevented, by political causes, from living up to their full usefulness to all the public. This is for the reason that we businessmen have failed to see to it that we both deserved and achieved the full understanding, warm approval, and stout support for our intentions, procedures, manners, and results across the whole area of both the material and emotional needs and wants of those whose understanding and cooperation we need and who affect our fate at work, at the market place and at the voting booth.

Evidence of our failure to have business and our economic system understood is in the fresh mistakes the citizens seem about to make again—in spending, inflation, taxes, productivity, and freedom—mistakes which, while bad for all concerned, will be represented as good for the many and too likely be accepted as good by the vast majority. These mistakes are the vital concern of the business leader—both as a responsible manager and as a freedom-loving citizen. If you will write me, I'll be glad to send to you the specific recommendations made on these particular issues before a conference on recovery in New York yesterday by our company's chairman, Mr. Cordiner.

But in the sixty-odd years since the Sherman Antitrust Act first warned business it was in real and deserved political trouble, we businessmen have continued to concentrate on what used to be our whole job but which, while still vastly important, is now only a part of our job. We have heedlessly neglected to pay enough attention to politics and politicians. We have thus failed even to recognize, much less equip ourselves to meet, the new and unfamiliar managerial requirements in connection with the political problems of such constantly mounting importance.

Unless we businessmen now promptly change course and quickly do enough good work to deserve and achieve a new credibility and effectiveness with the public in political matters, we will have little or no ability to prevent a majority of our fellow citizens from being misled into further damaging the usefulness of business to themselves but also into making other very costly mistakes and perhaps this time bringing final disaster to individual freedom and well-being.

People—the many—now see what we businessmen do for them. But they do not think it is enough; don't believe it as much as we could do if we were fair or only interested in them from their standpoint. We do not help them see and appreciate all the claimants, all the something-for-something arithmetic, and all the other compelling circumstances we face—how well we do already in those circumstances, how we are further trying, and, in particular, what's the good of what we meanwhile are doing for the many.

Our neglect of our political obligation has created an opportunity which others have seen and embraced. A very important one of the more demagogic political skills is persuading the many that abuses of them by the wicked few are being redressed.

And, unless the facts to the contrary are constantly explained, business is a natural for being made to look like the few oppressing the many.

As could only be expected, opportunistic politicians have capitalized on our lack of alertness. We businessmen have become the whipping boys for opponents who have a different ideology from the one on which the unprecedented services of American business to the public have been based. As the inevitable result of our taking this whipping in silence, too many politicians of both parties are acting on the assumption that more people are against us than for us, and the rate at which politicians are rallying under the support of our detractors represents a gathering storm.

As a result we businessmen have specific political problems right now about what is the best way to speed recovery; about how thereafter to have good business, good employment, and no further inflation; about how to help head off the Russian menace and make friends with good people around the world; about how, in the public interest, to get up and stay up equal with antibusiness forces in politics. All these political problems are just one problem. Solve one, and we solve all.

Let's take as a case history, for instance, the development of the political intentions, organization, resources, and activities of the top union political group, since it is by all odds the most aggressive and effective of those forces in politics which take an antibusiness position or a position so generally opposite to what businessmen believe is good for the country. It just happens that the citizens who have embraced their opportunity to become the successful politicians involved here are union officials instead of business officials—are antibusiness instead of probusiness.

We cannot quarrel with the right of any citizen—in fact, we earnestly support his right—to seek through political action political solutions to what he considers his problems. The first amendment is everybody's protection. While we need not support every man's method or his goal, we must defend his right to pursue them. And this is no less true for union officials than it is for businessmen or any other person in society.

And in studying this case history, I think we businessmen must, in all fairness, recognize that it was our failure to carry out our own political duty in the public interest that has let what was a potential force for good develop into an imbalance of power that not only impairs the economic usefulness of private business to the public but also appears to be threatening freedom itself to an important degree.

The announced objective of the unions is very good. It is to act as agent for the worker where he wants someone to take his place in dealing with the employer on economic matters and working conditions. Much good has been accomplished in particular circumstances.

But the union officials have gone beyond any redressing of the economic balance at the bargaining table and now too generally impose an economic imbalance that is injuring workers along with the other citizens served or affected by business. And, as the McClellan committee has shown, too many union officials have gone from protectors to abusers of the workers in the areas of freedom, dignity, and self-respect. Once the responsive and useful servant of the worker, the union official has become too frequently the worker's dictatorial and harmful master in matters affecting the human spirit as well as in inflation and other economic livelihood matters.

How did such a departure from the original objective come about? Through shifts among the three types of activity on which the union officials depended.

The first type of activity is at the bargaining tables on economic matters and on nonmaterial working conditions involving the worker as a human being. But the union officials didn't like this orderly or tedious persuasion process. Their final argument was force, and once started away from the original voluntarism and down the route of force, the appetite was thereafter hourly

greater for more and more power with which to avoid bargaining and to exercise unilateral force instead.

So the union officials became attracted more and more to a second kind of activity which, for lack of a better name, I'll call political bargaining or negotiating in the newspapers months ahead of arrival at the bargaining table. This has a double objective. The first is to establish a foundation of credibility with the public to get widespread belief that union officials are the ones who are fighting for and achieving what's fair and good for people, good for the many.

Along with this selling of their good intentions, they too generally promoted the something-for-nothing, inflationary, foreign socialistic brand of antibusiness economics that has failed wherever tried—including here. But they nevertheless got the cooperation of all sorts of people who normally would know better—this only proving that it can happen here, just as abroad, when only one side is talking.

You have only to look at who's overly prominent now in community chest and civic affairs, and with whom the top politicians want their pictures taken, as well as at what kind of economics is being taught in too many schools and from too many platforms to see how completely successful has been this investment by so many of the union officials in their public or community relations programs aimed at securing credibility with the public ahead of negotiations. In too many instances these programs take the form of relentless ideological warfare.

Meanwhile—against this background of credibility achieved amid the silence and inactivity of employers—the political type of union official would publicly announce his demands and start negotiating with still silent employers in the newspapers, on TV, before Congress, in speeches, and in publicized wires and letters to the President of the United States and to the president of the company or companies in question. You recognize this as the invention of John L. Lewis and copied since by the McDonalds, Careys, and Reuthers.

The objective is to come to the so-called bargaining table with the determinative bargaining all done and with the political pressure on. And we must recognize how very little bargaining (worthy of the name) is actually done any more by the union official at the so-called bargaining table when he comes there with these three accomplishments:

1. The workers have been sold on the idea that something has been stolen from them which the union official is going to get back for them if they only support him.

2. The public has been persuaded a great wonderful new social gain is to be achieved, not just for employees but for everybody else—for the many—and at no cost to any one except to a few wicked, vicious, and undeserving fat-cat owners.

3. The public servants—at city, county, State, and national posts—have been shown that it is good politics to be on the side of the union official—right or wrong—because he has sold workers and public on what he proposes.

If the employer balks at unwarranted demands and a strike results, he, too, often finds that there is no adequate protection available from city, county, or State law enforcement authorities and that private or public intervention on the side of the union officials may sometimes be expected even from Washington.

In this political bargaining activity, the union officials have attempted to rid themselves not only of the inconvenience of what they regarded as the slow, tedious, silly bargaining at the bargaining table, but also to rid themselves of the need to be responsive to the membership.

Also, through sole bargaining power and compulsory membership arrangements with employers, they have acquired a virtual monopoly of the labor market in critical mass production, defense output, and interstate commerce transportation. The freedom to use politically the money and manpower, which that monopoly put in their hands, has enabled the union officials to all but finish the job of becoming the masters, in contrast to the original status as servants, of the workers.

Perhaps the most significant development to note here is that the union official has long since passed from economic agent status out into the open as an unalloyed politician in his own right. It is very important that we recognize the union problem from here on as primarily a political problem.

Of course, the natural human appetite of the union officials for power and security—and the easy going the union officials were experiencing against ideological competitors who wanted to sell voluntarism and private enterprise but were too bashful to call on the customers—made it inevitable that union officials would go on to the third stage.

This is the all-out political effort we now see in their attempt to dominate both parties and all government, and this year to elect a Congress obligated to be subservient to their every wish for further protection against citizens and dominance over citizens in ways far beyond any connection with bargaining table matters.

As George Meany has so candidly said: "The scene of battle is no longer the company plant and the picket line. It has moved into the legislative Halls of Congress and the State legislatures."

Total union income—exclusive of welfare and pension funds—runs into hundreds of millions. There are supposed to be half a million union officials. Politics seem now to be their principal interest, and Victor Riesel recently stated to a study group that "85 percent of the international unions' income goes for public relations and politics and only 15 percent for the old 'bread and butter' union activities." Union officials join with other antibusiness elements in politics, and they have been and are financing and manning most of the activities which businessmen believe are contrary to the best interests of all the people.

In addition to direct money contributions, union-supported candidates receive aid from incalculable numbers of free campaign workers, union treasuries pay for untold hours of radio and TV time, paid "organizers" are sent in to do political work, "friends" of the candidates insert full-page ads in the local newspapers, wives of zealous union supporters man telephone brigades contacting voters, teen-age sons and daughters undertake baby-sitting chores while mothers and fathers go to the polls. Meanwhile, the labor press gives full play to the election, and to the merits of their particular candidates. Special election editions are issued and distributed.

The 1st session of the 85th Congress passed no legislation contrary to the recommendations of AFL-CIO; neither did the entire 84th Congress; and I judge that not a single bill in the present session of the 85th has a chance of passing if it is against the will of the AFL-CIO.

As you know, some courageously constructive Democrats and Republicans in the House and Senate has been publicly listed for political extinction by the AFL-CIO this year. There is double dilemma here. First, in the absence of better support, the extinction may be accomplished. Second, there are too many others who were left off the black list—8 Republicans and 12 Democratic Senators, for instance, who might want to demand that AFL-CIO put them on the list to make their independence clear.

In the present Congress, the union officials reportedly feel sure of the support of 38 Senators and 177 House Members.[1] That's why no bill can be passed which they oppose. And we hear that certain anxious political leaders in both parties are pleading with the top union command to permit some really corrective labor union legislation to go through Congress.

But the union officials seek a majority—so they will not have to be on the defensive but can pass all the bills they want. They believe they can do it this year. They only need to pick up 11 friends in the Senate and 41 in the House to add to their present 38 Senators and 177 Representatives.

"In an atmosphere of business letdown with several million persons jobless and many others worried about losing their jobs, union officials feel they have a real chance to take over in November."

That last paragraph is not mine but a quote from page 46 of U. S. News & World Report of March 28. I urge you to read that issue not only for the particular article quoted but for some other politically alarming ones along with David Lawrence's editorial quoting from the CONGRESSIONAL RECORD the claim that $725,000 was spent by 1 union for 1 Senator's election. This Senator, incidentally, was the only committee member, Democrat or Republican, who did not sign the McClellan committee report.

Let's look at just these few consequences of all this in areas beyond the employee-employer relationship.

1. We have the kind of corruption and abuses of liberty and dignity brought to light by the McClellan committee.

2. We all have a lower level of living—probably by 20 percent or more—because the productiveness of our talents and facilities is arbitrarily reduced by inspired featherbedding, resistance to technological progress, opposition to, rather than cooperation with, management in what people want done and what's good for everybody—the waste being easily as great as the whole $80 billion our Federal Government cost us last year.

3. We have inflation not just from the wage increases in excess of 2 percent a year but also from the inflationary measures union officials have the power to press on Government. Too many union officials like inflation—mistakenly want inflation—regardless of what they say. It makes them look useful, and the dedicated Socialists among them know inflation is quietly the most brutal socializer of them all.

4. We have the corrupting of businessmen—who should be moral leaders. Collusion in compulsory membership, rigged markets, and other serious immoral or illegal acts are too often required as the price of survival in full view of Government officials who do not dare try to enforce the law.

5. We have, of course, the present depressed sales and unemployment situation which some people are coming to term the "Reuther recession." Congressman RALPH W. GWINN, Republican of New York, ranking minority Member of the House Labor Committee, said May 3 on TV, that he did not believe that we had a general recession in this country, but, instead, a recession "in certain areas where the labor union is the toughest and tightest and where the largest wages are paid, because they've priced themselves out of the market like they did in the coalfield. * * *" Mr. GWINN went on to say that he thought the present trouble "could quite properly be described as a Walter Reuther-CIO-AFL-Socialist depression of American variety." Former Senator Owen Brewster, Republican of Maine, told Human Events (May 5): "The Reuther recession is the issue. In short, Reuther—heading up the whole labor boss aggrega-

[1] U. S. News & World Report, p. 46, March 28, 1953.

tion—stands as the main issue today. Reuther and the wage-price spiral, culminating in the automobile industry's present plight and its effects on the economy—that's the real focus of the national problem today. Real labor reform, to control this dangerous power, is a must in this session."

6. There are other consequences, like the political extinction decreed for those who disagree, or like the snuffing out of free speech, but my time doesn't permit going on.

The challenge to us businessmen and to other citizens in all this is that such economic and political power derived from the money and manpower yielded by such a monopoly of the labor market has gone beyond the point where it is the concern only of workers, managers, and union officials. This force is now the concern of every citizen, and is the local, State, and National political matter of first importance.

As already indicated, this case history is significant, not because the politicians involved are union officials, but simply because these union officials happen to be the citizens who have developed and currently run what I believe is admitted on all sides to be not only the most powerful political organization in the country, but also the only one really organized and effective in influencing the course of both parties today. It is only by chance these powerful politicians are union officials and antibusiness. If so great an unregulated or unchecked imbalance of political power were in the hands of any other special-interest group—any business, or military, or other group—the peril to freedom and economic well-being would be just the same, as all history here and abroad has shown.

Our State and Federal constitutions, and, in fact, the whole theory of American democracy, call for and depend on effective checks and balances to protect the public interest against excessive, unchecked power. But these checks and balances can be only partly built in. Beyond the constitutions and the laws, the successful operation of our democracy demands an electorate which is alert, enlightened, and vigorous enough to reinforce these built-in checks and make them work in the public interest.

The growth and use now by one special-interest group of political power which has no effective check is not the fault primarily of those who achieved the power, for it is their right to try. Rather, the fault is principally on the part of those who, by inactivity and silence, allowed it to happen—let a special-interest group achieve power which it can use to injure all the people.

We businessmen cannot look elsewhere for citizens to blame. We have long had the opportunity and responsibility to do our very considerable part, not in trying to destroy unions or in seeking any unfair advantage, but rather in restoring the balance needed in this situation in the public interest; but we have just as long failed to accomplish anything like our full part or even to put forth anything like the full effort we should.

But a word of wisdom here. This full effort to redress the balance must in all respects be consonant with the legal and moral standards our society and our governments have so wisely set forth. The use of corporate funds to further the candidacy of any person is outlawed, and so it should be. Also outlawed, by a law honored more in the breach than in the observance, are certain uses of union funds to promote individual candidacies. This union practice is to my mind legally and morally intolerable, especially because so much of the money available to unions is extracted from unwilling contributors suffering the indignity of compulsory union membership contracts.

There should be no double standard here, and we must neither seek nor tolerate one. Nor need we do so, for the remedies available to us, under the strictest moral and legal standards, are adequate to do the needed job—if only we will use them.

We businessmen, of course, don't like politics—don't want to get into politics. But we had no choice. We have been dragged unwillingly into politics by our ideological competitors and intended executioners who were politically skilled and felt the political arena was where they would look good and we, in contrast, would put up the sorriest spectacle and thus do the most damage to people's confidence in us. Yet too many of us keep trying to look the other way or to shift the job to somebody else—to a few leaders or to a few trade association spokesmen, while we managers go on with our familiar work at what, as an oversimplification, might be called "metal cutting and paper shuffling."

Yet being politically effective, as I see it, is now a continuing part of every manager's work and every citizen's duty to himself. It cannot be done by others. We must each do our part—and be publicly identified over our own names as doing it—and must each help equip and encourage others up to a safe majority of the public to do theirs.

I do not believe I am overstating the case in the least when I say that the prompt attainment and immediate sound use of political effectiveness by the private-enterprise manager—and by the citizens he and his associates can properly influence—is at once the most difficult and most urgent task facing our free country today for our own self-preservation, much less the preservation of any chance of going on to attain the stuff our dreams are so legitimately made of.

Happily what the manager and other alert and alarmed citizens need for overall political effectiveness in doing their part to help correct the present imbalance is no more than what is needed to bring the manager up even with the union official at the bargaining table—no more than what is needed to get cooperation, productivity, profit, growth, and security all day long in each business large and small for the good of the whole public.

Fortunately, most of the need is in this nonpartisan political field where work can still be carried on by businessmen and where the good people of both parties should be able to rally as one without being self-conscious in the slightest:

1. We need economic understanding and eager facility in its public and private use. We businessmen must ourselves understand—and then help others understand—the fundamentals of our free jobs and free markets—how our level of living has been and can be raised—how business serves this process as a highly creative clearinghouse where people come together and are helped, by good ideas and common facilities, to do more for each other than they could or would if left to their own devices.

We have to help people adjust their false expectations of the moment to reality and understand that a business has no "magic" resources, no "money tree," nothing to give away. Business is a something-for-something process, and so is life and freedom for that matter.

We businessmen—we so-called business leaders, before we are leaders, in the full sense now required—must deserve and achieve the deep conviction on the part of the public that we know our economics, understand how to run business for the good of the many, and are doing so. The public does not so believe now—does not understand the good of what we do—with what justice I'll leave to you. We all need a continuous daily study course in the way our business and economic system works and can work. We especially need to understand and teach right now that Government has nothing to spend but people's money—that a so-called tax cut, without a like cut in Government spending, is not a tax cut at all but merely a shift from visible tax collection to the invisible collection of the tax by inflation.

2. The second skill we must develop is in the knowledge and use of good human relations intentions and practices. We particularly need right now a better understanding all around of the morals required for the freedom and well-being we want in our association with one another.

We must strengthen our moral courage and not only stand firm for what is right but fight valiantly in public against the person or idea that is morally or ethically wrong. The misinformation about the true economics of freedom and the abuses of unbridled power can only exist in the shadows, so we must courageously expose deceivers and usurpers. For lack of alertness and courage in free speech by businessmen, freedom of speech is withering on the vine.

It's accepted as being quite impossible to be in some businesses in some localities today without being a lawbreaker under the whip of the unions. Too many businessmen not only give in to unsound economic settlements and to illegal and immoral collusion but having done so, they compound the damage, and even try to fool people, by talking and acting as if they thought what they had done was good for employees and public instead of bad.

The remedy for this can come and must come through the individual businessman making the moral investment that our very survival requires be made in better knowing the truth and then publicly telling the truth about what's going on, no matter who has to be contradicted.

3. We thus must not only develop more demagog-proof political maturity in ourselves but must then help our neighbors do so.

Too many of us haven't felt it was our kind of a job to engage in the hubbub of rough and tumble public debate with demagogs who were trying to fool people by character defamation and by falsely appearing even to support free enterprise. But it is becoming increasingly obvious that it is not only proper but required in the best interests of employees, employers, and the rest of the public for us businessmen, as individuals, to develop and practice the skills needed to meet our ideological or demagogic competitors and to debunk the false claims by which they try to make bad measures against business and people look good.

There is hope rather than despair in how bad the situation is. Most of the trouble is due to misinformation—misinformation that is easily and quickly corrected once enough truthful and courageous businessmen and other thoughtful citizens start making proper public inquiries of office seekers and office holders and start otherwise speaking up in the public interest about what voters have a right to know. It will not take long to debunk the false charges about business and the false idea that any other economic system comes anywhere near our free choice, something-for-something, competitive system of incentives and rewards.

But the three foregoing—economics, morals and demagogproof political maturity—are only the base—the foundation—needed for the constituency of both parties to judge correctly the issues, candidates, and office holders.

Fortunately, the most important issues transcend any usual party lines. And you in Arizona have a most encouraging history of the good people in both parties rallying as one on the main things. For instance, on right to work: both your Senators—1 a Democrat and 1 a Republican—have been for it right along. The voters have balloted on right to work three times—twice under Democratic governors and once under a Republican governor—and the voters' verdict for right to work has been by an increasing percentage each time. Incidentally, a very

important factor in General Electric's decision favoring Arizona over the other contenders for our computer business was the combination of the fact that you do have a right-to-work law and the fact that a growing majority of the citizens are so obviously coming to appreciate and support voluntarism as opposed to compulsion in union membership.

However, the right-to-work issue is not settled in Arizona to any comfortably greater degree than it is in other States or in the Nation. The most desired result the top union politicians seek from their election activities is to have State legislatures and a Congress and Senate that will outlaw right-to-work laws and thus reverse the current healthy trend that is away from compulsion and toward voluntarism. Right to work is a very active political issue and no one can truthfully say it is not. Voters have a right to know on this issue—as on all issues—just how candidates will vote if elected. No candidate—who is embarrassed by the question of how he will vote on right to work—should be permitted to sweep the question under the rug. Voters should know whether a candidate—if elected to Congress, for instance—will be one of the 41 Representatives or 11 Senators the union politicians are seeking, to give them the absolute majority they want in both Houses.

But beyond the nonpartisan work on business time and money is the second duty of the businessman—this time as a citizen on his own time and with his own money engaging in party politics—working in the party of his own free choice. Not only money—and lots of it—but lots of volunteer legwork and mental sweat is needed to restore the balance and have both parties supporting good programs and good public servants who will not be obligated and subservient to any special interest but will serve the balanced best interests of all citizens.

When one or all of us businessmen come to this crossroads and have to make the critical choice of either doing our part of the tough uphill climb to effective help to a party or a candidate, or of continuing on the downhill path to oblivion, we keep wishing we didn't have to make the decision. Yet the vital problem is on the way down the road to meet each and every one of us, and there is something each and every one of us can and must do. Your Mayor Jack Williams gave a brilliant demonstration of what one man can do. The remaining members of your nonpartisan city council have, since 1950, been demonstrating what dedicated individuals can do for the public good. I understand the examples of what some so-called political unknowns were able to accomplish over in Tucson earlier this year were likewise impressive.

But it's not just to the advantage of you in the cities and towns to defend and improve the business climate; it is just as advantageous to the agricultural counties to avoid having antibusiness attacks and developments ever get under way there and to help ward off elsewhere in the State any new attacks while aiding recovery from the effects of prior bad teaching or action.

The final partisan political work is done by an individual persuasively talking the economics and morals of the issues and candidates with another individual or family, and then another * * * then getting those and few other right-minded individuals out to vote on election day. This is work every citizen can and should do—at night and on weekends—just like the antibusiness opposition is quietly doing all the time right here in your midst and just as a little more conspicuous horde of hundreds of imported experts are likely to be suddenly found doing between September 9 and November—a period which will then be too short and too late for businessmen to train and organize themselves as volunteer-citizen political workers. The time for the previously inactive citizen to start political work is obviously now.

In the process of such an accomplishment, the businessman will have brought the neglected areas of the businessman's responsibility up even with his technical and financial accomplishments, will have brought himself up even with union officials at the bargaining table, will have given the unions back to the members and the Government back to the people, will have restored law enforcement, will have helped the public start regaining the benefits of the 20 percent or more of productivity now wasted, will have arrested inflation, will have revived free speech, will have silenced the professional, unwarranted kind of criticism of business and will have quieted the present panic of both parties on the Potomac.

These are no small challenges, I know, for all of us. But this is it this time, and I simply see no other way to seek our survival as free citizens in a free society but by facing up to these critical challenges and overcoming them—no matter who of great or little power now has to be opposed or contradicted in the process.

If we can measure up to these challenges, then what is economically sound and morally right will, as it should, be politically invincible.

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

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

MESSAGE FROM THE HOUSE—ENROLLED BILL AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the President pro tempore:

S. 2498. An act for the relief of Matthew M. Epstein; and

S. J. Res. 166. Joint resolution authorizing an appropriation to enable the United States to extend an invitation to the International Civil Aviation Organization to hold the 12th session of its assembly in the United States in 1959.

ADDITIONAL UNEMPLOYMENT COMPENSATION

The Senate resumed the consideration of the bill (H. R. 12065) to provide for temporary additional unemployment compensation, and for other purposes.

Mr. BYRD. Mr. President, I wish to speak on the bill, H. R. 12065, to provide for temporary additional unemployment compensation, and for other purposes.

The bill reported by the Committee on Finance is identical with the House-approved measure. It has the unqualified approval of the Administration, including the Secretary of Labor.

I should like to comment briefly on the House action on H. R. 12065. During consideration of the measure reported by the House Committee on Ways and Means, the Herlong bill was substituted. The HERLONG measure removed the mandatory features of the original administration bill, and left it optional with the States whether they would enter into agreements to secure the Federal funds provided for.

The administration measure, as amended by the Herlong bill, was substituted for the House Committee measure by a vote of 223 to 165. Final passage of the House bill, which is the bill now before the Senate, was by a vote of 370 to 17. H. R. 12065, as approved by the House, was referred to our committee, and we held 4 days of hearings, beginning on Tuesday, May 13, and ending Friday, May 16. The Finance Committee reported the bill by a vote of 11 to 4.

As might be expected, a variety of views were expressed in the course of the hearings. Some were of the opinion that the current economic situation did not indicate the need for any legislation at all. Others were of the opinion that, if economic circumstances in particular States did warrant legislation, the matter should be left to the affected States. Others were of the view that more far-reaching Federal action was necessary than was proposed in the measure the Finance Committee was considering.

After consideration of these varying viewpoints, the majority of our committee reached the conclusion that the measure, as approved by the House, constituted the best method of lending the assistance of the Federal Government to the States for the purpose of alleviating the current unemployment problem. Accordingly, the measure was favorably reported by a vote of 11 to 4, and all amendments were defeated in the committee by a vote of 10 to 4.

Certainly, we should not, under the stress of current and temporary conditions, act to substantially alter the structure of State systems or impair their functions. H. R. 12065 does neither. It simply provides Federal funds to any State which may elect to receive them for the specific purpose of extending benefit payments to individuals who have exhausted their benefit rights under the unemployment compensation laws of the electing States. The proposed legislation would expire on April 1, 1959. The content of State laws is in no manner affected, nor is the administration of provisions governing the payment of benefits.

Let me briefly summarize, at this point, just what H. R. 12065 does.

It provides Federal funds to any State entering into an agreement to receive them and to make additional payments of benefits in the amounts specified in the measure. It is entirely optional. As I have stated, payments are to be made to individuals who have exhausted their State benefit rights. Any person who has exhausted his benefit rights subsequent to July 1, 1957, and is currently unemployed at the time this measure is designed to go into effect

would be eligible. However, a State entering into an agreement may select a later cutoff date for eligibility of exhaustees, for example, making only those individuals who had exhausted benefit rights after January 1, 1958, eligible for payments. The period of payments is the period following 15 days after the enactment of the legislation and ending April 1, 1959.

Now as to amount of payments: The measure specifies that the maximum aggregate amount of benefits paid to exhaustees shall be 50 percent of the rights he had had under State law. Thus, an individual who had received 26 weeks of benefits, which I understand is the representative maximum in the large industrial States, would be entitled to an additional 13 weeks. Many individuals in States having variable duration of benefits would not, of course, receive the maximum duration provided. Let us assume some individuals received only 12 weeks of benefits, by reason of their short work experience. Such individuals would receive 6 additional weeks of benefits. The additional weeks of benefits would be paid at the same weekly rate which applied to the individuals while receiving State benefits.

There is nothing in this bill, Mr. President, which changes the rate of compensation. The benefits may be extended if a State desires to exercise its option to do so.

Insofar as financing is concerned, the measure provides that the Federal Government is to be reimbursed for advances made to an electing State. That is the same plan which has been in existence for a long time. A fund of $200 million has been available for the purpose of making loans to States.

I consider this provision eminently sound and far preferable to making an outright grant to the States. First of all, the States trust fund reserves are, as a whole, in much better condition than the Federal Treasury. I made reference to this on the floor yesterday.

Secondly, I do not believe that we can maintain the integrity of State systems and assure a sense of responsibility on the part of State legislatures and State officials if we start handing out money for State programs.

Under the pending measure an electing State may within a period of 4 years act on its own volition to restore to the Federal Government the sums advanced to it. This restoration may be from any State moneys or may be in the nature of a diversion of moneys in the State's unemployment trust fund.

If a State does not thus act to liquidate the advance—and this is entirely within the discretion of the State; there is no pledging of State faith and credit in this transaction—the three-tenths of 1 percent tax levied by the Federal Government on employers of the State under the Federal Unemployment Tax Act is increased. The increased tax for the first year would be one-and-a-half tenths percent, making the total tax four-and-a-half tenths percent. For each year thereafter, and until the Federal advance was liquidated, the Federal tax would be progressively increased by one-and-a-half tenths percent. The revenue derived from these tax increases would be used to liquidate Federal advances made to the State. I again emphasize that only applies to the States which exercise the option given to them to come under the proposed legislation.

I believe that the optional feature of the measure permits Federal assistance to be best utilized in the current economic situation. From data given our committee and set forth in the hearings, it is quite apparent that the incidence of unemployment is far heavier in some States than in others. Exceptional unemployment is to be found mainly in our large industrial States in which basic industries are largely concentrated. The Secretary of Labor emphasized this in a statement made this spring:

> Now because unemployment is concentrated and restricted to certain types of activities; because our heavy manufacturing itself is concentrated geographically, we find that certain places—such as steel, automobile, machinery, and aircraft centers—have borne the brunt of the business downturn while others have been affected hardly at all.

H. R. 12065 permits States having exceptional and prolonged unemployment to avail themselves of the Federal funds provided. Many States having no serious amount of unemployment would presumably not be interested in using the Federal funds which it is proposed to provide.

There is another factor to be considered in addition to the degree of unemployment, and that factor is the size of the reserve fund of the State. The reserve fund position of most States is adequate to permit the States to make any needed extension of unemployment benefits which is warranted in the judgment of the legislature.

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

Mr. BYRD. I yield to the Senator from Ohio.

Mr. LAUSCHE. The Senator from Virginia has just made the statement that most of the States have reserves adequate to provide for an extension of the period during which unemployment compensation is to be granted. Is that statement rooted in the calculations made by Federal officials about the adequacy of the reserves to warrant increased payments?

Mr. BYRD. I think the testimony of the Secretary of Labor was to the effect which I have just noted; namely, that unemployment is largely concentrated in certain areas. The Senator from Ohio has been reading the figures. If he will read the amount of money available to the different States I think he will find that nearly all the States have available funds which they could use if they should choose to use them. For example, I think New York has available $1.3 billion.

Mr. LAUSCHE. I know that Ohio has $500 million-plus available.

The fact is the fund was so large that about 3 years ago, contrary to my wishes, the Legislature of Ohio authorized refunds to employers.

What does the Senator from Virginia understand the general situation to be in most industrial States concerning the adequacy of the funds?

Mr. BYRD. I will say to the Senator from Ohio, I think it depends upon which State is being considered. I imagine Ohio is one of the States suffering from unemployment. I think the Governor of Ohio stated there were 220,000 unemployed on the rolls.

Of course, Michigan is one of the States which has had a heavy drain on its compensation benefit funds. If the Senator will read the amount available for Michigan, I think he will find it interesting.

Mr. LAUSCHE. I observe California has $916 million in the reserve. Illinois has $454 million in the reserve.

Mr. BYRD. I think in a great majority of the States the funds are available. The action of the Senate Committee on Finance was taken in the belief that a large majority of the States had ample funds.

The House bill, which we now present to the Senate, provides that States can borrow from the Federal Government, as they could have been doing for a good many years.

I note the distinguished Senator from Georgia [Mr. TALMADGE] is in the chair. Some 10 or 15 years ago, the late Senator George, of Georgia, succeeded in having Congress provide a fund of $200 million, I think it was, from which States could borrow on a temporary basis if the need arose. Only a very small amount of that fund has been loaned in the present recession. Only one State has made an application; namely, the State of Oregon.

Mr. LAUSCHE. Earlier in the Senator's statement he said something to the general effect that the program would induce irresponsibility on the part of State governments. By that statement does the Senator mean States will not be careful in the development of an adequate fund if the Federal Government intermittently steps in? Will the States become unmindful of careful management of the fund, and of the need to create proper reserves and otherwise make the fund adequate to meet emergencies which might arise?

Mr. BYRD. The Senator, from Ohio has been a great governor of a great State. I have also been the governor of a State. I think the Senator will agree with me that if these funds were temporarily given to the States, standards might be established which perhaps the States wolud have to meet later, whether they desired to do so or not. There might be a permanent federalization of this program.

The Senator from Ohio knows, as well as I do, that this is one of the few programs that is not subsidized either by the State government or the Federal Government. All the funds come from a tax on employers, in order to pay benefits for those in their employ who become unemployed.

Mr. LAUSCHE. Yesterday the Senator from Virginia made a statement pointing out that the Governor of Ohio has called a special session of the legislature contemplating action by Ohio free

from Federal aid and contribution, to help solve its own problem. Am I correct in my understanding that, in general, that was the spirit and purpose of the law when it was passed?

Mr. BYRD. Entirely so. The States all have varying duration periods and pay varying benefits. The operation is entirely State controlled.

I commended the Governor of Ohio yesterday on the floor of the Senate for taking the action which he took. He said that he did not want to call on the Federal Government. There is approximately $523 million on hand to the credit of the State of Ohio. To extend the duration period by 50 percent would cost $50 million, which would still leave a very substantial balance to the credit of Ohio.

Mr. LAUSCHE. I subscribe to the statement made by the Senator from Virginia, to the effect that a great majority of the States are in better financial position to help solve this problem than is the Federal Government itself.

Let me ask the Senator from Virginia, based upon his intimate knowledge of Federal finance, what he anticipates the Federal deficit will be, even though no tax reduction is granted?

Mr. BYRD. The Senator from Ohio asked that question of the Senator from Virginia about 60 days ago, I believe. My answer then was that we expected a deficit of about $6 billion. Now it appears definitely, from the testimony of the Director of the Budget and the Chairman of the Federal Reserve System, that the minimum deficit will be $10 billion in the next fiscal year. It might be higher. That is independent of any tax reduction which may be made.

Mr. LAUSCHE. And if there is a tax reduction such as has been discussed, what does the Senator from Virginia anticipate the deficit then will be?

Mr. BYRD. If there is a general tax reduction, it will certainly cost the Treasury from $6 billion to $8 billion. That would produce a deficit of approximately $18 billion.

Mr. LAUSCHE. How would the deficit eventually be paid, if I may ask that elementary question?

Mr. BYRD. I recently had long talks with the Director of the Budget and the Secretary of the Treasury. Neither of those distinguished officials—and they are both able men—would set a date when he thought the budget would be balanced, even with a $10 billion deficit. With a $18 billion deficit, I venture the assertion that I would never expect to see a balanced budget again in my lifetime. The Senator from Ohio is somewhat younger than I am, and will probably live a little longer. If the deficit should go to $18 billion, there would be terrific inflation. It would increase the interest on the public debt. It would have most disastrous consequences. It would be twice the largest peacetime deficit we have ever had in our history.

Mr. LAUSCHE. I understand that the purchasing power of the dollar is now 48 cents, on the basis of its 1940 value of 100 cents. We cannot stand much more depreciation of the dollar without getting into serious trouble. I have discussed this question with the Senator from Virginia, and I think he shares my view that one method of paying the deficit is to take from those who have saved a bit, to take from those who have a pension or annuity, and take from the housewife in the purchasing power of the dollar, and thus try eventually to pay off the deficit.

Mr. BYRD. The Senator is exactly correct; but the result would not be to pay off the deficit, for this reason: The Federal Government is now approaching annual disbursements of $80 billion. If there were an inflation, the cost of everything the Federal Government buys would go up. There would be an endless circle. It would not only be destructive of fixed incomes, but it would require the Federal Government to spend more money for the things it bought. The Federal Government makes purchases in almost every category of our economic life. Under the circumstances suggested, the Federal Government would pay more money than it would pay without inflation.

Mr. LAUSCHE. Will the Senator from Virginia, drawing upon his recollection of the testimony, state what the unemployment figures were in 1940 and 1939?

Mr. BYRD. I have a table which shows the figures. The 1939 unemployment figure was close to 10 million.

Mr. LAUSCHE. What is the present figure?

Mr. BYRD. Five million five hundred thousand, so far as has been announced. There is expected to be a slight increase in that figure.

Mr. LAUSCHE. I thank the Senator.

Mr. BYRD. There is another factor to be considered besides the degree of unemployment, and this factor is the size of a State's reserve fund. The reserve fund positions of most States are adequate to permit them to make any needed extension of unemployment benefits which are warranted in the judgment of their legislatures.

The State of Connecticut has acted to increase the duration of benefit payments without reference to Federal action. As I stated yesterday, the Governor of Ohio has expressed an intention to call a special session of the State legislature for the specific purpose of extending benefit payments under the Ohio law. The Governor made it clear that Federal moneys would not be needed for this action. It is my understanding that there is a distinct possibility of legislative action in a few other States where the incidence of unemployment is the greatest.

The table I inserted in the RECORD yesterday was compiled by the Treasury Department, and now, at this point, I should like to insert in the RECORD a table prepared by the Department of Labor showing the size of State reserve funds as of March 31. Also the table sets out a multiple figure which shows the number of years that the State would be able to pay benefits out of its accumulated reserves with a rate of annual payment equal to that of the benefits paid in the last year. This does not take into account the very considerable tax collections paid into the State reserves during the period in which benefits were being paid out.

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

Unemployment insurance reserves in dollars and as multiples of benefits paid during 12-month period ended on Mar. 31, 1958

State	Amount of reserves	Multiple[1]
	Thousands	
United States	$7,955,205	3.6
Alabama	82,094	3.6
Alaska	1,188	.2
Arizona	57,680	9.7
Arkansas	42,271	4.1
California	925,852	4.4
Colorado	74,197	8.5
Connecticut	228,855	4.8
Delaware	13,212	2.1
District of Columbia	57,943	11.2
Florida	91,723	5.4
Georgia	146,520	5.1
Hawaii	22,676	7.6
Idaho	32,943	4.2
Illinois	461,016	4.2
Indiana	192,830	3.7
Iowa	110,507	9.9
Kansas	82,240	6.4
Kentucky	112,933	3.2
Louisiana	152,044	11.0
Maine	41,376	3.2
Maryland	101,989	2.7
Massachusetts	289,624	3.2
Michigan	225,812	1.2
Minnesota	103,080	3.3
Mississippi	31,835	2.4
Missouri	216,973	6.7
Montana	38,789	3.6
Nebraska	37,666	5.5
Nevada	17,359	2.7
New Hampshire	23,463	3.7
New Jersey	397,853	2.7
New Mexico	40,202	10.2
New York	1,277,743	4.3
North Carolina	174,571	4.5
North Dakota	8,687	2.7
Ohio	563,118	4.3
Oklahoma	50,455	3.7
Oregon	26,465	.7
Pennsylvania	263,340	1.1
Rhode Island	26,599	1.2
South Carolina	73,067	5.1
South Dakota	13,584	7.9
Tennessee	81,587	2.0
Texas	290,567	7.4
Utah	37,967	5.9
Vermont	15,578	3.9
Virginia	88,097	5.4
Washington	188,274	4.1
West Virginia	60,029	3.2
Wisconsin	245,632	6.6
Wyoming	15,200	5.7

[1] Number of years benefits of past 12 months could be continued without income.

Mr. BYRD. I think that in order to have before us the complete picture as to the role of the Federal Government in assisting State unemployment compensation programs in the current situation, reference should be made to existing law which enables States to secure repayable advances for the purpose of making benefit payments. The Administrative Financing Act of 1954, which amended the original George loan fund, sets up a Federal unemployment account in the unemployment trust fund. This account, through the excess of a three-tenths of 1 percent tax collection over grants made to States to administer their laws, has accumulated a $200 million fund. Any State which has a seriously depleted reserve account may secure a repayable advance from this fund.

I repeat what I said a few moments ago, that although the fund has been in operation since 1954, aside from Alaska, only one State has made application for a loan, and that is the State of Oregon. The advance may be used only for the purpose of paying benefits provided under State law. This advance is to be liquidated in exactly the same manner as the procedure for repayment contained

in the bill here considered. Alaska and the State of Oregon are the only jurisdictions that have thus far sought to avail themselves of advances from the $200 million fund, which has been available for approximately 14 years.

If the pending measure be enacted, there will then be two ways in which States may receive the assistance of Federal funds. Any State having dangerously low reserve accounts may seek advances from the $200 million fund to pay the benefits provided in its own law. It may at the same time, if it wishes, secure advances under the provisions of the current measure to extend benefit payments beyond the terms provided in its law.

Many States, though they may have accumulated reserves sufficient to pay not only benefits provided in their laws, but also to extend through legislative action the periods of the benefit payments may, nevertheless, find it advantageous to secure advances under the provisions of the measure for extending benefit payments, rather than to finance extensions out of reserves.

I point out that this is one of the advantages of the pending measure over existing law. Under existing provisions for making advances to States, the State's reserve account must be very low. Under the pending measure a State, regardless of the size of its trust fund or reserve account, may secure advances.

The advantage to a State having a very adequate reserve account in securing advances under this measure, rather than financing extended benefit payments out of its own funds, is that by securing advances the State's reserve account will not become depleted through having to finance extra benefits. This depletion might well run the State reserve account down to the point where an additional tax—in some instances a very appreciable tax—would have to be levied on employers. A State might well consider that an increased payroll tax on employers in this current recession might not be advisable. While a State might like to extend its benefit payments it might not want to do so at the cost of imposing higher taxes at this particular time.

The pending measure provides a solution to this problem. A State may secure advances to increase its duration of benefits and postpone for 4 years the increased payroll taxes necessary to pay for them. Certainly we are most hopeful, and I think most of us agree, that in 4 years our economy will be in a much better position to assume increased payroll taxes than it is at the present time.

In summary, our committee recommends the speedy enactment of H. R. 12065, for extending speedy and effective assistance to States which find themselves in need of it. Such extension would be made in a manner which would not change or hamper in any degree existing Federal-State relations.

I am, of course, fully mindful of the fact that some persons consider that the recommended measure does not go nearly far enough in the provision of Federal funds and Federal authority over State systems. Conversely, there are others who believe that the recommended measure goes too far; indeed they think no Federal legislation is indicated or warranted. With respect to this latter opinion, I may say that the pending measure, in the opinion of the majority of our committee, constitutes Federal legislation in the most palatable form. If Federal assistance is not indicated in a particular State and is not desired by the State, such State is in no manner affected. Federal assistance is extended only to these States who desire it.

Now, I shall speak of those who feel that the pending measure represents inadequate participation. Those holding this viewpoint, in general, are those who feel that there should be very substantial alterations in the existing Federal-State unemployment compensation program. Those having this viewpoint argue that the States have been derelict in the discharge of their responsibilities given them under the original social-security enactments. The weekly benefit amounts provided by State legislatures, the duration of benefit payments, the disqualifications and eligibility conditions likewise provided in State laws, are held to be either inadequate or improper for the attainment of the objectives of unemployment compensation as those objectives are evaluated by those holding this opinion. Without arguing the case at this point, I can only state that I radically disagree with this opinion.

I believe that the Congress in enacting the social security legislation wisely left a responsibility on State governments for the enactment of legislation particularly suited to their conditions and for the full measure of State responsibility in administration. When I speak of social security legislation I refer to that part of it that relates to unemployment insurance.

In my estimate, the record bears out the statement that the States have effectively discharged their responsibilities, taking into consideration the viewpoint of State legislators and State officials. I cannot understand why we in the Congress should be called upon to superimpose our judgment as to what constitutes proper State programs over the judgment of some 7,000 elected State legislators and the governors and other officials of the States.

Be all this as it may, I certainly feel—and I believe that all other Senators will feel—that this is not the proper time or place to entertain the proposal of making substantial alterations in State laws. Before the Federal Government acts to take over, in effect, existing State systems and reduce State legislatures to the performance of the ministerial function of incorporating in State laws what the Federal Congress writes into the Federal laws, the most careful study and deliberation should be afforded. There has been no real consideration given to the matter, either before the House committee or before the Senate Finance Committee. If we become engaged in undertaking substantially to alter the existing structure of Federal-State programs, then it may well mean no legislation. We must remember that after debate in the House some of the measures which will be offered in the Senate as amendments to the bill were defeated by majorities of more than 50 votes.

Our purpose is to consider a legislative item specifically prepared to meet a current and temporary situation. Any attempt to go beyond this scope can but delay this measure of assistance which we seek to provide for the current problem with the result that the problem of providing for the currently unemployed will become progressively aggravated.

For the reasons I have given, I ask that H. R. 12065 be given prompt approval.

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

Mr. BYRD. I yield.

Mr. DIRKSEN. I should like to ask the Senator from Virginia a question with respect to one item in the report. There seems to be an intimation that some States would not avail themselves of the benefits provided by the bill. Does the testimony indicate what States they are?

Mr. BYRD. The only testimony we had was in the form of a telegram sent by the Senator from Illinois [Mr. DOUGLAS]. Some of the governors, in reply, stated that they had no intention of calling upon the Federal Government for assistance. Of course, we are dealing with an optional measure, as the Senator knows.

Mr. DIRKSEN. That is true.

Mr. BYRD. I believe that in a matter of this importance, when unemployment is so extensive, in the States where it is not possible to obtain the loans without legislative action the legislatures will be called into session. Quite a number of State legislatures have been in session recently. I have in mind the State of Michigan and the State of New York. A number of States have made changes in their unemployment laws. I believe Connecticut has, and also New York. New York has increased the benefits. No question has been raised by anyone that if the legislature of a State asked for such loans as are made possible by the pending bill, if enacted, the State could obtain the benefits of the legislation. Probably some States could obtain them without their legislatures taking action.

Mr. DIRKSEN. I should like to ask the Senator one more question. Were amendments offered in committee which proposed to lengthen the time of the benefit payments and to increase the amount of the benefits?

Mr. BYRD. Yes. The Senator from Massachusetts [Mr. KENNEDY] offered amendments. Of 15 votes in committee, his amendments received 4 votes. The Senator from Illinois [Mr. DOUGLAS] also offered a series of amendments, and those amendments also received 4 votes. All the amendments were offered as a substitute for the House bill.

VISIT TO THE SENATE BY DR. FRANCISCO SATURNINO BRAGA, A MEMBER OF THE CHAMBER OF DEPUTIES OF BRAZIL

Mr. SPARKMAN. Mr. President, we are honored to have visiting us in the Senate today a distinguished member of

the Chamber of Deputies of Brazil, Dr. Francisco Saturnino Braga.

Many of my colleagues have met Dr. Braga, as he was chairman of the Brazilian delegation to the Interparliamentary Union meetings held in 1955, 1956, and 1957. It is hoped that some of us will see him again when the Brazilian delegation is host at the annual Interparliamentary Union meeting, which is to be held this year in Rio de Janeiro.

Dr. Braga in private life is a civil engineer. He has had a distinguished career both in private and in public life. I feel honored in being privileged to present him to the Senate.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). On behalf of the Senate the Chair wishes to state we are very happy to have the distinguished visitor from Brazil with us today.

[Applause, Senators rising.]

Mr. SPARKMAN. Mr. President, I ask unanimous consent to have printed in the RECORD a short biographical sketch of Dr. Braga.

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

Personal data: Date of birth, May 1905. Place of birth, state of Rio.

Home address: Rua Domingos Ferreira 178, Apartment 201, Rio de Janeiro, Brazil.

Academic background: Graduate of University of Brazil in civil engineering.

Present position: Federal Deputy, State of Rio (Social Democratic Party), elected in 1950 and re-elected in 1954; Vice Chairman of the Interparliamentary Union.

Previous positions: Chief of the National Department of Public Works and Drainage; Director of the Department of Roads, State of Rio; Director-General, National Department of Highways.

Membership in organizations: Engineering Club; Brazilian Highway Association; organized the Interparliamentary Union group in Brazil. Dr. Braga will be the host to the Interparliamentary Union meeting in Rio in July 1958.

ADDITIONAL UNEMPLOYMENT COMPENSATION

The Senate resumed the consideration of the bill (H. R. 12065) to provide for temporary additional unemployment compensation, and for other purposes.

Mr. BYRD. Mr. President, I ask unanimous consent that Mr. Charles E. Hawkins, Legislative Reference Officer of the Social Security Administration, and Mr. Merrill G. Murray, Assistant Director of the Bureau of Employment Security of the Department of Labor, be granted the privilege of the floor during the consideration of the temporary unemployment compensation bill (H. R. 12065).

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceded 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. KENNEDY. Mr. President, I call up my amendment designated "5-26-58-G." I ask unanimous consent that the reading of the amendment be dispensed with, but that the amendment may be printed at this point in the RECORD.

There being no objection, Mr. KENNEDY's amendment was ordered to be printed in the RECORD, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

"SECTION 1. This act may be cited as 'the Unemployment Compensation Act of 1958.'

"TITLE I—TEMPORARY SUPPLEMENTATION OF UNEMPLOYMENT COMPENSATION

"SEC. 101. (a) When used in this section—

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

"(2) The term 'compensation' means cash benefits payable to individuals with respect to their unemployment, exclusive of any payments with respect to dependents.

"(3) The term 'weekly benefit amount' means the amount of compensation to which an individual is entitled (exclusive of any portion thereof payable with respect to dependents) with respect to a week of total unemployment, under the provisions of a State unemployment compensation law, title XV of the Social Security Act, or title IV of the Veterans' Readjustment Assistance Act of 1952, whichever is appropriate.

"(4) The term 'benefit year' means the period prescribed by State law, but not in excess of 52 consecutive weeks, for which an eligible individual may receive weekly unemployment compensation benefits.

"(5) The term 'adjusted weekly benefit amount' means the sum of (A) the State weekly benefit amount of an individual, and (B) any supplementary compensation payable with respect to a week of total unemployment under an agreement or regulation pursuant to this section.

"(6) The term 'average weekly wage' means, in the case of any individual, the amount of wages (as defined by State law) paid to such individual during the period used for determining his compensation for a week of total unemployment (A) in case the period used is the calendar quarter in which such individual was paid his high quarter wages, divided by 13; or (B) if some other period is used, divided by the number of weeks, during the period used, in which he performed services in employment (as defined by State law).

"(b) The Secretary of Labor (hereinafter referred to as the 'Secretary') is authorized on behalf of the United States to enter into agreements with any State, or with the unemployment compensation agency of any State, under which such State agency will make, as agent of the United States, payments of compensation on the basis provided in subsection (c) with respect to unemployment.

"(c) Any such agreement shall provide—

"(1) that such State agency shall pay every unemployed individual, eligible for compensation under the State unemployment compensation law, title XV of the Social Security Act, or title IV of the Veterans' Readjustment Act of 1952, or under this section, adjusted weekly benefit amounts equal to (A) two-thirds of the average weekly wage earned by employees within such State during the last full year for which necessary figures are available, or (B) an amount (exclusive of any compensation payable with respect to dependents) equal to not less than one-half of such individual's average weekly wage as determined by the State unemployment compensation agency, whichever is the lesser;

"(2) that such State agency shall continue to pay such weekly benefit amounts to any eligible individual during his benefit year, notwithstanding the exhaustion of his benefit right under State law, title XV of the Social Security Act, or title IV of the Veterans' Readjustment Act of 1952, or reduction of his benefit rights or cancellation of his wage credits until he has been paid an amount equal to compensation for 39 weeks of total unemployment within a benefit year.

"(d) (1) No agreement under this section shall be effective before 60 days after the date of enactment of the act, or after July 1, 1959.

"(2) Any agreement under this section shall provide that compensation otherwise payable to any individual under the State's unemployment compensation law will not be denied or reduced for any week by reason of any payment made pursuant to such agreement.

"(e) (1) Each State entering into an agreement under this section shall be entitled to be paid by the United States an amount equal to the additional cost to the State of payments of compensation made under and in accordance with such agreement which would not have been incurred by the State except for the agreement.

"(2) In making payments pursuant to this subsection, there shall be paid to the State, either in advance or by way of reimbursement, as may be determined by the Secretary, such sum as the Secretary estimates the State will be entitled to receive under this section for each calendar quarter; reduced, or increased, as the case may be, by any sum by which the Secretary finds that his estimates for any prior calendar quarter were greater or less than the amounts which should have been paid to the State. The amount of such payments may be determined by such statistical, sampling, or other method as may be agreed upon by the Secretary and State agency.

"(3) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this subsection. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payment, at the time or times fixed by the Secretary, in accordance with such certification from funds appropriated to carry out the purposes of this section.

"(4) All money paid to a State under this subsection shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned to the Treasury, upon termination of the period for which the agreement is effective.

"(5) An agreement under this section may require any officer or employee of the State certifying payments of disbursing funds pursuant to the agreement, or otherwise participating in its performance, to give a surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this section.

"(6) No person designated by the Secretary, or designated pursuant to an agreement under this section, as a certifying officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to the payment of any compensation certified by him under this section.

"(7) No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this section if it was based upon a voucher signed by a certifying officer designated as provided in paragraph (6) of this subsection.

"(f) (1) Determination of entitlement to supplementary payments of compensation made by a State unemployment compensation agency under an agreement under this section shall be subject to review in the same manner and to the same extent as determina-

tions under the State unemployment compensation law, title XV of the Social Security Act or title IV of the Veterans' Readjustment Assistance Act of 1952, whichever is appropriate, and only in such manner and to such extent.

"(2) For the purpose of payments made to a State under title III of the Social Security Act, as amended by this act, administration by the State agency of such State pursuant to an agreement under this section shall be deemed to be a part of the administration of the administration of the State unemployment compensation law.

"(g) The agency administering the unemployment compensation law of any State shall furnish to the Secretary such information as the Secretary may find necessary or appropriate in carrying out the provisions of this section, and such information shall be deemed reports required by the Secretary for the purposes of paragraph (6) of subsection (a) of section 303 of the Social Security Act.

"(h) There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this section.

"TITLE II—PROVISIONS OF STATE LAW AND GRANTS TO STATE UNEMPLOYMENT FUND

"Part I—Provisions of State laws

"SEC. 201. Subsection (a) of section 3306 of the Internal Revenue Code of 1954 is amended to read as follows:

"'(a) Employer: For the purposes of this chapter, the term "employer" means any person who, at any time during the taxable year, has one or more individuals in employment.'

"SEC. 202. Section 3304 (a) of the Internal Revenue Code of 1954 is amended by redesignating paragraph (6) as paragraph (9), and by adding after paragraph (5) the following new paragraphs:

"'(6) compensation shall not be denied to any eligible individual for any week of total unemployment during his benefit year by reason of exhaustion or reduction of benefit rights or cancellation of his wage credit, until he has been paid unemployment compensation for not less than 39 weeks during such year;

"'(7) the maximum weekly compensation (exclusive of any compensation payable with respect to dependents) payable under such law shall be an amount equal to at least two-thirds of the average weekly wage earned by employees within such State, such average to be computed by the State agency of such State on July 1, 1959, and on July 1 of each succeeding year on the basis of the wages, including amounts excluded therefrom under section 3306 (b) (1), paid during the last full year for which necessary figures are available;

"'(8) the weekly compensation payable to any individual shall be (A) the maximum weekly compensation payable under such law, or (B) an amount (exclusive of any compensation payable with respect to dependents) equal to at least one-half of such individual's average weekly wage as determined by the State agency, whichever is the lesser;'.

"SEC. 203. Section 3306 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsections:

"'(o) Benefit year: For the purposes of this chapter, the term "benefit year" means the period prescribed by State law, but not in excess of 52 consecutive weeks, for which an eligible individual may receive weekly unemployment compensation benefits, except that if such State law does not define a benefit year, the period prescribed by the Secretary.

"'(p) Base period: For the purposes of this chapter, the term "base period" means the period prescribed by State law beginning not prior to the first day of the fifth full calendar quarter immediately preceding the beginning of the benefit year.

"'(q) High quarter wages: For the purposes of this chapter, the term "high quarter wages" means, in the case of any individual, the amount of wages (as defined by State law) paid to such individual in the calendar quarter of the base period for which his total wages were highest.

"'(r) Average weekly wage: For the purposes of this chapter, the term "average weekly wage" means, in the case of any individual, the amount of wages (as defined by State law) paid to such individual during the period used for determining his compensation for a week of total unemployment (1) in case the period used is the calendar quarter in which such individual was paid his high quarter wages, divided by 13; or (2) if some other period is used, divided by the number of weeks, during the period used, in which he performed services in employment (as defined by State law).'

"Part II—Unemployment reinsurance

"SEC. 204. Section 902 of the Social Security Act is amended to read as follows:

"'SEC. 902. Whenever any amount is transferred to the Unemployment Trust Fund under section 901 (a), it shall be credited (as of the beginning of the succeeding fiscal year) to the Federal Unemployment Account.'

"SEC. 205. Section 903 of the Social Security Act is hereby repealed and the last sentence of section 904 (b) of the Social Security Act is revised by striking out 'section 1202 (c)' and inserting in lieu thereof 'section 1201 (e).'

"SEC. 206. Title XII of the Social Security Act is amended to read as follows:

"'TITLE XII—GRANTS TO STATE UNEMPLOYMENT FUND

"'SEC. 1201. (a) (1) Except as provided in paragraph (2) and paragraph (3), a State shall be entitled to a reinsurance grant for any calendar quarter, commencing with the quarter beginning on July 1, 1959, if the balance in such State's unemployment fund on the last day of the preceding quarter is less than the amount of the compensation paid from such fund under the State unemployment compensation law during the 6 months' period ending on such last day.

"'(2) A State shall not be entitled to a reinsurance grant for any calendar quarter commencing after the computation date for the first taxable year beginning after December 31, 1960, and prior to the computation date for the first taxable year beginning after December 31, 1965, if with respect to any taxable year beginning after December 31, 1960—

"'(A) the balance in the State's unemployment fund on the computation date for such year was less than an amount equal to 6 percent of the most recent annual taxable payroll or less than the amount of the compensation paid from such fund under the State unemployment compensation law during the 2 years immediately preceding such date, whichever amount is greater; and

"'(B) the minimum rate of contribution required to be paid into the State fund during such taxable year was less than 1.2 percent.

"'(3) A State shall not be entitled to a reinsurance grant for any calendar quarter, commencing after the computation date for the first taxable year beginning after December 31, 1965, if with respect to any year within the five most recently completed taxable years—

"'(A) the balance in the State's unemployment fund on the computation date for such year was less than an amount equal to 6 percent of the most recent annual taxable payroll or less than the amount of the compensation paid from such fund under the State unemployment compensation law during the 2 years immediately preceding such date, whichever amount is greater; and

"'(B) the minimum rate of contribution required to be paid into the State fund during such taxable year was less than 1.2 percent.

"'(4) A reinsurance grant shall be an amount estimated by the Secretary of Labor (hereafter referred to as the "Secretary") to be equal to three-fourths of the excess of the compensation which will be payable under the provisions of the State unemployment compensation law during the calendar quarter for which such grant is made over 2 percent of the taxable payroll for such quarter.

"'(5) As used in this section, the term "computation date" shall have the same meaning as when used in section 3303 of the Internal Revenue Code of 1954, as amended.

"'(b) The Secretary is authorized and directed, on application of a State agency, to make findings as to whether the conditions entitling a State to a reinsurance grant provided for in subsection (a) hereof have been met; and if such conditions have been met, the Secretary is directed to certify to the Secretary of the Treasury, from time to time, the amount of such grant, reduced or increased, as the case may be, by any sum by which the Secretary finds that the amounts granted for any prior quarter were greater or less than the amounts to which the State was entitled for such quarter. The application of a State agency shall be made on such forms, and contain such information and data, fiscal and otherwise, concerning the operation and administration of the State law, as the Secretary deems necessary or relevant to the performance of his duties thereunder.

"'(c) The Secretary of the Treasury shall, upon receiving a certification under subsection (b), make payment from the Federal unemployment account in the unemployment trust fund, prior to audit or settlement by the General Accounting Office, in accordance with such certification.

"'(d) All money paid to a State under this title shall be used solely for unemployment compensation benefits; and any money so paid which is not used for such purposes shall be returned to the Treasury and credited to the Federal unemployment account unless such State is eligible for a reinsurance grant.

"'(e) There are hereby authorized to be appropriated to the Federal unemployment account, as repayable advances (without interest), such sums as may be necessary to carry out the purposes of this title.'

"SEC. 207. The amendments made by the preceding sections of this title shall be effective as of July 1, 1959."

Mr. KENNEDY. Mr. President, there are additional cosponsors of the amendment. I shall submit later a list of the Senators who have cosponsored the amendment with the senior Senator from Illinois [Mr. DOUGLAS] and myself.

As a solution to the economic problems caused by widespread unemployment H. R. 12065 is completey ineffective. It offers the illusion of assistance to the 5 million unemployed—soon to be 6 million by the estimate of the Secretary of Labor—without the substance of effective help. It attempts to discharge a responsibility to the jobless, their families, and their communities by little more than a pious admonition of concern.

The present recession has focused attention upon the inadequacies of the present unemployment compensation system. The testimony upon the bill

has revealed almost universal dissatisfaction with its operation. Unfortunately, it is only under such circumstances that basic revisions in legislation of this kind become possible. In spite of this, the bill now before us offers neither emergency relief nor permanent cure for the obvious failings of the present law.

H. R. 12065 provides, in essence, that any State, if it wishes, may enter into an agreement with the Federal Government under which the Federal Government will advance it funds to pay unemployment compensation for up to 50 percent more weeks than its law presently provides. Either the funds must be repaid by the State, or the Federal Government will assess a tax upon all covered payrolls at progressive rates beginning at 0.15 percent the first year and increasing in succeeding years.

Mr. President, the bill will do nothing whatever for most of the workers it is designed to cover. Most States will fall into 1 of 3 categories, and in none of these States can the State officials enter into the kind of agreement contemplated by the bill.

First. There are the States which lack constitutional or statutory authority to participate in this program. The American Law Division of the Library of Congress informs me that it can find no State constitution in which the governor is granted the power to obligate the State in fiscal matters. In many States, even if the legislature could be summoned to pass enabling legislation, the State constitution has been interpreted to prevent the incurrence of this kind of obligation. I call attention to the replies received by the senior Senator from Illinois [Mr. DOUGLAS] to telegrams sent to the chief executives of the 48 States, Alaska, and Hawaii asking them whether they or the State agency administering unemployment compensation had authority to enter into the agreements contemplated by H. R. 12065. Excerpts from replies received from 37 States are printed in the minority views. In only 3 States is it clear that the unemployed might receive some benefit under the bill.

Second. There are the States financially unable or unwilling to accept the harsh repayment features of this bill. Many States constitutionally able to enter into this program may refuse because its ultimate effect would be worse than their present circumstances. This program gives them no money. It simply makes money available now which will have to be repaid later, either by the State or its employers. The latter is clearly undesirable, when employers in other States not joining the program will be paying lower taxes. And repaying these funds from State sources, including the payment of a share of Federal administrative expenses as well, is not as advantageous as paying for extended benefits now from their own resources, without paying the Federal costs. Moreover, States that do not have the financial resources to make the payments which the Federal loan provided by the bill might permit do not need the bill to obtain those funds. The so-called Reed Act, enacted in 1954, set up a $200,000 fund for exactly that purpose. Moreover, so long as participation is optional, no State will want to require an increased tax on its employers which will not be paid by competing employers in other States. In short, those States which have no legal incapacity to enter into the agreement with the Federal Government contemplated by the bill will find no financial advantage in doing so. The unemployed in these States will therefore not receive any relief under H. R. 12065 either.

Third. There are States in which the authorities are opposed to participation in this program for policy reasons. Even if there are States where it would be legally feasible and financially desirable to request these funds, there is no assurance of their participation. The bill leaves that decision entirely up to the political processes of each State—to individual governors or legislatures which may, for reasons ranging from conscientious belief to partisan maneuvers, decline to participate. This will leave their unemployed workers out of this program, too.

Most, if not all, States will fall into one of these categories. If the bill shall become law I am afraid Congress will be embarrassed a year from now by a statute which will be little more than a reminder of the serious unemployment crisis that exists today.

But this is not all. Even if a State should participate, the bill offers little or no relief for most of the unemployed in that State. The more than 5 million jobless in the labor force may be divided into those ineligible for benefits, those who are receiving benefits and those who have exhausted their benefits.

Unemployed workers ineligible for benefits are not covered by the bill. Again and again it has been pointed out, by the President and by others, that it is wholly illogical to extend coverage to employees in shops employing four or more, and to withhold it from shops employing less than four. Yet nothing is done. The requests have been made; the State machinery is ready; and the need is great; but this bill is silent.

The second category, unemployed workers who are receiving benefits at present, receive benefits so inadequate that their families cannot subsist on it. A man drawing a benefit of less than $20 a week, and forced to turn now to public relief or private charity, is not helped by extending that small benefit a few more weeks. Neither to any extent are the taxpayers or relatives who support him or the merchants who are waiting for their bills to be paid. The President has long urged recognition of a decent standard as 50 percent of a man's wages, up to a maximum of two-thirds of the State's average wage. This is small enough to prevent deliberate idleness, and large enough to make possible a decent standard of living and health. But the pending bill ignores this problem entirely. It ignores the fact that the cost of living has more than doubled since the original act was passed; that wages have similarly increased; but that unemployment benefits, which once met the President's standard, have not kept pace, and will not, unless Congress acts.

The third category of unemployed, those who exhaust their benefits, is the only one this bill purports to help. But even here the bill is of little or no assistance. The bill does not extend the benefit period. It merely authorizes the State legislatures to extend the benefit period up to a maximum of 50 percent—something they could do without the bill. They can also extend it, under this bill, as little as 1 percent; and the incentive to do as little as possible will be great, inasmuch as this will reduce the financial disadvantage to be suffered, in comparison with other States. But even if they extend it a full 50 percent, this only will continue present inequalities—and will mean for some unemployed an extension of only 3 or 5 weeks. Why should we pretend this bill will help them?

In short, this bill accomplishes nothing—does nothing for the great bulk of our unemployed workers, does not restore the purchasing power so sorely missed in the current recession, and is wholly inadequate even as an emergency bill. It does not even purport to reach the basic problem of an unemployment law with antiquated standards and inadequate benefits.

Mr. President, I urge that the Senate reject this proposal, and, instead, take this opportunity to enact a suitable law.

Let me reemphasize our responsibility. This 85th Congress is the first Congress to sit with unemployment at this level since the 76th Congress was elected in 1938. We cannot adjourn this summer without having taken some constructive step to help nearly 6 million unemployed. We cannot fulfill our responsibility by passing a do-nothing bill that will only disillusion those who think we are helping them. We must enact an effective, constructive measure that will meet this problem now and in the future.

Mr. President, I call up my amendment G, which is designed to make H. R. 12065 an effective instrument of our Federal-State unemployment insurance program and to provide emergency relief for those now unemployed. Both purposes must be considered at the same time, for it will not do to attempt merely to patch up the 23-year-old law with a provision limited in life to 1 year. At the end of that year, when the patch wears out, there will be need for more patches, and we shall still have the same malfunctions in the statute. Let us do now the job which should be done.

My amendment is cosponsored by 15 other Senators, as follows: Senators CLARK, MCNAMARA, MANSFIELD, MURRAY, PROXMIRE, DOUGLAS, GREEN, MORSE, NEUBERGER, HUMPHREY, JACKSON, CARROLL, CHAVEZ, PASTORE, and MAGNUSON. It has three fundamental purposes.

First. It broadens the coverage of the unemployment compensation law. At present, only those employed in establishments having four or more employees are covered. This amendment makes the bill applicable to employers with one or more employees. Eighteen States already have adopted this standard. The President has long requested it. It is impossible to justify paying benefits

to a worker who has lost his job in a shop of four employees, and paying nothing at all to his neighbor who lost a job in the same industry, possibly next door, because the shop had only three employees—particularly when another neighbor just across the State line will receive benefits, even though there are only three employees in his shop.

Second. The amendment increases weekly benefits, so as to bring the program into line with the increase in wages and the increase in the cost of living. It proposes a uniform benefit standard equal to 50 percent of the worker's average weekly wage, or two-thirds of the average weekly wage in the State, whichever is less. This is approximately the same proportionate amount provided when the laws were first enacted, and it is what the President urged upon the States in 1953. Inflationary processes since 1935 have eroded the purchasing power contemplated when the State and Federal laws were passed. This will bring them more into balance.

Third. The amendment adopts a uniform 39 weeks during which benefits may be paid. This is the same maximum applicable to the majority of States, which now have a maximum of 26 weeks, under H. R. 12065.

It is this kind of approach, I am convinced, that we need today in order to assist our unemployed—those receiving inadequate benefits, those who have exhausted their benefit rights, those unable to draw any benefits at all—men and women who have exhausted their inflation-eaten savings, who must conceal their pride, and must turn for assistance to their relatives, or to private charity, or to the public-assistance rolls.

How will the new benefits be financed? The amendment does not change the basic financing provisions of the existing system. It would not increase the Federal tax of 3 percent; neither would it decrease the 2.7-percent credit which employers are allowed against this Federal tax. It would permit States to continue to reduce rates under existing systems of experience rating if they so desired.

The amendment also contains a reinsurance provision to assist States whose reserves are drawn down because of heavy unemployment. If such a State imposes a maximum tax, and still finds its reserves below a safe minimum, it will be eligible for Federal grants to assist it in making benefit payments. This system of reinsurance will preclude the falling of an onerous tax burden on employees in any State where unemployment is excessive.

Mr. BYRD. Mr. President, will the Senator from Massachusetts yield?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Virginia?

Mr. KENNEDY. I yield.

Mr. BYRD. I should like to ask the Senator from Massachusetts what the cost would be to the general Treasury for the first year of the operation of his amendment.

Mr. KENNEDY. Federal grants would be made for only 1 year; and the amendment would cost $1,500,000,000 to July 1, 1959.

Mr. BYRD. But the Senator from Massachusetts just said the amendment would bring about an increase in the insurance rates of the States. However, after the first year, the rates would have to be increased by $1,500,000,000.

Mr. KENNEDY. No; I said the amendment would not increase the Federal tax of 3 percent against which the Federal credit is allowed.

Mr. BYRD. But the amendment would actually increase the cost of the entire system, would it not?

Mr. KENNEDY. That is correct.

Mr. BYRD. There would be $1,500,000,000 added to the demands on the general Treasury of the Federal Government. This would be added to the deficit, for the first year; and after the first year the same amount would have to be handled by the States.

Mr. KENNEDY. Yes.

I would be reluctant to accept a proposal for a payment of $1½ billion, which has been proposed for the States, without requiring them to take immediate affirmative action; but I am willing to provide for the grant if we can also provide for the enactment of minimum standards of unemployment compensation all over the land. That would be such an important step forward that I think the $1½ billion expenditure up to July 1959 would be warranted.

Mr. BYRD. The Senator proposes permanent compensation. It is not temporary compensation that he proposes.

Mr. KENNEDY. The expenditure by the Federal Government is to be temporary. After that the States would provide it.

Mr. BYRD. At the end of the first year the $1½ billion cost would fall upon the States in the way of increased taxes. Is that correct?

Mr. KENNEDY. That is correct.

Mr. BYRD. I wanted to make that clear, because I understood the Senator to say there would be no increase in taxes.

Mr. KENNEDY. No. I said there would be no increase in Federal tax of 3 percent. Of course, it would be necessary to increase the State taxes. As the Senator knows, in some States the payment is as low as 0.5 or 0.6 percent.

Mr. BYRD. The Senator's proposal provides benefits for 39 weeks' duration. No State provides such benefits of such long duration.

Mr. KENNEDY. That is correct.

Mr. BYRD. The cost of that additional benefits will have to be paid by the employers.

Mr. KENNEDY. The Senator is correct.

Mr. BYRD. I wanted that to be made clear because the impression that the Federal Government will have to pay such cost is incorrect.

Mr. KENNEDY. I may point out that the States now have reserves of $8 billion. The problem is that it is impossible to have a law enacted providing for minimum standards of duration and amount to assist the States in the period prior to July 1959, because the State legislatures may not meet before then. I do not really see how the proposal advanced by the committee is going to make it possible for any State to accept the program without the State legislatures meeting. In many cases the State legislatures will not meet until next year. I am attempting to indicate why the provisions of the bill will not assist any unemployed worker.

Mr. BYRD. I believe it was testified that some States can act without action of their legislatures.

Mr. KENNEDY. That is correct. Three States can.

Mr. BYRD. If there is very acute unemployment in a certain State, does not the Senator think that is justification for the governor to call the general assembly into session to enact whatever legislation may be needed?

Mr. KENNEDY. Why is it necessary for the Federal Government to be involved at all, if the States can take care of the situation? Why is it proposed to involve the Federal Government, if the State governors can handle the situation?

Mr. BYRD. The bill as it came from the committee makes it absolutely optional, and that, in my opinion, is the way it ought to be. A bugaboo has been raised by the Senator from Illinois by sending out telegrams saying there would have to be special sessions of the State legislatures. If the situation is acute, if there are thousands and thousands of exhaustees, those no longer receiving unemployment compensation, the State legislatures should meet and take care of the situation. I am certain they will do so when such a situation exists.

Mr. KENNEDY. What relief does the Senator's bill offer unemployed workers that the States cannot now offer?

Mr. BYRD. This bill provides, if a State avails itself of the option, it may provide additional benefits up to 50 percent increase of the period of duration.

Mr. KENNEDY. The States could provide for 1 day's additional benefits, or up to 50 percent.

Mr. BYRD. Then the Senator's amendment provides loans variously estimated at from $600 million up to $1 billion, in addition to the money now available.

Mr. KENNEDY. The States now have $8 billion in their trust funds. The Reed fund now is available for State aid. Any State legislature is free to meet and do anything it desires to do in that connection. I do not believe the Senator's bill provides relief for an unemployed worker. It merely makes such aid discretionary; there is no obligation.

Mr. BYRD. If the States have $8 billion available, why have they not used it?

Mr. KENNEDY. One State may not want to provide additional benefits, because of the disadvantage it may suffer compared with other States without such benefits. The States fear there may be a flow of industry into States which impose lower taxes.

Mr. BYRD. The Senator wants to change the whole concept of unemployment compensation insurance. The original concept was that it was a State function. The Senator wants to have the Federal Government control, and dictate to the States exactly what compensation shall be paid, and exactly

what the duration of the benefits shall be, although conditions vary in the States, and necessarily so, because unemployment varies in the States.

Mr. KENNEDY. The Senator is quite correct. I and the sponsors of my amendment want to provide national minimum standards for unemployment benefits and duration of the benefits. I feel the unemployment insurance program has deteriorated since its inception in 1935. Wages have increased greatly. Unemployment compensation has not increased. Unemployment compensation will not increase, because the States are reluctant to tax employers in their States more than they are taxed in adjoining States.

Mr. DOUGLAS rose.

Mr. KENNEDY. I yield to the Senator from Illinois.

Mr. DOUGLAS. I congratulate the Senator from Massachusetts on the speech he is making. I should like to start my interruption, if I may, by asking him a question.

The Secretary of Labor, when he appeared before our committee, said that, in his judgment, the governors would be able to accept this measure by executive action without any additional legislative authority. The Senator from Virginia has referred to the bugaboo which I have raised by sending telegrams to governors to ascertain whether or not that is so.

I sent the telegrams because the Secretary of Labor had not sent them. The Secretary of Labor—as he conceded in the Senate hearings—had made no check whatsoever to ascertain whether his assumption was correct. So I addressed telegrams to the governors of the States, the text of which is printed in the hearings, and is paraphrased in the minority views, in which I asked whether the advance of funds by the Federal Government under agreement with the States, and later repayment by employers in the States, was action which governors could accept without legislative action.

We had 35 replies, and reports on two other States, or reliable information from 37 in all. In 26 States and Territories, the governors declared that new State legislation would probably be required. In one State, a State which has perhaps been hit as hard as any, Rhode Island, the Governor said a popular referendum would also be necessary.

In three States the governors declared that probably constitutional changes were necessary. In six more States the governors stated it was at least doubtful whether they could act.

In only three States, as the Senator from Massachusetts has said, did the governors say they had authority to act without action by the State legislatures, and I am a little doubtful about one of them, namely, my own State of Illinois.

What the Senator from Massachusetts is contending, therefore, is that, first, there will be delays in acceptance, and, second, there is doubt whether many State legislatures will act, because if they accept the moneys, they will create added obligations for their employers to pay. Is that not correct?

Mr. KENNEDY. That is correct.

Mr. DOUGLAS. In the past there has been fear of competition from companies in other States if the obligations of employers in one State but not in others were increased; and it is that very fear which would, in many cases, act to prevent acceptance of the House bill.

Mr. KENNEDY. That is correct. As wages continue to rise, as they will in the coming years, the disproportion between the amount of unemployment compensation a worker gets and his wage will continue to be accentuated. In view of the present cost of living there is not really any State that is paying their unemployed worker adequate benefits.

Mr. DOUGLAS. The average unemployment compensation is approximately $30 a week; is it not?

Mr. KENNEDY. That is correct. The Bureau of Labor Statistics has said it costs $51.50 to maintain a single woman on a marginal subsistence in New York City, and the average unemployment compensation payment is only $30 a week. The States allow benefits sometimes for as few as 10, 12, 14, or 16 weeks. Thereafter, the worker must go on public relief. The present unemployment compensation system is obviously in need of improvement.

As the Senator from Illinois has frequently pointed out, we shall never improve the system if we leave the matter entirely to the States. Some States feel they cannot make larger unemployment payments, for if they do and a neighboring State does not, it will be necessary for them to increase the tax on employers, and they may lose their industries.

Mr. DOUGLAS. Am I correct in my understanding that the Senator from Massachusetts has presented an amendment which will do two things? First, it will provide for paying more adequate benefits to those persons who have exhausted, or will soon exhaust, their claims to benefits under the State laws.

Mr. KENNEDY. The Senator's statement is correct.

Mr. DOUGLAS. Second, there is laid the basis for a future permanent improvement of the laws governing unemployment compensation in all the States, to conform in most respects to the standards which the President has advocated.

Mr. KENNEDY. That is also a correct statement.

Mr. DOUGLAS. In one respect there is a higher provision of 39 weeks, instead of the 26 weeks recommended by the President.

Mr. KENNEDY. That is correct.

Mr. DOUGLAS. I think the Senator from Massachusetts is to be congratulated for the position which he is taking. The Senator has quite effectively riddled the alleged panacea of H. R. 12065.

Mr. KENNEDY. I think the Senator is correct. It is possible that some Senators may not be satisfied with the provisions of my amendment, but it would seem the Secretary of Labor, according to the article in the New York Times, very clearly sees the advantage. According to that story, the bill presently under consideration is, to all intents and purposes, of no use at all. I regret that the Secretary of Labor did not so state more firmly to the Committee on Finance.

Mr. DOUGLAS. Is it not true that when the Secretary of Labor testified before the House Committee on Ways and Means he was asked whether he would favor a bill with optional provisions, and he said "No," that he thought under such a bill many States would delay in acting, or would not act?

Mr. KENNEDY. The Senator is correct.

Mr. DOUGLAS. However, after a combination of conservative Republicans and conservative Democrats joined together in support of a bill containing optional provisions, Secretary Mitchell came before the committee and completely reversed himself, endorsing the bill, did he not?

Mr. KENNEDY. The Senator is correct. I feel that it would have been far more wise if the administration had not endorsed the bill presently under consideration but had stuck to the original program, which at least would have made it mandatory that every State participate and extend its benefits 50 percent.

Mr. DIRKSEN. Mr. President, if my colleague has finished, will the Senator from Massachusetts yield to me?

Mr. DOUGLAS. I have completed my colloquy.

Mr. KENNEDY. I yield to the Senator from Illinois.

Mr. DIRKSEN. I should like to obtain a clarification as to a line of inquiry opened up by the Senator from Virginia [Mr. BYRD]. First, is the amendment of the Senator to be permanent legislation?

Mr. KENNEDY. It is; yes.

Mr. DIRKSEN. It is to be permanent legislation?

Mr. KENNEDY. The Senator is correct.

Mr. DIRKSEN. I am speaking of the amendment offered by the Senator.

Mr. KENNEDY. That is correct.

Mr. DIRKSEN. Once the amendment is adopted, it would be grafted into the permanent law?

Mr. KENNEDY. The Senator is correct.

Mr. DIRKSEN. And it would become applicable hereafter.

Mr. KENNEDY. The Senator is correct.

Mr. DIRKSEN. What is the estimated cost of the amendment under the first year's operation?

Mr. KENNEDY. One and a half billion dollars.

Mr. DIRKSEN. One and a half billion dollars?

Mr. KENNEDY. That is the correct figure.

Mr. DIRKSEN. Of course, such sum would come from the Federal Treasury, and would be a direct charge upon the Treasury, for the first year?

Mr. KENNEDY. The Senator is correct.

Mr. DIRKSEN. The legislation, however, would remain applicable in subsequent years?

Mr. KENNEDY. The Senator is correct.

Mr. DIRKSEN. Who would have fiscal responsibility under the amendment after the first year?

Mr. KENNEDY. After July 1959, the States would have to meet the stand-

ards I have suggested, and the burden would fall upon them and upon their trust funds. With respect to the States which would be unable to maintain the standards, which are prescribed, they would receive a reinsurance grant from the Federal Government.

Mr. DIRKSEN. If we assume that a situation comparable to the present, with the same number of unemployed who have exhausted or who have nearly exhausted their benefits, should obtain in some subsequent year, such as 1961, 1962, or 1963, then we can assume there would be an equivalent burden of $1.5 billion to be paid by the States in one way or another?

Mr. KENNEDY. It is conceivable, if there were widespread unemployment in this country.

Mr. DIRKSEN. I am making that assumption.

Mr. KENNEDY. If the unemployment were continuous and the States made the maximum effort to sustain their people of course the Federal Government would be obliged to assist, provided the tax in the State was at least 2.7 percent.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MARTIN of Pennsylvania. As I understand the proposal advanced by the Senator from Massachusetts, after the first year it would be necessary for the States to act, exactly as is provided in the bill reported by the Committee on Finance. However, the amendment offered by the Senator from Massachusetts would provide a delay of 1 year.

Mr. KENNEDY. No. As the Senator knows, under the provisions of the bill presently under consideration, the States which wished to act could act, since the law would be available to them, but there would be no compulsion on them to act. The point I am making is that, considering the provisions of the bill which came from the Committee on Finance, I doubt if any State would act. I will explain why I feel that way.

The amendment I have proposed would compel the States to enact the standards set forth. However, until July 1959, the Federal Government would bear the burden.

Mr. MARTIN of Pennsylvania. As I understand the proposal, that would delay necessary action by the States for approximately 1 year?

Mr. KENNEDY. No. The amendment would provide that from July 1959, on, the States, within the period given them of about 13 months, would have to enact the minimum standards which I have suggested. Until that time the Federal Government would bear the burden.

It seems to me the Senator should reconsider his position with reference to the bill. I do not think the bill presently under consideration would be of any use to the States. At least the original proposal which was made by the administration would have made it mandatory that States participate and extend benefits 50 percent.

The bill which has come from the Committee on Finance, after having been passed by the House, merely makes it discretionary for the States to act. Therefore, the States will receive loans only if they choose to. Many legislatures either do not want to assume the burden or will not be in session until next year or the year after.

My honest judgment is that the bill would not be of value. As the Senator from Illinois [Mr. DOUGLAS] stated, only three States could act without legislation, and those States would have to decide to do so. The Senator from Illinois said that at least one of those three States might not be able to act.

I really feel that the pending bill would provide almost no relief to any unemployed workers.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield further?

Mr. KENNEDY. I yield.

Mr. MARTIN of Pennsylvania. The States would have the opportunity to act. I am not fully in agreement with the distinguished Senator from Massachusetts as to whether the States could act without the legislatures meeting. Even if that were necessary, the States could have special sessions of the legislatures and take advantage of the legislation if the bill which has been reported were enacted.

Mr. KENNEDY. Yes. However, I will say to the Senator that there is now $8 billion in the trust fund. The States could take action now. I do not see what the Federal Government would be doing other than giving the States loans if they ask for them. I think that under the Reed Fund the States could receive loans anyhow. My judgment is that the bill under consideration would bring no relief. The people, however, would gain the impression that Congress had acted upon unemployment compensation; but I do not think that would be a correct impression.

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

Mr. KENNEDY. I yield.

Mr. BENNETT. Does the Senator feel that if the amendment were adopted no action by any State legislature would be required?

Mr. KENNEDY. No. But it is provided that the Federal Government will act up to July, 1959, so any State could act before then.

Mr. BENNETT. Then the amendment suffers from the same weakness which might be ascribed to the bill, in that time might be required.

Mr. KENNEDY. No, because I have provided for a grant to go into effect, until July 1959, so that, unlike the provisions of the bill which has come to the Senate for consideration, assistance would be granted to those in need.

Mr. BENNETT. Such a grant would be administered by a Federal official in each State, would it not?

Mr. KENNEDY. No; it would be administered by a State official.

Mr. BENNETT. Does the Senator believe every State has an official qualified by State law to administer the grant?

Mr. KENNEDY. Yes.

Mr. BENNETT. Without any further authorization by the State legislature?

Mr. KENNEDY. There is no doubt in my mind on that point. The States would not be accepting a burden on the State treasuries comparable to the one which the loans contemplated by the bill presently under consideration would place on them.

Mr. BENNETT. I talked to the Governor of my State this morning, and he expressed the belief that because of qualifications under which the State welfare board acts in operating other programs in which Federal funds are involved, if the State welfare board were to be expected to distribute Federal funds it would have to have some authorization from the State legislature.

Mr. KENNEDY. If the State welfare board has served as the agency for the distribution of Federal funds, I do not think the governor's concern is justified. However, if the Senator desires to offer an amendment which would provide that in those States which are constitutionally or legally prohibited from distributing Federal assistance the Federal Government will do it directly, I would accept the amendment. However, I believe the governor's fear is unfounded.

Mr. BENNETT. Is it possible, under the terms of the amendment, for a State to decline to accept such Federal funds?

Mr. KENNEDY. I did not understand the question of the Senator.

Mr. BENNETT. Is it possible for a State to decline to accept the funds?

Mr. KENNEDY. No. The States must accept the funds, in accordance with a Federal law.

Mr. BENNETT. Is it not possible that a State welfare agency could decline to act as an agent of the Federal Government?

Mr. KENNEDY. I will say to the Senator I think the States already act for the Federal Government in the case of Federal employees and veterans. I do not think there is any real constitutional problem about the administrative provisions of the amendment.

Mr. BENNETT. I am trying to get the matter clear in my own mind.

Mr. KENNEDY. I would say to the Senator the answer is "no."

Mr. BENNETT. Is it the feeling of the Senator from Massachusetts that if the amendment were adopted every State would be forced to accept the money whether it wished to or not?

Mr. KENNEDY. Yes.

Mr. BENNETT. That is a very interesting point of view, and I think it marks the end of State-Federal partnership in welfare programs.

Mr. KENNEDY. We are not providing for a partnership in this program. We are providing for a Federal grant from the Treasury. The State would serve merely as the administrative agency. I do not believe the arrangement could be described as a partnership. The Federal Government would be carrying the entire burden.

Mr. BENNETT. The Senator would deny to the State and the State welfare agency, which is assumed to have some knowledge of the general programs in the State, any area of judgment or decision. The grant would be an automatic

grant, which the Federal Government—if I may use the word—would "force" on the State.

Mr. KENNEDY. No.

Mr. BENNETT. And through which it could bypass the State authority.

Mr. KENNEDY. The grant would not be forced on the State. It would be forced on the unemployed worker, who, I believe, would accept it. If he did not wish to accept it, he would not have to show up at the unemployment office.

Mr. BENNETT. Suppose the State welfare agency should say, "We do not choose to act as the agency of the Federal Government." How would the benefits be distributed?

Mr. KENNEDY. The Federal Government would then administer the program. It is a Federal program. It is not a State program. There is no partnership involved, in the sense in which the Senator uses that word.

The Federal Government has enacted a law for the benefit of veterans, which the States administer. I do not believe the States would refuse to cooperate in executing a law which the Federal Government had enacted for the benefit of the unemployed. If such a case should arise, I think the Federal Government could administer the law directly.

Mr. BENNETT. In such a case, would the administration of the law require a parallel organization inside the State, financed by Federal funds?

Mr. KENNEDY. I have given the Senator my opinion. I do not believe that such a situation would arise.

Mr. BENNETT. It is the opinion of the Senator from Utah that it could very well arise in his own State.

Mr. KENNEDY. I doubt whether it would. The money we are talking about comes from general taxation, paid for by the people of Utah as well as the people of other States. If the unemployed worker were to be assisted by a Federal grant, it seems unlikely that the State of Utah would refuse to be the agent to pass on the money to the unemployed worker. Of course, we are living in a world in which nearly everything is possible. However, I do not believe it is likely that the situation which the Senator describes would ever arise.

Mr. BENNETT. If it should arise, a Federal agency would have to be set up within the State to distribute the funds.

Mr. KENNEDY. Yes.

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

Mr. KENNEDY. I yield.

Mr. DOUGLAS. Earlier in the colloquy with the Senator from Utah, the Senator from Massachusetts placed his finger on what I think is the essential legal difference between his proposal and that of House bill 12065. Earlier he correctly pointed out that House bill 12065, in essence, involves a loan and not a grant.

Mr. KENNEDY. The Senator is correct.

Mr. DOUGLAS. The money would be advanced by the Federal Treasury, and unless the advances were restored to the Treasury by some more direct payment, they would be repaid by means of an assessment upon the employers of the particular State. The employers in the State would return the amounts advanced to the State. So the amounts later returned in Federal taxes would differ from State to State, and those States which had the heaviest burden of unemployment would have to pay back the most.

Mr. KENNEDY. The Senator is correct.

Mr. DOUGLAS. As I remember, the Senator from Massachusetts stated that his proposal does not involve a loan. It is an outright grant by the Federal Government to cover the added costs of increased and extended benefits during the intervening, emergency period. Because it would be a grant, the Governors would not have to convene the legislatures, but they could operate directly, because no added expense upon the taxpayers of the State would be involved. Is that true?

Mr. KENNEDY. The Senator is correct.

Mr. DOUGLAS. It is hard to imagine that any State would be perverse enough to refuse to pay out any money to its own unemployed.

Mr. KENNEDY. The Senator is correct.

Mr. DOUGLAS. I cannot believe that the people of Utah, who are so fine, and so well represented by kind men in the Senate, would be so hardhearted as to refuse to pay out money to the unemployed. I think the Senator from Utah does not have sufficient faith in the kindness of the splendid people whom he, in part, represents in the Senate.

Mr. BENNETT. Mr. President, will the Senator yield for one further observation?

Mr. KENNEDY. I yield.

Mr. BENNETT. The point is made that the program would cost the people of the States nothing. Obviously, if the State is to administer the program, there must be an administrative charge, which I assume would be borne by the State.

Mr. KENNEDY. As the Senator knows, the Federal Government has been very generous with the States. Under the act of 1954, it recently gave them $80 million. The Federal Government's charge for administrative costs has been 0.3 percent, and the Federal Government has raised more money than it needed for administrative costs. It has just returned to the State governments a substantial sum of money on its own initiative.

Mr. DOUGLAS. Mr. President, will the Senator from Massachusetts yield for one further question?

Mr. KENNEDY. I yield.

Mr. DOUGLAS. The emergency benefits for the next year could be accepted by the governors without legislative action. Am I correct in understanding that the legislative action which would be required would be action raising the permanent, not the temporary, standards, so that after the 1st of July 1959 the standards of payment, duration of benefits, coverage, and so forth, would be the basic minimums provided in the Senator's amendment.

Mr. KENNEDY. The Senator is correct.

Mr. DOUGLAS. But the States would have a year in which to meet such standards.

Mr. KENNEDY. Yes.

Mr. DOUGLAS. Legislative action would not be required for the immediate improvements in the care and protection of the unemployed.

Mr. KENNEDY. That is true.

Mr. BENNETT. Mr. President, will the Senator yield for one further question to continue the colloquy on the same subject?

Mr. KENNEDY. I yield.

Mr. BENNETT. Suppose the State did not act within a year to continue the program beyond the point where Federal funds would be available? What then would be the situation?

Mr. KENNEDY. The Federal Government would not permit the States to continue to take the tax credit which they formerly took. The tax credit is now 3 percent. Originally, the Federal Government more or less required the States to enact unemployment compensation laws. If a State were not permitted to continue the present 3-percent tax on the employer, the action suggested would be so unwise that I believe no State would follow such a course.

Mr. BENNETT. In order to put force behind the grant program, if the States should decide not to continue under the program, the Federal Government would destroy the present State-Federal relationship, and the Federal Government would take over the administration of unemployment compensation laws in that State.

Mr. KENNEDY. In the first place, there is no force behind the grant. I am talking about the period after July 1, 1959.

Mr. BENNETT. That is correct.

Mr. KENNEDY. This is a Federal program, and we permit the States to take a tax credit of 3 percent. The Federal Government does not charge the 3 percent which it is authorized to charge the States unless the States enact unemployment compensation laws. I should say that the present procedure would continue. The States would have to meet certain standards in order to be eligible for the tax credit.

Mr. BENNETT. If they chose not to meet them, the present program in the States which may have standards lower than those prescribed in the Senator's amendment would be administered by whom?

Mr. KENNEDY. In the event the States did not meet the requirements of the Federal Government, the Federal Government would administer the program. The situation would be no different from that which exists at present.

Mr. BENNETT. There would be a difference in this sense, that under the previous program no State refused to cooperate.

Mr. KENNEDY. There would be the same incentive as exists today, namely, the tax credit.

Mr. President, I read from the first page of the New York Times for Sunday, May 25, 1958:

Jobless-aid rise is likely to help in only six States: Labor Department officials blame

optional choice in accepting benefits: Tax increased to repay United States a stumbling block.

The Department of Labor states, on the front page of the New York Times for last Sunday, that emergency legislation to provide extra benefits for unemployed workers, as now written, would benefit the unemployed in only six States. I hope that any action taken by the Senate will not be on the assumption that it will not be helping the workers in 42 other States. The Secretary of Labor clearly indicates that the bill would bring no help to the unemployed in 42 States of the Union.

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

Mr. KENNEDY. I yield.

Mr. FLANDERS. I have risen to the defense of what may be called either the obstinacy or the independence of the State of Utah.

In the 1930's I traveled over a road from Boulder south to—is the name Escalante?

Mr. BENNETT. Yes; Escalante.

Mr. FLANDERS. I traveled to Escalante in an automobile, over a well-built road. Escalante had previously been in contact with the rest of Utah only by pack train. I made the journey by automobile. I was told that that road was built by CCC labor. However, because the State of Utah—certainly the Mormon population—was taking care of its own underprivileged, there were no Utah people enticed into the CCC camps, and the CCC workers who built that road had to be imported from outside the State.

Therefore, I wish to have it on record that the independence—if we wish to call it that—or the obstinacy—if we wish to call it that—of Utah is attested by past history, and I would not be surprised to see it rise again.

Mr. KENNEDY. Utah has done an excellent job on its own in taking care of its unemployed, and the figures so show. I certainly credit the State and its representatives for doing it. What we are concerned with is that other States do at least as much.

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

Mr. KENNEDY. I yield.

Mr. DOUGLAS. From time to time the argument is made that since the States have approximately $8 billion in their unemployment reserve funds, no legislation is needed; and that, therefore, the amendment offered by the Senator from Massachusetts is unnecessary.

Is not the difficulty with the argument the very simple fact that if the States extend their benefits, or raise the level of their benefits, it will eventually lead to a drawing down of the reserve; and is it not also correct to say that in virtually every State, as the reserves go down, the assessments upon the employers go up?

Mr. KENNEDY. The Senator from Illinois is correct.

Mr. DOUGLAS. Therefore, what has happened under the system of unemployment insurance in effect today has been to pile up reserves which are immobilized in separate State funds and which employers in the various States do not want to have drawn down by paying more adequate benefits, because that will mean an increase in the current assessments.

Mr. KENNEDY. The Senator is correct. What the Senator and I agree on is that if we do not do it now, we will never get it done. That is the first thing to keep in mind.

Second, it is obvious, ever since the President made his appeal in 1953, that the States will not do it themselves. I should very much dislike to have the Senate pass the bill which has been reported by the Committee on Finance and have word go out to the country that we have acted in this field, when even the Department of Labor admits that the bill will not do much good.

Mr. DOUGLAS. Does the Senator refer to the Labor Department view as of last Saturday? I ask that question because in the preceding week the Department of Labor pointed out that it would do some good, and the week before that the Department of Labor seemed to say it would not do anything.

Mr. KENNEDY. Did the Secretary of Labor change his position that only six States would be benefited by the pending bill?

Mr. DOUGLAS. No; he did not. He implied—and the testimony before our Finance Committee is pretty clear on it—that he believed the governors would accept this proposal quite uniformly. He cited as proof of that statement the fact that the governors had accepted grants to administer unemployment compensation for civilian employees of the Government and for veterans. However, those were grants, not loans.

The advances under H. R. 12065 would be in effect loans. The Senator from Massachusetts could with justice point to the experience of governors in accepting grants for the payment of unemployment compensation to civilian employees of the Government and to veterans as a precedent in support of his amendment, because if they accepted grants in one case they would almost certainly accept grants under the proposal advanced by the Senator from Massachusetts.

Mr. KENNEDY. The Senator is correct.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MARTIN of Pennsylvania. I appreciate very much the effort being made by the distinguished junior Senator from Massachusetts. However, what worries me about this subject is that when we start from the Federal standpoint on a matter of this kind, we begin to usurp a great number of the States' prerogatives. Is there not the danger, if we should adopt the Senator's proposal, that it would be the entering wedge for the Federal Government to take over the whole field of unemployment compensation?

Mr. KENNEDY. I will say to the Senator from Pennsylvania, that as I recall it, when the law was enacted in 1935, only one State, Wisconsin, had an unemployment compensation law which was at all satisfactory. Of course the reason other States did not have such a law—and every witness in 1935 stated the reason—was that they disliked to add to the tax burden of the employers of their States, when another State, with which they were in industrial competition, had no unemployment compensation law or tax. Consequently in 1935 the Federal Government made it obligatory. Therefore we already have Federal intervention in this field. Of course I would not like to have the Federal Government take over in this field, but, on the other hand, I do not believe that prescribing standards constitutes such action. Furthermore, I will say to the Senator from Pennsylvania that his own State has done more to extend benefits than have most of the other States. It has the highest benefit duration of any State in the country, namely, 30 weeks.

Mr. MARTIN of Pennsylvania. When I was Governor of the Commonwealth I had a great deal to do with extending the duration of the benefits. However, does not the distinguished Senator from Massachusetts recall that after World War II, when the Federal Government had assumed so much control over unemployment insurance, the States were very anxious to get it back fully and completely under their own control?

Mr. KENNEDY. That is correct. The State legislatures have not enacted the standards which I propose by the amendment. I have attempted to indicate that economic competition prevents their doing so.

Mr. MARTIN of Pennsylvania. Is it not a part of our free-enterprise system that the different States conduct things of this kind as their local conditions warrant?

Mr. KENNEDY. There is allowance made for some differences. The amendment does not prescribe for them a national minimum, so far as the amount is concerned, but a proportionate amount of the weekly wage within a State. There will be differences in the amount of pensions paid and the amount of the benefits paid. They would be fixed in proportion to a State's individual wage scale. There would still be left some room for variation, but not for competition as to which State could pay the lowest benefit.

Mr. MARTIN of Pennsylvania. Is it not possible that there will be competition to pay the larger benefits in order to invite more skilled labor into a community, just as a particular State enacts favorable tax laws in order to invite industry to come into the State?

Mr. KENNEDY. As the Senator knows, we will be quite a long way from bringing about such a condition in Pennsylvania or in any other State of the Union. There are many people out of work. I doubt that over the next years there will be many periods when there will be such a shortage of workers that that kind of legislation would be enacted, in order to get a sufficient number of workers to take care of a State's needs.

Mr. MARTIN of Pennsylvania. I should like to see unemployment compensation as a type of insurance. That to my mind upholds the dignity of labor. That is one of the things for which I have

always contended in all my governmental work on the local, State, and Federal level. I am afraid that if we should undertake a plan like the one the Senator from Massachusetts is proposing, eventually the system would be entirely federalized, and we would get away from the old-fashioned American idea that each community should try to better itself in order to invite industry and skilled labor into the community.

Mr. KENNEDY. I appreciate the views of the Senator.

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

Mr. KENNEDY. I yield.

Mr. FLANDERS. The distinguished Senator from Pennsylvania mentioned the matter of diminishing the trespassing upon a State's prerogatives. I may say that I am more concerned about trespassing on a State's responsibilities. It seems to me that that is one of the most dangerous things that has been going on, and it is particularly dangerous in this kind of proposed legislation.

It seems to me that the States should be forced by their own citizens to assume the responsibilities which are involved in this particular situation of unemployment compensation. So rather than being concerned with prerogatives, I am concerned with the evaporation of the States' responsibilities, which is an extremely serious thing, in my judgment.

Mr. KENNEDY. Since 1953 President Eisenhower has requested the States to adopt a standard which in amount is equal to the amount in the amendment. The duration I propose is 39 weeks; the President's proposal is for 26 weeks. But not one State has made such a provision. That was almost 6 years ago.

Just as no State, except Wisconsin, had an unemployment law before 1935, I do not think we will find that any State will want to increase the tax on its employers sufficiently to enable them to meet the President's standard, unless Congress sets the President's standard as the national minimum.

Mr. FLANDERS. The Senator from Massachusetts is saying, then, that in his judgment the States are not meeting their responsibilities; therefore, the Federal Government should intervene.

Mr. KENNEDY. That is correct.

Mr. FLANDERS. I should like to have spread on the RECORD the statement that the States are not meeting their responsibilities; then we will see whether the States rise to their responsibilities. If the States do not meet their responsibilities, the situation in this country is pretty bad.

Mr. KENNEDY. The President and the Secretary of Labor have been very clear in what they have asked the States to do. One State has done it in 6 years. So it is necessary to come to the conclusion that the States are not going to do it. The reason is that States like Vermont and Massachusetts do not want to increase the employer taxes when they are trying to attract industries into their States, at a time when other States impose no taxes, or very small taxes. So unless a national minimum can be set, the States will not agree to meet the President's request.

Mr. FLANDERS. So far as my past history is concerned, I was connected with industry, and the industries with which I was connected backed the Unemployment Compensation Act when it was first proposed. It was turned down by the legislature despite our protests, and a special session of the legislature was required to enact the law.

I am not at all certain that the industries of my State will oppose the pending proposal. I do not know exactly how the industries can outvote the mass of the population. It is the mass of the population which has to be appealed to.

Mr. KENNEDY. From January to June, 1957, the average weekly benefit in the Senator's State of Vermont was only $23. It is true that the duration was 26 weeks. But $23, even for 26 weeks, is not very much.

In relation to the average weekly wage in covered employment, in 1956, Vermont——

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

Mr. KENNEDY. I yield. The Senator's information may be more up to date. Has there been a change in the amount since then?

Mr. AIKEN. Yes; there has been a change in the law. I think the amount now paid in Vermont is $28 a week.

Mr. KENNEDY. I am glad to hear of that improvement.

Mr. AIKEN. That is a considerable improvement. Vermont, I think, is 1 of 9 States which continue their payments for the entire 26 weeks.

Mr. KENNEDY. That is correct. The State does well on extended benefits. I do not know if the senior Senator from Vermont was in the Chamber when I cited the Bureau of Labor Statistics figures for New York City, which is probably not the most expensive place. For a single person to exist, $51.28 is the amount which is deemed to be necessary. So $28 a week is not too much.

Mr. AIKEN. I think that $28 for 26 weeks puts Vermont well ahead of the average figure. It must be recalled, with respect to our means to pay, that in Vermont we do not have the large source of income which other States have.

Whether any of the States which are now making larger payments have changed their laws in the last year, I am unable to say. I know that a few States pay more than $28 a week. One State pays as much as $41 a week. Whether that amount was put into effect 5 years ago or last week, I am unable to say.

I simply point out that the $23, shown in the record from which the Senator from Massachusetts is reading, is not correct at the present time.

Mr. KENNEDY. I appreciate the correction. These are the figures I had as of January 1.

Mr. AIKEN. I think it is quite generally understood in Vermont that our social security and unemployment compensation laws will undoubtedly be reviewed by the next legislature, so as to adapt those laws to changed conditions.

Mr. KENNEDY. In 1939, Vermont paid a maximum weekly benefit of 66 percent of the average weekly wage. Before the recent rise from $23 to $28, the benefit was 41 percent. The average weekly wage in Vermont, again referring to 1956, was $68.

Mr. AIKEN. I thank the Senator from Massachusetts for pointing that out. The Senator may recall who the Governor of Vermont was in 1939.

Mr. KENNEDY. I am glad to make that statement for the RECORD. The Governor was the present senior Senator from Vermont.

Mr. AIKEN. While I am pointing out various things, I may say Vermont was the first State to cooperate with the Federal Government in all five phases of the social-security program.

Mr. KENNEDY. I appreciate that comment by the Senator from Vermont.

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

Mr. KENNEDY. I yield.

Mr. DOUGLAS. Has not the discussion in the last few minutes, vindicating the honor of Vermont, steered us off on a sidetrack? Is not the fundamental issue the question of what to do for idle workers who have exhausted their claims for benefits?

Is it not true that in 4 months—January, February, March, and April—more than 700,000 unemployed persons exhausted their claims to benefits?

Mr. KENNEDY. That is correct.

Mr. DOUGLAS. And that this number is continuing to increase at the rate of 200,000 a month?

Mr. KENNEDY. The Senator is correct.

Mr. DOUGLAS. So it is probable that by the end of the year more than 2 million persons, during the course of the year, will have exhausted their claims to benefits, and will be receiving no benefits at all if they continue to be unemployed.

Mr. KENNEDY. That does not include employers who employ less than four employees, who are not even covered statistically.

Mr. DOUGLAS. That is correct. So the fundamental issue now is not so much whether the unemployed get adequate benefits if they are covered under unemployment insurance, but the question is, What shall we do for the persons who have exhausted all their claims for benefits and who are excluded by State laws? What the Senator from Massachusetts is trying to do is to give them added protection up to a total of 39 weeks for the benefit year. Is that not correct?

Mr. KENNEDY. The Senator is correct.

Mr. DOUGLAS. I think this puts the discussion in sharper focus than the question whether Vermont has a maximum of $23 or $28.

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

Mr. KENNEDY. I yield.

Mr. AIKEN. The Senator from Illinois has put sharply in focus the fact that the emergency legislation should have been enacted 3 months ago. Instead of talking about revising the entire social security program, we should have enacted legislation. If we did not do it then, doing it tomorrow is better than not doing it at all. Then let us have a

general review of the entire social security program, particularly that part of it which pertains to unemployment compensation.

Mr. DOUGLAS. The Senator from Massachusetts is proposing that we take care of those who have exhausted their claims for benefits; but he also knows that if we postpone dealing with the permanent system of unemployment insurance, we will never do so.

I shall not mention the State to which this story is ascribed, but we all know the story of the man who had a leaky roof. He would never mend the roof in sunny weather because he did not need to do so then. He never did it in rainy weather, because it would not be of help after the rain stopped falling.

Mr. AIKEN. Mr. President, will the Senator further yield?

Mr. KENNEDY. I yield.

Mr. AIKEN. We heard some arguments about 4 weeks ago when the disclosure bill was before the Senate. It was said then that, if we did not add amendments to that bill, the objective would never be accomplished. The Senator from Massachusetts has amply demonstrated in the past few weeks that there can be full hearings on an extensive program. I am confident that his committee will, within the next few days, report a bill to the Senate—and a good bill, too. So what we can do in that case can be done equally well in this case.

Mr. KENNEDY. Of course, it may take a year or more before the various States meet and are able to adopt legislation according their unemployed the benefits I have outlined. In view of the serious effect upon the economy, and the personal hardship upon those unemployed today, of a weak and ineffective bill, it is also important that we provide some measure of emergency relief for the unemployed. Every week, as the Senator from Illinois [Mr. DOUGLAS] has stated, approximately 50,000 workers exhaust their unemployment benefits. In my home State of Massachusetts, jobless workers are exhausting their benefits at the rate of approximately 9,000 per month.

Mr. REVERCOMB. Mr. President, will the Senator from Massachusetts yield to me?

The PRESIDING OFFICER (Mr. BUSH in the chair). Does the Senator from Massachusetts yield to the Senator from West Virginia?

Mr. KENNEDY. I yield.

Mr. REVERCOMB. I have not had the privilege of hearing all the presentation the Senator from Massachusetts has made, and I should like to ask him a question about this matter. Does his amendment pertain only to emergency relief, or does it relate also to the establishment of a new plan of Federal control of unemployment insurance?

Mr. KENNEDY. It provides for both emergency relief and minimum Federal standards.

Mr. REVERCOMB. Then the amendment does not call for only an emergency relief program; instead, it goes beyond that. Is that correct?

Mr. KENNEDY. That is correct. I think the emergency has been prolonged, and I believe it will continue for more than 1 year.

Mr. REVERCOMB. Perhaps so; I do not know. But if I may be so bold as to suggest it, I believe that if the amendment of the Senator from Massachusetts dealt with emergency relief for a certain number of weeks, in the case of any State, we would be able to bring the question into focus. I believe we can do that if at this time we deal only with emergencies, and take up later the question of a permanent method for the control of unemployment insurance. I make that observation because the matter is one which I believe should be considered seriously.

Mr. KENNEDY. But it seems to me that this is an appropriate time to consider not only the program for the emergency period but also the program for a longer period. I would be reluctant to propose, as some Senators have, that a grant of $1,500 million be made from the Federal Treasury to the States, when the States have $8,500 million in their own trust funds, without requiring them, on the other hand, to do something on their own behalf.

So I believe the amendment constitutes a combination of a measure for a permanent system and a measure for a temporary system; and I believe the combination will be satisfactory, because we would only require the States after July 1, 1959, to write into law what the President himself has requested, namely, that instead of providing for a period of 36 weeks, there be a national standard of 39 weeks.

Mr. REVERCOMB. The Senator from Massachusetts has referred to the $8,500 million in the reserve funds of the States. But let me point out that that amount is not equally divided among the States; neither is it divided among them on the basis of population.

Mr. KENNEDY. That is correct.

Mr. REVERCOMB. Some States that I know of do not have adequate funds, and therefore do not have adequate unemployment insurance.

Therefore, I think the measure which is to be enacted should be one which can quickly be enacted and can quickly be taken advantage of. That is why I raise this point. I believe that if at this time nothing is done, by way of amendment or otherwise, to make the present proposal a permanent one, then the measure can quickly be enacted. Certainly, emergency relief is needed now.

Mr. KENNEDY. Of course, the amendment provides for emergency relief, as well as for relief for a longer term.

Senators may disagree regarding the necessity for making provision for the longer term; but I desire to point out, first, that I do not believe the bill the House has passed will provide emergency relief.

Second, the measure under discussion provides for a Federal grant to the States. I am reluctant to see the Federal Government pay $1 billion or $1,500 million to the States when they have $8,500 million of their own, without requiring them to do what the President has been asking them to do, but what they have been either unwilling or unable to do.

Mr. REVERCOMB. But in this case is there not a middle ground—one where there can be direct emergency relief from the Federal Government? I repeat this point because I am impressed by the seriousness of it.

Mr. KENNEDY. Let me say that if this amendment fails of adoption, there will be submitted an amendment which will provide, first, that participation by every State be mandatory; second, that repayment will be excused either if a State adopts the standards recommended by the President for the amount, duration, and coverage, or if a State's trust fund is in a precarious condition, despite an average 2.7-percent tax; and, third, that the duration of benefits be extended for a flat 16 weeks immediately.

That amendment in the nature of a substitute—which may be more attractive to the Senator from West Virginia—will be offered if the pending amendment is rejected.

Mr. REVERCOMB. I thank the Senator from Massachusetts. I believe our debate has been revealing and helpful.

Mr. KENNEDY. I thank the Senator from West Virginia. If unemployment continues, this exhaustion situation will worsen. This condition has a serious impact upon both the communities directly affected and the economy as a whole. I have noticed with some concern that the areas listed by the Department of Labor as areas of substantial labor surplus have been constantly increasing. Without the purchasing power represented by a modest insurance program, this trend will tend to accelerate.

Therefore, the amendment provides that, until the various States can adopt an adequate program, a person unemployed through no fault of his own shall be entitled to receive a weekly benefit equal to two-thirds of the average weekly wage earned by employees within his State, or 50 percent of his average weekly earnings, whichever is lesser, and that the payments shall continue for 39 weeks. These payments are to be financed by the Federal Treasury. But it is a mistake to analogize them to relief checks. Although the payments during this emergency will be financed by a grant, the grant is but a part of a larger program looking toward the continuation of unemployment compensation pursuant to sound insurance principles.

A common fault of many of the so-called supplementation bills which rely upon Federal funds to improve payment levels is that they bypass the $8.5 billion now held in State unemployment reserves—a fund relatively untouched because State standards are so low. The $8.5 billion would be flowing into our economy today if we could raise the benefit standards and could extend the coverage.

But whatever system of financing they employ, the great fault of all the proposals for temporary Federal supplementation is that they are just that, and nothing more. Such a proposal encourages the State legislatures to do nothing so long as they know that Congress will bail them out every time there is a

downturn. It encourages the Congress to do nothing on a long-range program, so long as they can provide a stopgap, patchwork measure when the need arises. It ignores the role our permanent unemployment insurance system was intended to play, and establishes, instead, a precedent for falling back on temporary remedies whenever the system is really needed. It ignores the fact that the standards of the system, even in a relatively mild recession, have proven inadequate. It ignores real deficiencies which are apparent to all, and leaves the system in the same weakened condition it was in before.

This amendment provides for the immediate payment of adequate benefits to all unemployed workers, pursuant to a sound system of compensation, and requires the Federal Government to make up any difference which results from the lag in the adoption of State laws. This is Federal supplementary action, to be sure; but it is action which depends upon, instead of discourages, long-range, permanent action by the Congress and the State legislatures.

Mr. President, this concludes my remarks.

I ask unanimous consent that the names of Senators CLARK, MCNAMARA, MANSFIELD, MURRAY, PROXMIRE, DOUGLAS, GREEN, MORSE, NEUBERGER, HUMPHREY, JACKSON, CARROLL, CHAVEZ, PASTORE, and MAGNUSON be added to the list of cosponsors of my amendment.

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

Mr. KEFAUVER. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield.

Mr. KEFAUVER. As I understand, the State legislatures would have until July 1959 to amend their own laws so as to be in conformity with the Federal standards. Is that correct?

Mr. KENNEDY. The Senator from Tennessee is correct.

Mr. KEFAUVER. Under the provisions of the amendment, up to that time any amount paid to unemployed persons would be paid from the Treasury of the United States, would it?

Mr. KENNEDY. That is correct.

Mr. KEFAUVER. Would any part of that amount be taken from the amounts on hand by the various States at a later time?

Mr. KENNEDY. No; it would not, because we have no right to deal with those funds.

Mr. KEFAUVER. I thank the Senator from Massachusetts.

Mr. KENNEDY. Of course, those trust funds will be subject to some drains when the States make compulsory the Federal standards we have suggested.

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

Mr. KENNEDY. I yield to the Senator from Oregon.

Mr. MORSE. As a member of the Senator's subcommittee, I wish, on the floor of the Senate, to express my appreciation to the Senator from Massachusetts for the leadership he has given us as chairman of the subcommittee, and for the very able report he has submitted to the Senate this afternoon. I certainly cannot possibly improve on what the Senator from Massachusetts has done. I seek only to try to be helpful in emphasizing, through one or two questions I wish to ask him, what I think the RECORD should show was certainly the Federal policy we had in mind in offering the pending amendment to meet an emergency situation.

Does the Senator from Massachusetts agree with me that those of us who are sponsoring the proposal feel a very serious economic situation exists, because of which a great many thousands of our fellow Americans find themselves in the position of having exhausted their unemployment insurance benefits, and therefore the Federal Government has a moral obligation to meet that emergency and see to it that they have at least some means to buy the bare necessities of sustenance?

Mr. KENNEDY. The Senator is correct.

Mr. MORSE. Does the Senator agree with me that in taking our position we are not seeking to encroach upon the responsibilities of the States, but are seeking only to have the Federal Government carry out its clear responsibility in light of the national emergency that confronts us?

Mr. KENNEDY. I agree with the Senator.

Mr. MORSE. Does the Senator agree with me that when a total population suffers from an emergency—an emergency which is no respecter of State lines—under our constitutional system the Federal Government should come to the assistance of its people and do for them what they cannot do for themselves, or, in this instance, what happens to be the case of the States apparently being unable to provide help for their people?

Mr. KENNEDY. That is correct. On the last point made by the Senator from Oregon, I may point out that we have given the States since 1953 to make such provision on their own account. After 6 years, I think most of us have a pretty clear idea what the future is going to bring in this regard. It is not as if we are asking for something concerning which we have had no experience. We have had the experience of the President making such a request for 6 years, and not one State has done anything about it. In 1954, when we attempted to apply compulsory standards, the argument was made, "Let the States do it." Now, 4 years later, we know pretty well what the pattern is going to be.

Mr. MORSE. My last question goes to the matter of what I personally consider to be a great deal of misinformation which is abroad in the land as to what the effect of the pending legislation will be upon businessmen and employers. It was apparently easy to create the impression that, if legislation were enacted aimed at meeting an economic emergency confronting large numbers of people, in some way, somehow, it would prove to be to the disadvantage of businessmen and employers.

Does the Senator agree with me that it is in the interest of employers, on a nationwide basis, to institute a program of standardization in the field of unemployment compensation insurance, because it will have the effect of eliminating unfair competitive advantages resulting from employers in low-standard States taking advantage of employers in high-standard States?

Mr. KENNEDY. The Senator is correct. As a member of the Committee on Labor and Public Welfare, I may point out that this question came up at the time the minimum wage was adopted. It was long ago decided to be wise public policy not to permit one employer to engage in unfair competition with another employer by paying a wage below $1 an hour. It seems to me the same basic question is before the Senate. The amendment would not permit an employer in one State which failed to meet the standards to compete unfairly with an employer in another State which did meet the standards.

I wish to thank the Senator from Oregon. I may point out that every member of the subcommittee who has had any contact with the problem labor is facing is a cosponsor of the amendment.

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

Mr. KENNEDY. I yield to the Senator from North Carolina.

Mr. ERVIN. If I construe the Senator's proposed amendment right, his proposal would bring under coverage of the unemployment compensation system every person who employed as many as one person for as much as a fraction of a day. Is that correct?

Mr. KENNEDY. The Senator is correct. Eighteen States have the standard down to one, but he who is eligible for unemployment compensation would be eligible for 39 weeks.

Mr. ERVIN. As I understand the present law, the minimum requirement thereby prescribed requires the coverage of those who employ as few as 4 persons for as many as 20 days annually. Is that correct?

Mr. KENNEDY. Except that the State is free to lower the requirement if it desires.

Mr. ERVIN. A State may lower its minimum requirements, but what I have stated is the minimum requirement prescribed in that respect by the Federal Government. Is that correct?

Mr. KENNEDY. That is correct. I may say to the Senator I am quite anxious that the States shall continue to apply the same principle which now applies, namely, that a worker has to be willing to work. The proposal is not intended to offer anyone a free ride, any more than the present law does. Under the provision that unemployment benefits would be paid for 39 weeks, the worker would have to report, as he does now, and be willing to accept comparable work.

Mr. ERVIN. As I construe the proposed amendment, it does not prescribe any fixed sum as the minimum unemployment compensation, but fixes it by reference to a percentage of the salary or wage, to be determined by the State

agency administering the act. Is that correct?

Mr. KENNEDY. Yes, that is correct.

Mr. ERVIN. What is the percentage? I tried to study the amendment without having the act before me, and I am rather confused as to whether the minimum compensation is two-thirds of the salary or wage or one-half.

Mr. KENNEDY. It is one-half of his wage, up to a maximum of two-thirds of the average State wage.

Mr. ERVIN. In other words, the average would be arrived at by considering the wage of everyone engaged in labor in the State. In the case of a particular person who is unemployed, his unemployment compensation would be one-half of his wage, but not to exceed two-thirds of the average wage, and he would get the benefits for 39 weeks. Is that correct?

Mr. KENNEDY. The Senator is correct.

Mr. ERVIN. Did the evidence taken by the committee disclose what the increase would be? Of course, I realize that under the present setup, different employers in different States have different amounts of taxes to pay.

Mr. KENNEDY. That is correct. On the average, the amount would be increased from 1.3 percent to 1.7 percent to 2 percent.

Mr. ERVIN. How much would the total amount of the tax increase be, if the Senator has that information?

Mr. KENNEDY. It would depend upon the circumstances.

Mr. ERVIN. How much additional tax would the employers have to pay?

Mr. KENNEDY. I would say to the Senator that all we are talking about is an average percentage, because the tax would depend upon what the unemployment compensation amounted to in the particular year. The figures indicate, after a reasonable study of the past and an estimate for the future, that the average in the United States of 1.3 percent would go to between 1.7 and 2 percent if the standards I have suggested were adopted.

Mr. ERVIN. As I understand the provisions of the bill, they would broaden the present system to such an extent that a person who came anew into the labor force and worked for an employer 1 day, if he should cease work, would be eligible for compensation for 39 weeks, in the event he were unable to obtain other employment during the 39 weeks.

Mr. KENNEDY. The original bill we introduced, which is not offered at this time, provided for a change in the base period. Such a change is not provided in the pending amendment. The law would continue as it is today. The worker would be required to work for the same period he is now required to work to be eligible under the State standards. Once eligible, he would be entitled to the amount to be paid. The only change is the reduction from the 4 employees to the 1.

Mr. ERVIN. As the Senator points out, the standards of the States vary from 1 day up to 20 weeks.

Mr. KENNEDY. Yes. The provision would be the same as that which exists today in each State. The only change would be in the States which do not provide for less than 4 employees, and it would require the 50 percent payment and the duration change.

Mr. ERVIN. I thank the Senator for the information he has given, and for his courtesy.

Mr. KENNEDY. I do not think my answers have enchanted the Senator any more, probably, than the amendment. I hope, however, the Senator will examine the bill presently under consideration, because I must say that the bill which is presently before the Senate would provide no relief at all. That being true, I think Viscount Falkland's classic definition of conservatism applies:

When it is not necessary to change, it is necessary not to change.

The bill is not necessary; therefore, I think we would be better off if we did not act. Therefore, I have suggested a more reasonable substitute.

If the amendment is rejected, I shall offer another substitute, perhaps not quite so extensive as this one, which I hope the Senator will support.

Mr. ERVIN. I will be perfectly frank with the Senator. I have some of the misgivings which were expressed by the distinguished Senator from West Virginia a moment ago. I have the feeling it would be better to deal with the emergency arising out of the existing unemployment in one bill, and then proceed through the appropriate committee to consider whether the system should be changed in another bill. In the time now at the disposal of the Senate, I am unable to reach a conclusion as to the impact of the amendment on our economy.

Mr. KENNEDY. As I have stated, there are two proposals. One is the loan proposal. In this form or in any other form I think it is quite obvious, from the testimony and from the comment of the Secretary of Labor of last Sunday, that only six States would be likely to accept any loan provision. The alternative is a grant. However, I am reluctant to give the money away for a year or so to the States, without requiring the States to do something about the matter.

We are faced with a difficult problem. I think the best solution would be to provide for a grant, which would help in the emergency, but, at the same time, require the States to do something. I say to the Senator the States will not do anything on their own without some indication of determination by the Congress.

Mr. ERVIN. The Senator believes the proposal will not work without the use of the carrot or the stick, and the bill proposes to use the carrot.

Mr. KENNEDY. The original bill?

Mr. ERVIN. It is proposed to use a little bit of both the carrot and the stick. The amendment proposes to use the carrot method. It proposes to make grants, I understood the Senator to say.

Mr. KENNEDY. It would use the carrot for about 14 months, and then would use the stick.

Mr. ERVIN. Yes. The proposed amendment contemplates using a billion dollars to be paid from the Treasury, which is not to be paid by the employers, but to be paid by the taxpayers generally.

Mr. KENNEDY. I do not see how else it could be done. We intend to require the States to do something in the future. We are talking about a billion dollars which can only be paid to those persons who are out of work and who desire to get jobs.

Mr. ERVIN. That is true.

Mr. KENNEDY. I do not think we could call the money wasted. In return for that expenditure of money, which is large, we would require the States to do something in the future years. I think that is a pretty good bargain. If we were merely to give the $1 billion without requiring the States to do anything, that would be a bad bargain.

Mr. ERVIN. It might help those who were unemployed to the extent of a billion dollars.

Mr. KENNEDY. Yes.

Mr. ERVIN. At the same time, the taxpayers—rather than the employers—would foot the bill.

Mr. KENNEDY. Since the States have $8½ billion available, and they have failed to take such action themselves, if the Federal Government should bail them out, then the States would never do anything. If the States feel that the Federal Government will come to their assistance whenever unemployment becomes a national problem, as it is today, then the States will never do anything about increasing the tax on the employers, because they will feel that in 1961 or 1962, if we are faced with widespread unemployment, the Federal Government will bail them out again.

I believe this is the best approach. If we provide for a grant without requiring the States to do anything, we are bound to halt the upward march the States are making, even though I believe the upward march is inevitable.

Mr. ERVIN. I am concerned about the national debt, and the additional billion-dollar expense to the taxpayers. Would it not be better for the States to do something about the matter, out of the $8 billion they have, instead of offering another billion dollars to be added to the taxpayers' burden?

Mr. KENNEDY. The problem is how to force the States to take action. There are some constitutional or statutory limitations affecting the rights of governors to obligate the States for repayment of loans. In some States the legislatures cannot meet. I think there is involved a legal question as to whether we could force the States to accept loans. I think it is a difficult problem.

Mr. ERVIN. I agree with the Senator that it is a very difficult problem. That is the reason why I, as an individual Senator would rather take the problem in two doses.

Mr. KENNEDY. I do not think there are two doses. I do not think the compulsory loan program would be useful. I think there is not any doubt that the governors cannot obligate the States without action by the State legislatures.

Many of the State legislatures will not meet for another year. I think the alternative is to do nothing for the States, or permit them to get a loan now, if they want to. They can do that now.

Mr. ERVIN. I am aware of that.

Mr. KENNEDY. We have the alternative of doing nothing, or providing for a grant. My opinion is that if we are going to give them the amount of money suggested, we ought to make them do something. Otherwise, the loan program will be of no use.

Mr. ERVIN. I thank the Senator.

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

Mr. KENNEDY. I yield.

Mr. CLARK. I regret I was unable to be present in the Chamber when the Senator made his principal address, but I was most interested in the questions asked by my good friend, the Senator from North Carolina [Mr. ERVIN], which have raised 1 or 2 questions in my mind.

Can the Senator inform me whether the procedure which he favors using of attempting to persuade the States to jack up their unemployment compensation standards is the procedure used in the first instance, when the original law was passed?

Mr. KENNEDY. The Senator is completely correct.

Mr. CLARK. All the Senator is proposing is that we use a well-tested and well-tried procedure to bring national standards up to somewhere near the point they were at the time the original legislation was enacted by the Congress. Is that correct?

Mr. KENNEDY. I would say that is correct. In 1939 I think there was only one State which provided less than 60 percent of the average wage in the State as unemployment compensation. Now, as the Senator knows, the payments are down to less than one-third.

Mr. CLARK. It occurs to me to hazard this observation: I wonder whether my friend from Massachusetts would agree that one's philosophy towards the bill must be governed to a substantial extent by whether one believes we have a national labor market or 48 separate labor markets. The philosophy of the original bill was that we had a national labor market; was it not?

Mr. KENNEDY. That is my conception of it.

Mr. CLARK. Unless we utilize some such procedure as the Senator from Massachusetts suggests, we are inevitably thrown back on the theory that we have 48 separate labor markets and 48 separate sovereign States, each utilizing what I am sure my friend from North Carolina [Mr. ERVIN] would call States rights, but which I am afraid I would call States wrongs, with the end result that we have a situation in which those States which have the greatest interest in their working people, the finest sense of compassion, and the most earnest desire to prevent and mitigate the hardships of unemployment, are of necessity prejudiced because they are at a competitive disadvantage compared with States having lower standards.

Mr. KENNEDY. The Senator's own State of Pennsylvania has done more than any other State in extending such benefits to a reasonable duration.

Mr. CLARK. I thank my friend for that comment.

Mr. KENNEDY. Perhaps the Senator can tell us what arguments were used in the Pennsylvania Legislature at the time this question arose. Was not the argument used, with some vigor, that such a program would put the State of Pennsylvania at a competitive disadvantage in bidding for new industries?

Mr. CLARK. Not only was that argument made strenuously at that time, but it is being made today. And it is an argument which has a certain amount of appeal. In my Commonwealth the duration of unemployment compensation benefits is 30 weeks. In view of the fact that the coal mining industry is in a depressed condition we are trying not only to hold our present industries, but to encourage the creation of new industries, in competition with States which have far lower standards. For this reason it must be abundantly clear why I support the amendment of the Senator from Massachusetts and urge the point of view that we have a national labor market. This point of view the Senate adopted when we passed the area-redevelopment bill. I hope that we shall soon pass a couple of bills to help small business on a national basis.

It seems to me that, both as an antirecession measure and as a sound procedure to prevent the States from taking competitive advantage of one another to the detriment of the workingman, the amendment of the Senator from Massachusetts is very well conceived.

I thank the Senator from Massachusetts.

Mr. KENNEDY. I thank the Senator for his support of my amendment.

Mr. MANSFIELD. Mr. President, will the Senator from Massachusetts yield to me for a few brief observations?

Mr. KENNEDY. I yield.

Mr. MANSFIELD. If the Senate will adopt the amendment to the House passed unemployment compensation bill along the lines proposed by the distinguished junior Senator from Massachusetts [Mr. KENNEDY], an unemployed worker in Montana earning the State average of $75 a week who is now drawing maximum weekly benefits of $32 for 22 weeks, will be eligible for 16 additional weeks, or an additional $512 during the recession emergency, estimated at 1 year.

Also, permanent standards would provide an additional $6 a week for a total period of 39 weeks, an increase of 17 weeks and $102 over the present State law.

Such improvements are long overdue. They will help purchasing power and restore production and employment. These amendments are especially needed in distressed areas with high unemployment, such at Butte, Mont.

As of the 23d of this month, there were 2,091 dues-paying miners in Butte, in March there were only 1,827. This is compared with 5,109 miners who were working in the mines in January 1957. Butte is a mining community and the men who have been laid off cannot find other work. They must depend on unemployment compensation until there is more activity in the copper mining industry.

Early in December of last year I brought the serious Butte situation to the attention of the Secretary of Labor, urging that additional benefits be granted to these people.

Mr. President, I ask that my letter of December 6, 1957, addressed to the Secretary of Labor, James P. Mitchell, and his reply of December 23, 1957, be printed at this point in the CONGRESSIONAL RECORD.

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

DECEMBER 6, 1957.

Hon. JAMES P. MITCHELL,
Secretary of Labor, Washington, D. C.

DEAR MR. SECRETARY: I would appreciate your advising me whether or not anyone who has received the maximum unemployment benefits could be reinstated for additional weeks due to an unemployment situation not created by himself. As you are perhaps aware, there are a great many miners in Butte, Mont., who have been laid off during the last 6 months because of the lead and copper situation, and at this time there does not appear to be any relief forthcoming which would put these men back on the payroll and the welfare funds at this time do not appear to be adequate to take care of such great numbers if this situation continues for any length of time. I have been informally told by the Board of County Commissioners of Silver Bow County that they understand that if conditions do not improve, there will be several hundred additional men laid off not only in Butte, but in Anaconda and Great Falls from the smelters.

I would appreciate your advising me if there is anything in the Department's regulations which would take care of an emergency such as this.

Thanking you and with best personal wishes, I am

Sincerely yours,

MIKE MANSFIELD.

UNITED STATES DEPARTMENT
OF LABOR,
OFFICE OF THE SECRETARY,
Washington, December 23, 1957.

The Honorable MIKE MANSFIELD,
United States Senate,
Washington, D. C.

DEAR SENATOR MANSFIELD: This is in reply to your letter of December 6, concerning the growing unemployment among miners in Montana. This is a matter of great concern to us also. Under the Social Security Act the State legislature has the authority to decide whether or not to extend the duration of unemployment insurance benefits in situations such as you describe. At this time no State law provides for such an extension.

The duration of benefits provided by State laws varies from State to State. In Montana benefits are payable for 22 weeks during a 1-year period to all eligible claimants. After that year, if a claimant has meanwhile earned sufficient wages, he can qualify for an additional 22 weeks of benefits. As you know, the President has recommended that all State unemployment insurance laws provide benefits for 26 weeks during a 1-year period for people who qualify for benefits, but a number of States have not followed this suggestion.

If we can be of any further assistance, please let us know.

Sincerely yours,

JAMES P. MITCHELL,
Secretary of Labor.

Mr. MANSFIELD. The administration's proposals are entirely inadequate and I feel that we in the Senate have an obligation to enact a more liberal and improved unemployment compensation program; and I think this is it.

Mr. KENNEDY. I thank the Senator.

Mr. MANSFIELD. 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. 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.

The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. KENNEDY].

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the Kennedy amendment.

The yeas and nays were ordered.

Mr. KEFAUVER. Mr. President, while I am not satisfied with all the provisions of the pending amendment, I shall vote for it because the bill reported by the committee does almost nothing to relieve the distress of the unemployed.

There is no more urgent need today than that we do something to provide for those who are economically distressed owing to our present recession.

With all due respect to the Committee on Finance, I was deeply disappointed by the bill that was reported. It seemed obvious to me that the bill passed by the House of Representatives was so weak and unsatisfactory that I was certain the Senate would undertake to rewrite and strengthen it. Now I regret to find that the Finance Committee has reported out the same bill with all of its limitations.

The weaknesses of this bill are legion, but it may be helpful to suggest a few of the more grievous ones. Perhaps the most serious weakness is its ineffectiveness. It is clear that this legislation will be useless in most States including my own State of Tennessee unless the governors call special sessions of their legislatures in order to obtain authority to obligate the States to repay the Federal loans. This would require an intolerable delay and there would be no certainty that the legislatures would grant the authority even if they were called into special session. In Tennessee, the legislature is already engaged in special session, called for the specific purposes of considering impeachment proceedings and I do not see how any other matter could be disposed of.

Secondly, this bill, because of its optional provisions allowing the States to accept or reject the Federal loans, works an unfairness on the States that do accept the loans. They will be required to repay the loans by a higher tax on employers while those States that refuse the loans, because of lesser need, will enjoy a lower tax on their employers. This will put the States acknowledging the need for the Federal assistance at a serious competitive disadvantage.

Thirdly, this bill would extend the benefit payment period up to a maximum of 50 percent. In some States where the benefit period is already extremely limited, this would provide no more than a few weeks assistance. And the States in their discretion could decide to provide benefits for a much shorter period of time because the 50 percent figure is only a maximum. Nothing is done, of course, to increase inadequate payments which are now given in so many States.

I sincerely hope that the Senate will support these amendments which will eliminate these weaknesses and actually provide some assistance to our unemployed working people. It would be cruel to pass such a bill as the one now before the Senate. It would give hope to those who need help and then dash their hopes when the emptiness of it was realized.

In Tennessee 60,445 persons were drawing unemployment compensation as of May 10. During the January-April period, 19,015 employees exhausted their compensation. Something must be done to assist these people and others who may meet a similar fate. The committee bill will be of no assistance to them. The amendment will help. I had rather leave the application of coverage to further committee consideration. But if the substitute is adopted it will be subject to further amendments.

The problem of unemployment in our economy is more serious than we tend to realize. The unemployment figures which are given out, totaling over 5 million, include only those who are receiving unemployment compensation. They do not cover those who are not covered by unemployment compensation nor do they cover those who have exhausted their benefits. Although we constantly hear from the executive branch confident statements about the future, there has been no significant improvement in the unemployment situation.

This unemployment affects all sectors of the economy. Most directly, of course, it affects the worker who is laid off the job. But it also destroys purchasing power and slows down the wheels of the productive machine even further. These amendments would stimulate an economy, now badly in need of stimulation, and would help reverse the trend toward further unemployment of men and plant facilities.

We too often look at unemployment as a statistical exercise rather than as a human problem. These people who are unemployed are not the creators of their present fate; they are suffering the effects of economic forces which none of us understands perfectly. We provide assistance to others who are distressed because of catastrophes over which they have no power. We would be doing less than living up to our full responsibilities if we failed to provide for their needs. I hope that the Senate will adopt these amendments and then by amendments, some of which I will support, we can improve the bill.

Mr. NEUBERGER. Mr. President, I desire to speak very briefly in support of the amendment offered by the distinguished Senator from Massachusetts [Mr. KENNEDY], in behalf of himself and a considerable number of other cosponsors, of whom I am privileged to be one.

I help to represent in the Senate a State which for the past 4½ years has had a grieviously high rate of unemployment. That has been due to the adverse impact of inflated interest rates on residential construction throughout the United States. Oregon is the leading lumber-producing State, and as new housing starts have declined, so has Oregon's vital lumber industry, because approximately 75 percent of our lumber production goes into the construction of new homes in the United States.

For our State to rely upon a program of Federal loans would merely mean that the employers in the State of Oregon eventually would have to pay back those loans. This would saddle upon those people a rate of payroll taxes which many of them could not reasonably be expected to bear. Therefore I feel that the only type of program which will benefit our State fairly and will not discriminate against a State with high unemployment like Oregon, is a system of Federal grants, such as is provided in the Kennedy amendment.

Mr. President, in March of 1958, the unemployment compensation benefits of 4,552 persons expired in the State of Oregon. In the month of April, the number who exhausted benefits rose to 5,287. In these 2 months, this means that the purchasing power of these unfortunate individuals virtually evaporated from the economic scene. Some 9,839 persons were added in less than 9 weeks to the growing list of those without income for the basic necessities of life—food, clothing, shelter, and medical attention. For these people—and for those from whom they made purchases—this drying up of any source of income was a disturbing and unnerving deepening of the current economic recession.

The continuing high rate of unemployment-benefit expirations tends to discount claims, at least in my State, that the recession is bottoming out. For instance, I have been informed by the Oregon State Unemployment Compensation Commission an estimated 56,500 persons were unemployed in my home State on the 1st of May. This is a drop of 9,800 from the previous month but is 20,100 above the estimate for a year ago when the number of jobless was 36,400. The April 1958 unemployment figure in Oregon is exactly double the number registered at this time in 1956. This is the largest total active job seekers in the State for any month of May since World War II.

High unemployment, plus the rate at which unemployment benefits are expiring throughout the Nation, lends urgency to the task of Congress for immediate and extensive revision of benefit legislation. Although haste is a prime requisite, it is also essential that the changes meet the realities of current economic facts. The House of Representatives has passed new unemployment compensation proposals which embody suggestions of the administration.

These same features are embodied in the bill approved by the Senate Finance Committee, presently before the Senate. All of the reports which I have received from my home State, indicate that the administration bill is virtually meaningless as a means of coping with the situation in Oregon. Many groups and individuals have had an opportunity to compare the need for benefit payment improvement with the provisions of the House-passed bill. I have been informed by these persons that H. R. 12065, the administration program, is entirely inadequate for the problems which confront the unemployed in my State, and for employers who shoulder the costs.

I think it is most significant that the 17-member Oregon Governor's Advisory Committee on Unemployment Compensation—made up of representatives of labor, management, and the public—has unanimously voted its disapproval of H. R. 12065. Indeed, Governor Robert D. Holmes of Oregon has informed me that neither he nor the Unemployment Compensation Commission can request Federal funds that would constitute a loan repayable by the State or by an additional tax on employers, and use those funds for payment of benefits not now provided for by State law. Existing State legislation would severely limit—if not preclude—Oregon's participation in the administration's program. That program could not benefit Oregon.

So that the Senate may be apprised of the objections raised in Oregon to the provisions of H. R. 12065, I ask unanimous consent to have printed in the RECORD in connection with my remarks a telegram received from Mrs. Cecelia P. Galey, chairman of the Oregon Governor's Advisory Committee, a message received from Governor Holmes, suggesting improvements in the pending legislation, and resolutions and messages from various and representative Oregon groups and individuals who recognize the shortcomings of the administration's proposals.

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

SALEM, OREG., *May 15, 1958.*

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

This is to advise you that Governor Holmes' Advisory Council on Unemployment Compensation consisting of 17 members representing labor, management, and the public, in a regular meeting May 14, 1958, unanimously opposed passage of H. R. 12065 now being considered by Senate Finance Committee.

CECELIA P. GALEY,
Chairman, Governor's Advisory Committee.

SALEM, OREG., *May 13, 1958.*

Hon. RICHARD NEUBERGER,
United States Senator,
Senate Office Building,
Washington, D. C.:

I wired PAUL H. DOUGLAS the following message this date:

"Reurtel May 7 re House Resolution 12065. I am convinced that neither the Governor of Oregon nor the Unemployment Compensation Commission can request Federal funds that would constitute a loan repayable by the State or by an additional tax on employers and use those funds for payment of benefits not now provided for by State law. Our law puts a top limit on benefits of not more than $40 a week for not longer than 26 weeks. We could not pay benefits from such a loan fund beyond the present statutory amounts without special authorization of our State legislature. Additional legislative action would be required to permit Oregon to operate under the terms of H. R. 12065 as it is now pending. The only way Oregon can make payment of extended benefits to exhaustees without additional legislation is by use of granted not loaned Federal funds for benefits and administrative costs. We now have a cooperative arrangement for payments under unemployment compensation for Federal employees and unemployment compensation for Veterans under the Veterans' Readjustment Assistance Act of 1952 using Federal funds and we could proceed under a similar arrangement for temporary additional benefits. I urge that Congress pass legislation which will provide Federal grant funds for payment of extended benefits. For 18 years before the Reed Act re distribution the Federal Government has collected and retained taxes far in excess of the administrative costs of the Unemployment Compensation program; the amount is approximately $1,800,000,000. In view of this the Federal Government should grant to the States the amounts necessary for payment of extended benefits and administration thereof rather than offer a loan which most States and certainly Oregon cannot accept. The provisions of the Kennedy bill are the most desirable for long-range strengthening of the Unemployment Compensation program and I strongly urge favorable action on the Kennedy bill.

ROBERT D. HOLMES,
Governor of Oregon.

PORTLAND, OREG., *May 27, 1958.*

Hon. RICHARD NEUBERGER,
Senate Office Building,
Washington, D. C.:

Oregon State conference on social welfare believes H. R. 12065 as reported by Senate Finance Committee inadequately meets unemployment problems. Urge you fight in Senate to provide 16 additional weeks mandatory coverage from Federal grant. Urge need for Federal matching fund for general assistance given individuals not eligible for unemployment insurance and urge enactment of Federal standards for unemployment insurance.

CORA BANFORD,
President.

SALEM TRADES AND LABOR COUNCIL,
Salem, Oreg.

Whereas the plight of our unemployed has reached such proportions that the very stability of our community is threatened; and

Whereas families are unable to exist on the average unemployment-insurance benefits of $34.93 now being paid in this State; and

Whereas the number exhausting their benefits is mounting each month, last month (March) 4,552, and many are not under covered employment; and

Whereas the House of Representatives has passed a wholly inadequate measure and our State may not even be able to participate immediately in such a Federal program as that enacted by the House; and

Whereas the Senate is now considering improvements in unemployment insurance: Therefore, be it

Resolved, That the Marion and East Polk County Labor Council, located at Salem, Oreg., requests that the United States Senate and particularly the Senators from our State be urged to give their full support toward the enactment of urgently needed improvements in unemployment insurance, including raising the benefit amounts, extending the weekly duration, and broadening coverage both for the emergency and for the long run by the enactment of Federal standards for State laws, in order that the purchasing power of our community be maintained, that recovery be encouraged, and the plight of millions of wage and salary workers and their families be alleviated.

Respectfully submitted by:

H. E. BARKER,
Secretary, Marion and East Polk County Labor Council.

PORTLAND, OREG., *May 26, 1958.*

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

H. R. 12065 as passed by Senate Finance Committee inadequate to meet unemployment problem. Urge Senate floor action to provide 16 weeks mandatory additional coverage and Federal standard for unemployment insurance. Also urgent need for Federal matching for general assistance category of public assistance.

DOLORES HURTADO.

OSWEGO, OREG.

RESOLUTION ON UNEMPLOYMENT INSURANCE

Whereas there is no standard unemployment insurance law in the Nation at the present time; and

Whereas there are bills coming before Congress dealing with unemployment insurance: Therefore be it

Resolved, That the Klamath Basin District Council, No. 6, IWA, oppose the Herlong bill on unemployment insurance benefits and go on record urgently requesting our Senators to oppose the Herlong bill and support in its place, legislation that would establish Federal minimum standards such as the provisions contained in the Kennedy bill and to notify Senators NEUBERGER, MORSE, and DOUGLAS at the earliest possible date.

PENDLETON, OREG., *May 24, 1958.*

Senator DICK NEUBERGER,
Senate Office Building,
Washington, D. C.

HONORABLE SIR: We are very much concerned in the unemployment situation now existing in the State of Oregon particularly so on the situation as it effects Umatilla County where we now have more than 500 people unemployed through no fault of their own. We are asking you to support the following resolution:

"Therefore be it

"*Resolved,* That the Pendleton Oregon Labor Council requests that the United States Senate and particularly the Senators from our State be urged to give their full support toward enactment of urgently needed improvement in unemployment insurance including raising the benefit amounts extending the weekly duration and broadening coverage both for the emergency and the long run by the enactment of Federal standards for State laws in order that the purchasing power of our community be maintained, that recovery be encouraged and the plight of millions of wage and salary workers and their families be alleviated."

Thanks for past cooperation.

Fraternally yours,

MYRA BECK,
Secretary, Pendleton Oregon Labor Council.

PORTLAND, OREG., *May 27, 1958.*

Hon. RICHARD NEUBERGER,
United States Senate,
Washington, D. C.:

Urge amending H. R. 12065 making mandatory and adding 16 additional weeks coverage out of Federal grants, need for legislation for Federal standards for unemployment compensation like S. 3244 and even 100 percent matching funds for general assistance if necessary.

ELIZABETH GODDARD.

OSWEGO, OREG.

Mr. MANSFIELD. Mr. President, I shall suggest the absence of a quorum. Before I do so, I should like to have the attachés of the Senate notify all Members that it will be a live quorum. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. BUSH in the chair). The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Goldwater	Morton
Allott	Green	Mundt
Barrett	Hayden	Murray
Beall	Hennings	Neuberger
Bennett	Hickenlooper	Pastore
Bible	Hill	Payne
Bricker	Hoblitzell	Potter
Bridges	Hruska	Proxmire
Bush	Ives	Purtell
Butler	Jackson	Revercomb
Byrd	Javits	Robertson
Capehart	Johnson, Tex.	Russell
Carlson	Johnston, S. C.	Saltonstall
Carroll	Jordan	Schoeppel
Case, N. J.	Kefauver	Smathers
Case, S. Dak.	Kennedy	Smith, Maine
Chavez	Kerr	Smith, N. J.
Clark	Knowland	Sparkman
Cooper	Kuchel	Stennis
Cotton	Lausche	Symington
Curtis	Long	Talmadge
Dirksen	Magnuson	Thurmond
Douglas	Malone	Watkins
Dworshak	Mansfield	Wiley
Eastland	Martin, Iowa	Williams
Ellender	Martin, Pa.	Yarborough
Ervin	McClellan	Young
Flanders	McNamara	
Frear	Morse	

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Idaho [Mr. CHURCH], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from Indiana [Mr. JENNER] and the Senator from North Dakota [Mr. LANGER] are necessarily absent.

The Senator from Minnesota [Mr. THYE] is absent by leave of the Senate as a member of the World Health Conference.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment in the nature of a substitute which has been offered by the Senator from Massachusetts [Mr. KENNEDY].

Mr. AIKEN. Mr. President, I do not intend to vote for the amendment offered by the Senator from Massachusetts, and I should like to state why I cannot vote for it.

About 1 month ago, there was before the Senate proposed legislation known as the welfare funds disclosure bill; and there were offered to that bill a great many amendments. Many of those amendments had much merit. However, I voted against all of them, for the simple reason that they had not gone through the regular legislative processes. In other words, I felt that they should have been considered by the committee, and that the interested parties should have had an opportunity to appear before the committee and to discuss the various proposals.

The same criticism applies to the pending amendment. As the bill has come to the Senate from the House of Representatives, in my opinion it is not an effective bill. I cannot see that it will do a great deal of good in many States. I believe there should be offered to the bill an amendment which would make it more workable.

But as for amendments which contain provisions to revise the Social Security Act, and particularly the unemployment compensation provisions of that act, I cannot vote for them today, even though undoubtedly I shall support some of them in large measure after they have gone through the regular legislative channels.

I do not pretend to be a good parliamentarian or an authority on parliamentary procedure; but in this body we have Members who are good parliamentarians, and I have been looking over some of the remarks they made at the time when the welfare funds disclosure bill was before the Senate. It was before the Senate on Thursday, April 24, 1958.

At this time I should like to quote from a statement which was made on that day by the senior Senator from Oregon [Mr. MORSE], who is one of the best parliamentarians in the Senate. At that time the Senator from Oregon stated—in reference to the welfare funds disclosure bill and the amendments which had been proposed to it:

> I wish to say one word further. I believe we are demonstrating again tonight the inadvisability of passing legislation on the floor of the Senate as a Committee of the Whole. I believe all Senators know my point of view on that subject. I do not intend to reopen it at any length at this time.
>
> Committee procedures, in my judgment, are vital to sound legislative processes in the Senate. This proposed legislation should be handled by the committee.

The next day the Senator from Oregon received substantial support for the position which he took on Thursday, April 24; he received very able support from the junior Senator from Massachusetts [Mr. KENNEDY]. On page 7352 of the CONGRESSIONAL RECORD for April 25, 1958, the junior Senator from Massachusetts stated:

> The Senator from Indiana [Mr. JENNER] has stated that the Taft-Hartley bill was written on the Senate floor, but there were 7 or 8 weeks of hearings. We are dealing with a complex matter. To adopt such an amendment as is now before the Senate, and 35 other amendments, without having had the benefit of committee study, without any report, without any statements or suggestions from conflicting groups, would be a great mistake.

On the same day the Senator from Oregon stated as appears on page 7357 of the RECORD:

> Mr. President, it is my contention that these amendments should not be taken seriously at this stage of the consideration by the Senate of proposed labor legislation. I believe the amendments should not be taken seriously at this stage, for the reason which I stated briefly on yesterday, when I restated my consistent position that the Senate should not bypass committee procedures in the consideration of proposed legislation, but, to the contrary, it should seek to have proposals go through our committees and have a committee record made.

Later in the day the views of the Senator from Oregon were again upheld by the junior Senator from Massachusetts, who speaking on the same bill and the amendments to the welfare funds disclosure bill stated, beginning on page 7372 of the RECORD:

> However, for the same reason, I would think that—as we stated in connection with the previous amendments—even though I approve in principle a good deal of the language of the amendment of the Senator from California, I believe this matter should be examined by the subcommittee. This amendment seeks to regulate employers. I favor giving them the same protection that we have talked about this evening for employees. Therefore, I believe the employers should have a right to appear before our committee, and to testify there, and to state their reasons for objecting to the amendment—if they do—or to state their reasons for supporting it—if they do.

I think those statements which were made on the floor during the debate on the amendments to the welfare funds disclosure bill state my position precisely as to why I cannot support the many amendments which are offered to the bill which is before the Senate at this time.

I am sure I would support many of the provisions of the proposed amendments. I am sure we should have one amendment to the bill which would make it more workable than it is now. Such an amendment should be entirely germane. It should be one which would give all States equal opportunity to share in whatever benefits would come from this proposed legislation.

I should also like to have assurance, as we had it in the case of the welfare funds disclosure bill, that the subject of the many amendments offered to the bill will be considered in hearings before the proper committee.

I congratulate the junior Senator from Massachusetts for holding hearings on the amendments which were proposed to the disclosure bill. I think he has demonstrated clearly the benefit of following the routine procedure, and following it promptly. I am sure the results were effective in that case; and I think the same procedure should be followed in this instance.

Congress should have enacted legislation 3 months ago extending unemployment compensation benefits to those whose income and funds from such sources were expiring. We have not done it. It is better to do it now than not to do it at all. I hope we can consider such legislation without tangling it up with any general proposals for revising the social-security program as a whole, as many of the amendments before the Senate now purport to do. I believe the time has come when we not only must have a general and complete review of the entire Federal social-security laws, but I hope every one of the 48 States will also review its laws and make them adaptable to the changing conditions which now confront us.

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

Mr. AIKEN. I yield.

Mr. MORSE. I wish to say to my friend from Vermont that I pay very great attention to his views in the Senate. I have listened attentively to the procedural problems which he has raised. The Senate has before it, of course, a House bill H. R. 12065. Does the Senator from Vermont believe that the House bill is not subject to amendment on the floor of the Senate, in view of the hearings the Finance Committee has held on the general subject of unemployment insurance benefits? Does he think that the Kennedy amendments should go back to the Finance Committee?

Mr. AIKEN. I stated I think there should be one amendment to this bill. I do not think the bill, as it has come to the Senate from the House, even though it is very important, will be workable. I do not think it will be equally fair to the States. I understand some States could perhaps get some benefits from it without calling special sessions of the legislatures, but I think more States would not get any benefits from it. Among those States I would include my own. I am sure Vermont could not derive any benefits from it without specific action by its legislature. Although we should amend the bill in that respect, I think we should extend the time for payments under the unemployment compensation law for a reasonable length of time. I would go so far as to extend them for the remainder of this year. I do not think we should have entangling and mystifying provisions in any amendment. I feel we could well have the Federal Government pick up the tabs for the expenditures and not have the different States call special sessions of their legislatures. We know how reluctant governors are to call the legislatures into session at any time except when they are to meet in the regular course according to law.

I should like to see one amendment added to the House bill that would make the bill workable. Then I should like to see the proper committee of the Congress consider at once the general social security laws now in the statute books, and which in many respects are inadequate. I am satisfied I would support a good many of the provisions which are contained in some of the amendments before the Senate today, but I should like to see them adopted in the course of orderly procedure, just as was the case with the welfare funds disclosure bill.

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

Mr. AIKEN. I yield.

Mr. MORSE. I desire to make sure I understand the Senator's position. I agree with him that the bill should be amended at least in the particulars to which he has referred. The Senator would consider amendments to the House bill dealing with the emergency situation, to which he believes the House bill devotes itself, but any amendment which goes beyond the emergency situation, and seeks the enactment of legislation to provide for permanency and standardization of unemployment insurance benefits for all the people across the Nation, would not be germane to this proposed legislation, but ought to be handled in a separate bill. Is that the position of the Senator from Vermont?

Mr. AIKEN. The Senator from Vermont does not know what should be enacted by way of additional legislation. I am satisfied that corrective legislation is needed with relation to our social-security laws.

I cannot find in the report of the committee on the bill which was reported any recommendations relating to the amendments which are being offered today. I think there should be committee consideration of the amendments. I am satisfied that I will support a considerable part of them.

The Senator from Oregon knows of the expression, "Buying a pig in a poke." I do not know what all the amendments mean. We have no report from the committee as to what the amendments mean. I want to know what they mean before I vote on them.

I do not think we should undertake general legislation in connection with the pending bill. I do not think we should possibly jeopardize the passage of the bill by writing too much general legislation into the bill before it goes to conference, simply because the House bill is not considered by some to be a good bill. We would have to deal with the conferees of the other House. I would rather not give them any reason for delaying action on a good bill.

Mr. MORSE. Am I correct in my understanding that because the committee report does not specifically show what the committee did, if anything, with respect to the particular amendments now pending, the Senator from Vermont does not feel we are in a position to vote on the amendments in the Senate this afternoon?

Mr. AIKEN. The Senator from Vermont does not feel he is in a position to vote for the amendments at this time, although he is in full accord with giving them adequate, proper, and prompt consideration. I think we should enact what might be considered emergency legislation, and then consider the other proposals as soon as we can.

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

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Illinois?

Mr. AIKEN. I shall be glad to yield the floor.

Mr. DOUGLAS. I appreciate the sincerity of the statement of the Senator from Vermont, but I think that due to the haste with which the proposed legislation has come to the Senate, the Senator is perhaps not perfectly informed as to what happened.

I would agree that in general it is bad policy to offer amendments about which testimony has not been taken in the committee and which have not been offered in the committee.

If the Senator from Vermont will turn to page 275 of the hearings, he will find that Dr. Lester, who is the chairman of the New Jersey State Employment Security Council, testified at some length as to the desirability of permanent standards.

If the Senator will look at page 388 of the hearings he will find that Mr. Cruikshank, a very able man in the field of social security, testified at great length as to the desirability of permanent standards.

If the Senator will turn to the testimony of Mr. Richard Brockway, who is the executive director of the New York State division of employment, he will find that Mr. Brockway also testified as to permanent standards.

The Senator will also find that the Senator from Massachusetts [Mr. KENNEDY] appeared before the committee and gave very thorough testimony on the subject.

These questions of permanent standards were covered very thoroughly in the testimony before the committee. An amendment was presented by me in the committee. The amendment was substantially similar to, though not identical with, the amendment offered by the Senator from Massachusetts. I had the honor of presenting that amendment. It commanded four votes. That certainly was not a majority of the Committee on Finance, but it was a respectable minority.

If the Senator from Vermont will look at his desk he will find then not only a majority report but he will find minority views, signed by the Senator from Oklahoma [Mr. KERR] and the Senator from Illinois, which go into the subject very thoroughly.

I may say that the Senator from Oklahoma and the Senator from Illinois are frequently not in agreement, but this time we are in complete agreement with each other, or virtually complete agreement.

So I say to my good friend from Vermont, whom we all respect very much that this is a different situation from that which came up on the floor a few weeks ago.

Furthermore, I think one reason the Knowland amendments were turned down was that the Senator from Massachusetts pledged himself to hold immediate hearings on the subject and to report by a day certain.

I should like to inquire of the Senator from Vermont whether he has obtained a similar pledge from the Chairman of the Committee on Finance, that he will immediately call the Committee on Finance into session and deal with these matters and report by a day certain. So I suggest to my good friend, whom we all respect very much, that there should be no reason, because of his past votes, to refrain from voting for the Kennedy amendments.

Mr. McNAMARA and Mr. CARLSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. AIKEN. Mr. President, I do not doubt that the Senator from Illinois is giving the Senator from Vermont some very good advice. I have to plead guilty to not having read the 478 pages in the report of the testimony. I do not doubt that there were proponents of certain amendments who ably expounded the merits of those amendments. At the same time, I maintain that those who

may possibly be opposed to the amendments should also have an opportunity to be heard.

I believe it is important in considering legislation on the floor of the Senate to have hearings held by the committees so that people of the country may have a right to be heard as well as the right of petition.

I simply rose to explain that although I intended to vote against the proposals offered as amendments to the bill, I do not want my action to be taken to mean that I oppose the provisions of the amendments, because I have not studied them and there is no way of telling at this time whether I am opposed to them.

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

The PRESIDING OFFICER. Does the Senator from Vermont yield to the Senator from Kansas?

Mr. AIKEN. I will yield first to the Senator from Michigan, who I think was on his feet first.

Mr. McNAMARA. Mr. President, I appreciate the Senator's yielding. I thought the Senator was ready to yield the floor. I will be glad to make a short statement, with the Senator's permission.

Mr. AIKEN. I shall be glad to relinquish the floor. I am not holding it by choice.

Mr. McNAMARA. Mr. President, do I have the floor?

The PRESIDING OFFICER. Does the Senator from Vermont yield the floor?

Mr. REVERCOMB. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. Mr. President, I yield to the Senator from West Virginia, and I shall yield the floor as soon as possible.

The PRESIDING OFFICER. To whom does the Senator yield?

Mr. AIKEN. I yield to the Senator from West Virginia.

Mr. REVERCOMB. I was very much interested in the remarks of the able Senator from Vermont with respect to the pending amendment, offered by the Senator from Massachusetts. To clarify the situation, did I correctly understand the Senator from Vermont to say he was not entirely in accord with the committee bill, but was in favor of some amendments to it?

Mr. AIKEN. The Senator is correct.

Mr. REVERCOMB. The Senator from Vermont has taken the position that the present is no time to provide a permanent method of dealing with the subject of unemployment benefits.

Mr. AIKEN. That is also correct.

Mr. REVERCOMB. Is the Senator willing at this time to take the position that we may amend the bill reported by the committee to the extent of providing direct payments by the Federal Government for an extended unemployment-compensation program on a temporary basis?

Mr. AIKEN. That is correct also.

Mr. REVERCOMB. I am glad to hear the Senator say that, because it is a view which appeals very strongly to me.

Mr. AIKEN. I believe we should take such action promptly, so that those whom we really intend to help may receive the benefits of the action.

Mr. REVERCOMB. Mr. President, will the Senator yield further?

Mr. AIKEN. I yield further.

Mr. REVERCOMB. When the Senator says "promptly," I take it he refers to the consideration of the question before the Senate at this time.

Mr. AIKEN. That is correct. Some time this afternoon would be prompt action.

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

Mr. AIKEN. I yield to the Senator from Kansas.

Mr. CARLSON. In view of the statement made by the Senator from Illinois [Mr. DOUGLAS] with respect to the action of the Senate Committee on Finance and the holding of hearings, let me say to the Senator from Illinois that there has been a feeling of comity, I believe, between the House of Representatives and the Senate with respect to this proposal for years. I think there is a feeling that the House Committee on Ways and Means should originate legislation of this character and hold hearings first.

Mr. AIKEN. Mr. President, did the Senator from Kansas say "comity" or "comedy"?

Mr. CARLSON. "Comity," I hope.

It has been the policy in the past for the House Ways and Means Committee to hold hearings and for the Senate to act later.

Mr. DOUGLAS. Mr. President, does the Senator from Kansas mean that we have no power to amend bills sent over to us by the House?

Mr. CARLSON. No. However, I say that when it comes to hearings on proposed legislation dealing with social welfare, I think it has been the policy, since 1935, for the House Committee on Ways and Means to hold the hearings and and originate proposed changes.

Mr. DOUGLAS. The House committee did hold hearings. I have a copy of the hearings on my desk. There was testimony by President Meany, of the AFL, and others, emphasizing the need for permanent standards, as well as for extension of emergency benefits on a temporary basis.

It is true that the House committee did not recommend the inclusion of permanent standards, but dealt purely with the temporary emergency. However, it did consider the question; and it seems to me that after the Senate committee received testimony on this subject, after it was at least considered, even though the proposal was rejected by the subcommittee, the Senate has the right, on the floor, to consider and adopt such amendments.

Mr. AIKEN. Let me say one further word, and then I shall yield the floor.

When a person comes before a committee of the Congress with a proposal and expounds the proposal, to which he may have given a great deal of thought, I do not consider that as constituting a hearing on the proposal itself.

Mr. McNAMARA. Mr. President, I wish to mention a few figures as they apply to my State, in connection with the nationwide depression in which we now find ourselves.

In the State of Michigan at this time 465,000 people are unemployed, or 15.9 percent of the labor force. As of April, the recipients of unemployment benefits were 19,548, or just under 20,000. Up to the present time, 82,000 have exhausted their unemployment insurance benefits. These are official figures from the State of Michigan Employment Security Commission.

In view of these facts, I am heartily in favor of the amendment offered by the Senator from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. President, I shall be very brief. Let me say to the Senator from Vermont that at least 10 major witnesses before the committee endorsed the proposal which is now before the Senate, including Professor Lester, of Princeton University, who spoke for such distinguished economists as Dr. Clark Kerr, of the University of California, Prof. Sumner H. Slichter, of Harvard University, and others. We have an opportunity to do the job as a whole today.

I think what the Senator from Illinois said was quite correct, that the only reason the amendments of the Senator from California were not voted upon—and they were not nearly so germane as this amendment—was that we agreed that by June 10 we would report a bill or the committee would be discharged. No similar guaranty is made in this case. It is my opinion that if we do not act now on the long-range problem, we shall have no further opportunity to act this year or any other year.

Let me say to the Senator from Vermont that if he hopes to improve the pending bill, he should improve it not only for today, but also for the long run. If the Senator will examine the printed hearings, he will find that the amendment was endorsed by some extremely responsible witnesses. It has been before the Senate for some time. It merely seeks to carry out the recommendations of the President to extend benefits to a period of 39 weeks. He has been calling for a similar extension since 1953.

Mr. President, I hope the Senate will accept the pending amendment.

Mr. POTTER. Mr. President, I intend to vote against the Kennedy amendment.

What is the purpose of the pending legislation? Since the President made the proposal to Congress several weeks ago, many Members of Congress have taken the floor and deplored the fact that many of the unemployed have exhausted their unemployment compensation benefits. Our main job is to act as quickly as possible to get the money into the hands of those who have exhausted their benefits.

The House has taken definite and conclusive action, by a yea-and-nay vote. If the Senate adopts a major amendment and causes the bill to be sent to conference, we all know that it will be delayed for weeks, and perhaps killed entirely.

This is no time for us to play politics with those who are unemployed and

who have exhausted their unemployment compensation benefits. This is no time to engage in a philosophical debate as to whether or not Federal standards are to be imposed on the States to qualify them to receive unemployment compensation payments. That question is something to be considered in connection with permanent legislation. I hope the committee will consider legislation dealing with permanent standards, but this is an emergency piece of legislation. This is a measure which we should enact as quickly as possible so that the President may sign it, and the funds may be placed in the hands of those who are to receive the benefits as soon as possible.

If we are sincere in our desire to provide benefits for those who have exhausted their unemployment compensation benefits, let us push through this emergency measure, which would maintain the State standards. The question of imposing Federal standards on the States is a highly controversial area. It is a question which has been before the Congress for many years. We know that the House has taken very definite action in this field.

If the amendment of the Senator from Massachusetts is accepted, we know that the bill will be tied up in conference, and there will be weeks of delay, if the result is not to scuttle the bill entirely.

Let us meet the issue before us. Let us provide for extended benefits under State programs, so that the unemployed who have exhausted their benefits will get the money as soon as possible. That is the job before us today.

Mr. AIKEN. Mr. President, the proponents of these intricate amendments seem to fear that they will not be able to obtain hearings before the Finance Committee on the subject of the amendments. I do not control the committee. I do not know whether I would have any influence with it. I have not heard any requests made on the floor for the committee to hold such hearings; but I would be willing, in order to allay the fears of some of my friends, to vote for the extension of the emergency payments until such time as the committee sees fit to hold hearings. I do not see how the proponents of the amendments could find fault with that.

Mr. POTTER. The Senator from Vermont has had a long and distinguished career in the Senate. He knows how charged with controversy is the question of imposing Federal standards on the States in this particular field.

Mr. AIKEN. The Senator is correct.

Mr. POTTER. In the House of Representatives the question is even more controversial. There was a vote in the House of Representatives on a proposal similar to the amendment offered by the Senator from Massachusetts, and the House took decisive action, by a yea-and-nay vote. We can play politics; we can adopt amendments which will tie the bill up in conference, and kill it, or we can act now to carry out the program which the committee has brought before the Senate; the President can sign the bill tomorrow, and we shall have effective legislation.

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

Mr. POTTER. I yield.

Mr. AIKEN. It is my belief that if we enact legislation imposing further requirements on the States by the Federal Government without giving the States an opportunity to be heard, the bill will be killed deader than a doornail, and will never become law, no matter how much benefit in the way of emergency legislation it may include. That would be a good way to kill the bill.

Mr. POTTER. Mr. President, let me conclude by saying that there is probably no other State in the Union which has such a serious unemployment problem as exists in the State of Michigan. In Michigan there are more unemployed who have exhausted their benefits than in any other State. There is no more necessitous case than that of the worker who is unemployed and who has exhausted his benefits. If we are sensitive to the problem, let us pass the emergency measure which is before the Senate, so that it may become law.

Very few hungry stomachs are fed with philosophical debate in the Senate. I say to the Senate that if we wish to do something for those who are unemployed and who have exhausted their benefits, we should pass the emergency legislation now before us, and then give the committee an opportunity to hold hearings to consider permanent legislation if it desires to do so. However, let us do first things first.

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

Mr. POTTER. I yield.

Mr. CLARK. I should like to ask my good friend from Michigan, whom I respect very much, to tell us why he thinks it is playing politics to support amendments to a bill which, as presently drafted, will do my State no good and, in my judgment, will do his State no good; whereas if we adopt the pending amendment we will get a law on the statute books which will give some unemployment benefits to many idle workers.

Mr. POTTER. I am not certain of the effect it will have in Pennsylvania, but, so far as Michigan is concerned, our legislature is still in session, although in recess, and it will be able to act under the proposed legislation if it desires to do so.

Mr. CLARK. I should like to ask the Senator one more question. Will not the employers in his State take the same action that the employers of my State no doubt will take, namely, put the whole act into litigation in the courts, on the ground that it will extract a tax from them to reimburse the Federal Government for a temporary extension of the benefits?

Mr. POTTER. The tax law is on the books now. The Reed bill has been passed. Whether our employers will like it or not—no doubt some will not like it—we do have a trying situation confronting us. Either we can act quickly, so that the recipients of the benefits will receive them as soon as possible, or else we can tie the whole subject up in an argument in Congress, and then no one will receive any benefits.

Mr. CLARK. I thank the Senator for his statement, and I regret that I do not find myself in agreement with his view.

Mr. COOPER. Mr. President, will the Senator from Michigan yield, so that I may ask a question of the Senator from Pennsylvania? I should like to address myself to the Senator from Pennsylvania in connection with a statement he has just made, namely, that the bill would not be of any value to the State of Pennsylvania.

I have heard the same statement made with respect to my own State, and with respect to other States. I should like to ask the Senator from Pennsylvania the basis for his statement.

Mr. KENNEDY. Will the Senator yield to me on that point?

Mr. POTTER. I yield for that purpose.

Mr. KENNEDY. In the first place, the Secretary of Labor, according to the front page of last Sunday's New York Times, said that the bill would be acceptable to and would help only 6 States in the Union. He said that it would help only 6 States. I believe that such help would be inadequate.

Mr. COOPER. I ask the Senator upon what factual basis the statement was made.

Mr. KENNEDY. I explained the reason in my speech. The reason is that there are constitutional and statutory provisions which make it unlikely that most States of the Union will be able to participate in the program. The Senator from Illinois [Mr. DOUGLAS] has said that, after sending telegrams to 48 Governors, he found that only 3 States would be able to participate in the program.

Mr. COOPER. The statement has been made with reference to my State; namely, that it could not take advantage of the provisions of the pending bill. I have been concerned that the bill would not help Kentucky, and I have inquired if payments made under the provisions of the bill would constitute loans to a State which it would have to repay. I have talked today with the office of the solicitor of the Department of Labor, and I was told that these are the facts. First, there is no question of any advancement or loan to the States. To the contrary, the bill makes the States the agents of the Federal Government, to make the payments which are prescribed in the bill. The Secretary of Labor made a similar statement before the House and Senate Committees.

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

Mr. COOPER. Repayment, of course, will come from the employers. Therefore I do not know why the States are limited in any way, by reason of fearing the obligation of debt.

Mr. KENNEDY. Mr. President, if the Senator will yield, Mr. V. E. Barnes, Commissioner of the Department of Economic Security and Executive Director of the Bureau of Employment Security of the State of Kentucky, stated:

The State has no authority with or without legislative action to create an obligation to repay funds that have been advanced

under H. R. 12065 by the Federal Government to pay unemployment insurance. Nor can I enter into an agreement to that effect.

Mr. COOPER. Mr. President, Mr. Barnes is a good friend of mine, I respect his judgment very much, and he had telegraphed me to that effect. However, I have talked to the solicitor of the Department of Labor with reference to the legal implications of the bill, and I was assured that there would be no charge upon the States in any way; that there would be no obligation upon the States to repay any payments from their general tax funds, or from any State funds.

It would be a charge upon the employers of the States. So I say it is my judgment that if the States wish to accept the payments which would be made available under the bill, they could do so, and repayment would be made by employers through the Federal employment tax.

Mr. KENNEDY. The bill does not make it mandatory, although the President's original recommendation did. There is no obligation on the part of a State to accept the funds.

Mr. COOPER. I am addressing myself to the Senator from Pennsylvania, who made the statement to which I took exception. That is the argument that is being made in the Senate, and by others who are asserting that the bill will not permit those who are out of work to secure the benefits provided by the bill. I believe the real problem is whether a State is willing to say to its employers: "You have got to pay back this money."

Mr. KENNEDY. Apparently Mr. Barnes, from the Senator's own State, has misled us, if we have been misled.

Mr. COOPER. I have high regard for Mr. Barnes. I do not believe he has misled anyone. However, I believe in this respect he is incorrect about the legal implications of the bill.

Mr. POTTER. If I still have the floor, Mr. President——

Mr. COOPER. I agree with the argument of the Senator from Michigan, that we are considering emergency legislation. The amendment of the junior Senator from Massachusetts goes to the permanent improvement of the Federal Unemployment Compensation system. I agree that it ought to be improved; but the issue today is whether we will pass a bill which will give help now to the people who are out of work. For 4 months we have been talking about the recession and about antirecession measures. But the Congress has been delinquent in failing to take effective steps to help the ones who are really suffering, those who are out of work now—as urged for months by the President. That is the reason I will vote against the Senator's amendment, and to give immediate help to the people in need—those out of work now.

I hope we will adopt an amendment to the bill which will make payments available to all covered, whether a State makes an agreement or not.

Mr. POTTER. I now yield to the distinguished chairman of the Committee on Finance.

Mr. BYRD. Did I understand the Senator from Massachusetts to say that the Secretary of Labor has criticized the bill?

Mr. KENNEDY. The Secretary of Labor stated, according to the New York Sunday Times of last Sunday, that he argued against the bill in administration circles, but was overruled. In the New York Times article it is stated:

> It is understood that James P. Mitchell, the Secretary of Labor, fought hard in administration councils to have the White House oppose the option amendment to the plan, but that others persuaded the President to endorse it.

Mr. BYRD. If the Senator from Massachusetts will read the record of the hearings, he will see that the Secretary of Labor strongly endorsed the bill. I have received a letter from him dated today, May 27, in which he states:

> UNITED STATES DEPARTMENT OF LABOR,
> OFFICE OF THE SECRETARY,
> *Washington, May 27, 1958.*
>
> The Honorable HARRY F. BYRD,
> *Chairman, Senate Finance Committee, United States Senate, Washington, D. C.*
>
> DEAR SENATOR BYRD: In my testimony before both the House Ways and Means Committee and the Senate Finance Committee, I urged that expeditious action be taken by the Congress to enact legislation which will make available, as promptly as possible, additional unemployment compensation to individuals who have exhausted their regular benefits under State or Federal laws.
>
> The benefits which will be provided under the bill passed by the House and reported out by the Senate Finance Committee are necessary to meet a temporary emergency situation. It is essential, therefore, to get these benefits to the individuals who need them without delay. For this reason, I urge the enactment of H. R. 12065 as reported out by your committee.
>
> Sincerely yours,
> JAMES A. MITCHELL,
> *Secretary of Labor.*

The Secretary of Labor came before the committee and, in response to questions asked by me, said he was unequivocally and strongly for the bill. Now he has made a statement, so the newspaper account says, to the effect that the Department of Labor takes a different view. But many things are reported in the newspapers which are not correct.

Mr. KENNEDY. Let me quote from the statement of the Secretary of Labor before the House committee:

> If this program were to be made optional—

And it was made optional in the House bill on the floor of the House—

> If this program were to be made optional, it seemed to us that this might well require individual State legislative action in order to decide whether or not the State wished to take the option * * *. It would seem to me that this would delay the implementation of the program.

Mr. BYRD. But this letter, dated today, contains the latest information.

Mr. KENNEDY. The Secretary of Labor is a loyal member of the administration.

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

Mr. POTTER. I yield.

Mr. KNOWLAND. I have attended a number of meetings at the White House. I do not think I have missed any of them. The Secretary of Labor strongly supported the bill which is now before the Senate. He made it clear at those meetings, as he did in his testimony before the Committee on Finance, that he supported the bill as passed by the House and as reported by the Committee on Finance. Regardless of newspaper reports to the contrary, to the best of my knowledge and belief, that was the position of the Secretary of Labor and the administration.

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

Mr. POTTER. I yield the floor.

Mr. CLARK. The Senator from Kentucky a few moments ago asked me why, in my judgment, the bill would be of no use to the Commonwealth of Pennsylvania. It is my understanding that the Attorney General of Pennsylvania is in grave doubt whether the bill can be accepted by the Commonwealth without calling the legislature into special session to pass an act which would authorize the acceptance from the Federal Government of the temporary unemployment payments which the bill provides.

The legislature—and I say this in no partisan sense at all—happens to be Republican. The governor is a Democrat. In my judgment, the Republican legislature will never pass the legislation which would be necessary in order to make the payments by the Federal Government available to the unemployed workers of Pennsylvania.

The Chamber of Commerce of Philadelphia has already indicated to the authorities at Harrisburg that it will institute litigation to prevent the State from taking advantage of the legislation, if the governor should attempt to make it effective without calling the legislature into session.

While I do not want that to be a partisan statement, nevertheless it is a very practical reason why, in my opinion, the bill will be of no use whatever to the Commonwealth of Pennsylvania.

Mr. COOPER. The Senator from Pennsylvania and the Senator from Massachusetts have departed a long way from the first statements they made, in which they attempted to lay the onus of any failure to give payments to those unemployed—upon the bill. Now they have left that argument and are placing the blame upon the legislatures of the States.

I return to my position, which is a consistent one, namely, that there is nothing in the bill which will deny any payments to persons out of work, if the State will accept the benefits.

The argument was made that the bill limits payments to the States. Now it is said that the legislatures will not actually accept the payments. I do not know which argument is maintained. I should like to read from the testimony of Secretary of Labor Mitchell at page 88 of the Senate hearings:

> I would like also to comment on the fact that much of the publicity with respect to the administration's proposal and H. R. 12065 as passed by the House characterizes the initial Federal payment of the cost of the program out of the general funds of the Treasury as a loan to the States.

Neither the administration's proposal nor H. R. 12065, as passed by the House, provides for loans to the States. Both provide for the payment of Federal benefits out of Federal funds by States which agree to act as agents of the Federal Government for this purpose.

The legislation would authorize appropriation of the money for these benefits from the general funds of the United States Treasury. Although provision is made in the legislation for ultimate restoration to the Treasury of the amounts so used, this provision is an exercise of the Federal taxing power wholly separate from the terms of any agreement with a State to carry out the program for paying temporary additional unemployment compensation.

No State would agree to assume an obligation to repay the funds; the legislation merely provides that the moneys used to carry out the program in each State shall ultimately be restored to the Treasury from future Federal taxes on employers in the State if not restored in some other manner.

Mr. CLARK. I shall not detain the Senate long, because I know that Senators desire to vote. I have never participated in the controversy about the Secretary of Labor. So far as the question of his views is concerned, they are of relatively little importance to me.

All I ever said was that, so far as the Commonwealth of Pennsylvania is concerned, the proposed legislation will be of little, if any, benefit unless one or more of the amendments offered by the Senator from Illinois and the Senator from Massachusetts shall be adopted. If the bill shall be passed without those amendments, then, in my judgment, the unemployed workers in Pennsylvania will never get the benefits to which the bill intends to entitle them.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. MARTIN of Pennsylvania. I do not wish to engage in controversy with my distinguished colleague from Pennsylvania, but having had experience of almost 50 years in different governmental positions in Pennsylvania, I think I have some knowledge of that great Commonwealth.

Pennsylvania could not accept a loan without the consent of the legislature. But, speaking personally, after going into the matter very carefully—of course, the final decision must be made by the attorney general of Pennsylvania—I think the payment would not be a loan. I think the distinguished Senator from Kentucky [Mr. COOPER] has explained the situation very clearly. But even if the attorney general of Pennsylvania decided that the payment was a loan, it would then be very easy to call a session of the legislature. Regardless of the fact that both Houses of the Pennsylvania Legislature are controlled by the Republican Party, there has never been any real controversy in our Commonwealth relative to questions of this kind.

When I was Governor of Pennsylvania, I had a very small majority in the legislature. I think it was a majority of only three. Nevertheless, I had no trouble in having legislation passed which was for the benefit of the State.

So while I dislike to disagree with my distinguished colleague, I do not think we need to have any worry along that line. This money will not be in the nature of a loan; it will be taken care of by taxes, as was so very plainly explained by the Senator from Kentucky.

Mr. CLARK. I do not like to find myself in disagreement with my very able senior colleague, who has been so kind to me since I came to the Senate. I shall detain the Senate no longer than to say I am sorry I do not agree with my colleague on this question.

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

Mr. CLARK. I yield.

Mr. KNOWLAND. My only question is, What is wrong with having the governor of the State call a meeting of the legislature? Certainly, in the Federal-State relationship, if the constitution or laws of a State require that a legislative session be called in a matter of this importance, there is no reason why the State should not assume its share of the responsibility.

Mr. CLARK. The Senator from California is eminently correct in what he says. It so happens that my judgment as to how this problem should be solved is radically different from his. I do not think the employers of Pennsylvania should be required to pick up an extra heavy burden. We are confronted with a national emergency. Unemployment is nationwide. I think that whatever assistance is given should be given on a national basis.

Mr. MORSE. Mr. President, I wish to make a few, brief comments in reply to some of the statements which have been made by my friend, the Senator from Vermont [Mr. AIKEN]. I shall make them because the Senator from Vermont knows that his views on any subject carry great weight with me. Over the years, I have worked with him on various committees, including the Committee on Labor and Public Welfare, and, more recently, the Foreign Relations Committee. So it is that when the Senator from Vermont speaks on any matter, and particularly when his remarks involve me, I am all ears, and he can influence me a great deal.

I wish to say that if I agreed with the analysis the Senator from Vermont has made—namely, that the situation presented by the amendments which some time ago were offered on the floor of the Senate to the welfare fund and pension bill is on all fours with the situation brought about by the pending amendment, insofar as the procedural situations which confronted the Senate on the two occasions are concerned—I would join the Senator from Vermont in voting on procedural grounds against the Kennedy amendment, I believe that in my 13 years in the Senate I have demonstrated that I do not favor circumventing the Senate committees and I will not be a party to the elimination of what I consider to be the very important checking procedures by means of the Senate committees, for I believe that those procedures guarantee to the American people that reasoned judgment will be exercised by the appropriate committees on the measures which are brought to the floor of the Senate.

I believe that the difference I have with the Senator from Vermont is only an honest difference of opinion as to what is reasonable procedure in regard to the handling of proposed legislation.

However, in view of the fact that my friend, the Senator from Vermont, thinks that if I vote this afternoon for the Kennedy amendment, my vote in favor of that amendment will be inconsistent with the position I took regarding the amendments which were offered on the floor of the Senate to S. 2888, the welfare fund and pension bill, I believe that in fairness to myself I should make this brief statement.

I do not think the two situations are similar at all. There is now before the Senate, House bill 12065, which deals with the subject of unemployment insurance benefits. The bill came to the Senate from the House of Representatives, and was referred to the Senate Committee on Finance; and copies of the printed committee hearings are before us at this time. The committee heard from witness after witness who made statements on the proposals which were advanced by the Senator from Massachusetts [Mr. KENNEDY]. I have been advised by members of the committee that the amendments of the Senator from Massachusetts were considered within the committee, and were voted down there. There is no question that the committee had jurisdiction of the subject matter. Certainly we properly cannot take the position that when a committee which has jurisdiction of the subject matter has held hearings and has heard from witnesses in regard to the various proposals relative to the subject matter covered by the committee hearings, that procedure does not give the Senate the committee-hearing procedure to which the Senate is entitled in connection with proposed legislation of major importance.

PENDING BILL WOULD NOT MEET EMERGENCY

This afternoon one Senator said the pending bill is an emergency measure, and that the Senate should take prompt action to deal with the emergency. I say most respectfully that if we wish to call the pending bill an emergency measure, certainly it is one only in the sense that if the bill is enacted, it will guarantee a continuation of the emergency, because the record which I hold in my hand shows very clearly that many State governors have stated that if the bill as passed by the House is enacted, it will continue the emergency which exists today in the field of unemployment insurance.

Mr. President, I have not read every word contained in the committee's report; but I have studied the report enough to have a fairly good idea of what happened in the committee, and I have a fairly good bird's-eye view of the positions taken by the proponents and opponents, respectively, of the amendments of the junior Senator from Massachusetts [Mr. KENNEDY].

If my colleagues will examine the beginning of the volume of the committee hearings, they will find that some very outstanding authorities in the Nation testified in regard to unemployment-

insurance benefits; and when we check their testimony, we find they testified on the gamut, let me say, of the unemployment-insurance-benefit problems; and we also find that authority after authority among the proponents of proposals of the type advanced by the Senator from Massachusetts thought the Senate should go all the way as regards proposed legislation on standards and other legislative proposals, including proposals to increase the benefits, proposals to increase the length of coverage, and proposals to increase the coverage of employees, if the Senate really is to meet the unemployment problem which has been created by the recession.

Of course we can disagree with the judgment of those authorities; but certainly the amendment of the Senator from Massachusetts was germane and was apropos to the subject matter which was before the committee.

At this time I see on the floor of the Senate the Senator from New York [Mr. JAVITS]. He was one of the witnesses who appeared at the committee hearing. The testimony he gave there shows that he did not think the bill as passed by the House of Representatives went far enough; and from the hearings we find that he favored a broader bill, as he testified. Other Senators so testified at the hearings. The Senator from Massachusetts [Mr. KENNEDY] testified there at great length; and in that connection I call attention to page 347 of the committee hearings, where we find that, in the course of his statement before the committee, he said:

> My own bill, S. 3244, attempts to do so in a fair and uniform manner.

And the Senator from Massachusetts offered the bill as an amendment, and the committee pondered it.

The committee heard from other witnesses in regard to that matter. This afternoon I shall not take the time of the Senate to refer to all the witnesses who testified in that connection, but anyone who can read can see that what I have said is correct; it is only necessary to refer to the committee hearings themselves. On that occasion, witness after witness testified before the committee in regard to this amendment and also in regard to amendments which are not included in the amendment of the Senator from Massachusetts.

So I wish to say most respectfully that I understand the position taken by my friend, the Senator from Vermont [Mr. AIKEN]; but I do not think his argument by analogy is sound, because I see no analogy between the procedural situation involved in connection with the welfare fund and pension bill, when amendments which had not been considered at all in the committee hearings were offered on the floor of the Senate, and the procedural situation in connection with the pending amendment of the Senator from Massachusetts. I respectfully submit also that the committee's hearings on the amendments of the Senator from Massachusetts were very full ones, too; in fact, I do not know how a committee could deal more adequately with amendments. However, the amendments of the Senator from Massachusetts were rejected by the committee.

Mr. President, what is the correct procedure when an amendment has been rejected by a committee which has jurisdiction of the subject matter? Certainly the Senator who proposed the amendment in the committee then has a right to propose the amendment on the floor of the Senate; and that is what the Senator from Massachusetts has done.

Therefore, Mr. President, the Senator from Massachusetts has followed a proper procedural course; and in my judgment it is not correct to argue that committee hearings have not been held on the amendment.

REQUIREMENT OF ACTION BY STATE LEGISLATURES

I wish to refer to a comment which was made by my friend, the Senator from Kentucky [Mr. COOPER], during the debate this afternoon. He pointed out that the States can act on the bill as passed by the House of Representatives, if they wish to act, and that therefore, it is not fair to say that the bill as passed by the House of Representatives is at fault. I think I have paraphrased accurately the statement he made.

In that connection, Mr. President, I turn to the minority views. I have also checked the fuller statements which appear in the committee hearings themselves. The minority views are exceedingly able. They were written by the Senator from Illinois [Mr. DOUGLAS] and the Senator from Oklahoma [Mr. KERR]. In the minority views we find, beginning on page 7, some very interesting statements which were made by a large number of State governors who testified regarding the effect of the bill as passed by the House of Representatives, if it were enacted into law. Among them we find a statement by Governor Holmes, of Oregon, who stated specifically that he recommended the Kennedy amendments or the Kennedy bill. In the minority views the Senator from Illinois and the Senator from Oklahoma quote Governor Holmes, of Oregon, in part as follows:

> Additional legislative action would be required to permit Oregon to operate under the terms of H. R. 12065 as it is now pending.

On page 8 we find that Governor Knight, of California, said:

> Accordingly California legislation would be required before an agreement and consent could be entered into pursuant to H. R. 12065.

So we find statement after statement by governor after governor who pointed out that special sessions of the State legislatures apparently would be required.

However, it is argued that this proposed legislation is of an emergency type. On the other hand, Mr. President, if the Congress waited for the States to act, much time would pass, whereas at this time we have an opportunity to pass a measure which would be of immediate benefit.

In that connection, of course, I say good naturedly and facetiously that what we really need in regard to this matter is a special session of the White House, in order to have the White House change its course of action, and, in view of the hearings and in view of the statements made by the State governors, to make a recommendation that the Congress proceed along the line of the proposal of the Senator from Massachusetts.

If the States wish to conform to the standards called for by the amendment of the Senator from Massachusetts, then, in the future, further consideration by the States will be required. But the amendment of the Senator from Massachusetts will bring immediate benefits to the several million unemployed, or at least to a great many thousands of the unemployed who have exhausted their unemployment-insurance benefits.

So I say most respectfully I think it becomes an argument of semantics, if we join with the Senator from Kentucky, as to whether the bill would be at fault, or the failure of the States to call special sessions of the legislatures would be at fault, because the effect on the unemployed would be the same. Under the House bill as it is before the Senate, the unemployed are not going to get immediate relief, because the matter will require prolonged attention on the part of the State legislatures, and, I may add, will result in great expense. I suggest the extra cost of the special sessions of the legislatures might very well go into the pockets of the unemployed by way of a saving.

Furthermore, I say to my friend from Kentucky, we need to keep in mind the fact that it is not the employers who raise or refuse to raise taxes. They have nothing to do with it. They are subject to the law when it is enacted. The taxes have to be raised by the State legislatures, and such proceedings will be very time consuming.

I urge that we keep in mind the two points I have been trying to outline. First, I think the committee has followed the correct procedural course. The Senator from Massachusetts has followed the correct procedural course. He submitted amendments to the committee. Hearings were held on them. They were rejected. He now offers the amendments. It is proper Senate procedure.

Second, I think it is perfectly clear, as one reads the Douglas-Kerr minority views, that if the House bill is passed in its present form, unemployment compensation benefits will not be forthcoming to the unemployed and to those whose benefits have been exhausted.

Mr. JAVITS. Mr. President, the Senator from Oregon mentioned the fact that I testified before the committee. Hence my reason for rising. I did. I feel the No. 1 priority in this recession is legislation to deal with unemployment compensation for those whose eligibility has expired. This is essentially a recession of unemployment. The fear of losing one's job, and therefore not having purchasing power, has caused an inhibition of buying on the part of consumers and of an inhibition of expansion and buying of productive equipment on the part of manufacturers.

It is very clear that it has been the diminution of inventories without replacement and the diminution of capital goods and replacement, as distinguished from the years 1955 and 1956 and the first three quarters of 1957, which have caused our difficulty.

Accordingly, I deem it my duty, in the interest of my State, which is the largest, in terms of commercial activity, in the United States, to vote upon this measure in terms of the highest priority. I believe the highest priority and the greatest expedition will be gained if the States are not required to have their State legislatures meet in order to make arrangements with the Federal Government, as is contemplated by the bill sent to the Senate by the House.

I ask unanimous consent to have printed in the RECORD as a part of my remarks a schedule of the regular meeting time of State legislatures.

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

Regular meeting time of State legislatures

State	Time and term	Place
Alabama	Odd years in May	Montgomery.
Arizona	Annually in January	Phoenix.
Arkansas	Odd years in January	Little Rock.
California	Odd years in January; budget sessions, even years in March	Sacramento.
Colorado	Annually in January	Denver.
Connecticut	Odd years in January	Hartford.
Delaware	do	Dover.
Florida	Odd years in April	Tallahassee.
Georgia	Annually	Atlanta.
Idaho	Odd years in January	Boise.
Illinois	do	Springfield.
Indiana	do	Indianapolis.
Iowa	do	Des Moines.
Kansas	Annually in January	Topeka.
Kentucky	Even years in January	Frankfort.
Louisiana	Even years (60 calendar days), odd years (30 calendar days in May).	Baton Rouge.
Maine	Odd years in January	Augusta.
Maryland	Odd years in January; even years in February	Annapolis.
Massachusetts	Annually in January	Boston.
Michigan	do	January.
Minnesota	Odd years in January	St. Paul.
Mississippi	Even years in January	Jackson.
Missouri	Odd years in January	Jefferson City.
Montana	do	Helena.
Nebraska	do	Lincoln.
Nevada	do	Carson City.
New Hampshire	do	Concord.
New Jersey	Annually in January	Trenton.
New Mexico	Odd years in January	Santa Fe.
New York	Annually in January	Albany.
North Carolina	Odd years in February	Raleigh.
North Dakota	Odd years in January	Bismarck.
Ohio	do	Columbus.
Oklahoma	do	Oklahoma City.
Oregon	do	Salem.
Pennsylvania	do	Harrisburg.
Rhode Island	Annually in January	Providence.
South Carolina	do	Columbia.
South Dakota	Odd years in January	Pierre.
Tennessee	do	Nashville.
Texas	do	Austin.
Utah	do	Salt Lake City.
Vermont	do	Montpelier.
Virginia	Even years in January	Richmond.
Washington	Odd years in January	Olympia.
West Virginia	Annually in January	Charleston.
Wisconsin	Odd years in January	Madison.
Wyoming	do	Cheyenne.
Alaska	do	Juneau.
Guam	Twice annually in 30-day sessions	Agana.
Hawaii	Odd years in February	Honolulu.
Puerto Rico	Annually in January	San Juan.
Virgin Islands	Unicameral legislature meets each year in April for 60 days	Charlotte Amalie.

Mr. JAVITS. Mr. President, this schedule shows that 31 of the 48 State legislatures will be meeting in odd years, beginning in January. There are not too many State legislatures which are in session now.

Fortunately, the legislature of my own State of New York has adopted enabling legislation, so that our State government can take advantage of the bill even if it is passed in its present form; but that is very much the exception rather than the rule.

Mr. President, I deeply feel the need of expedition, because the matter is one of the very highest priority, and there is a need for some reasonable grant basis to supplement the unemployment compensation which cannot be forthcoming from the States.

Also, I feel the matter of standards is important, because it represents a very important element of competition for business between the States. When the competition is fair, we are satisfied even if we in the large industrial States lose business. When the competition is expressed in terms of depreciation of the standards of those may receive unemployment compensation then I think we have the right to feel that competition would be fairer by having in effect a decent basis of unemployment compensation for those in the country who are contributing to our national production.

For all those reasons, I shall support the amendment of the Senator from Massachusetts.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Bennett	Bush
Allott	Bible	Butler
Barrett	Bricker	Byrd
Beall	Bridges	Capehart
Carlson	Hruska	Neuberger
Carroll	Jackson	Pastore
Case, N. J.	Javits	Payne
Case, S. Dak.	Johnson, Tex.	Potter
Chavez	Johnston, S. C.	Proxmire
Clark	Jordan	Purtell
Cooper	Kefauver	Revercomb
Cotton	Kennedy	Robertson
Curtis	Kerr	Russell
Dirksen	Knowland	Saltonstall
Douglas	Kuchel	Schoeppel
Dworshak	Lausche	Smathers
Eastland	Long	Smith, Maine
Ellender	Magnuson	Smith, N. J.
Ervin	Malone	Sparkman
Flanders	Mansfield	Stennis
Frear	Martin, Iowa	Symington
Goldwater	Martin, Pa.	Talmadge
Green	McClellan	Thurmond
Hayden	McNamara	Watkins
Hennings	Morse	Wiley
Hickenlooper	Morton	Williams
Hill	Mundt	Yarborough
Hoblitzell	Murray	Young

The PRESIDING OFFICER. A quorum is present.

Mr. BRIDGES. Mr. President, I am in favor of H. R. 12065, the Temporary Unemployment Compensation Act of 1958, for it embodies the basic principles long advocated by the administration and myself.

For 5 years the President has been urging the States to enact legislation setting up minimum standards necessary to improve the unemployment compensation program. He has repeated his request each succeeding year.

Again in his economic report, this year, President Eisenhower outlined his recommendations to extend unemployment insurance coverage. He wrote a letter to our distinguished minority leader, the senior Senator from California, and to House minority leader JOSEPH MARTIN on March 8 this year, stating he would place before Congress his proposals on this matter. He followed this up with a special message on March 25 requesting a temporary increase of 50 percent in the number of weeks for unemployed workers, who have exhausted their benefits under State and Federal laws, to draw unemployment compensation.

We have before us now this bill, which embodies these proposals.

I, along with my colleagues, appreciate the hardships of our unemployed workers. There is no greater tragedy than that of men or women, out of work, with their unemployment compensation exhausted, and with no place to turn for food and shelter.

Unfortunately for those who need our help in their time of distress, there have been some who would make a political football of this situation.

I am not impugning their motives, but I object to their methods. By extending these benefits to those who are not in covered employment we would undermine the principles of a sound State unemployment compensation program. We would be replacing a true insurance program with the dole.

Not only would such a program be impossible to administer and police, but it would lead to more Federal encroachment in State affairs.

I might state also that had the President's recommendation for wider coverage under the present unemployment compensation laws been heeded, more

unemployed workers would benefit under this extension of unemployment insurance. That is something I hope will be remedied.

It is my belief that the pending bill is entirely consistent with the principles of a true insurance program and a true partnership between the Federal Government and the States. It leaves the initiative to the individual States and provides for repayment of funds in a manner which works no hardships.

I shall vote for the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. KENNEDY]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Idaho [Mr. CHURCH], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. MONRONEY], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

I further announce on this vote, the Senator from Florida [Mr. HOLLAND] is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting the Senator from Florida would vote "nay" and the Senator from Minnesota would vote "yea."

Mr. DIRKSEN. I announce that the Senator from New York [Mr. IVES], the Senator from Indiana [Mr. JENNER], and the Senator from North Dakota [Mr. LANGER] are necessarily absent.

The Senator from Minnesota [Mr. THYE] is absent by leave of the Senate as a member of the World Health Conference.

The result was announced—yeas 21, nays 63, as follows:

YEAS—21

Carroll	Jackson	McNamara
Case, N. J.	Javits	Morse
Chavez	Kefauver	Murray
Clark	Kennedy	Neuberger
Douglas	Magnuson	Pastore
Green	Malone	Proxmire
Hennings	Mansfield	Symington

NAYS—63

Aiken	Ervin	Mundt
Allott	Flanders	Payne
Barrett	Frear	Potter
Beall	Goldwater	Purtell
Bennett	Hayden	Revercomb
Bible	Hickenlooper	Robertson
Bricker	Hill	Russell
Bridges	Hoblitzell	Saltonstall
Bush	Hruska	Schoeppel
Butler	Johnson, Tex.	Smathers
Byrd	Johnston, S. C.	Smith, Maine
Capehart	Jordan	Smith, N. J.
Carlson	Kerr	Sparkman
Case, S. Dak.	Knowland	Stennis
Cooper	Kuchel	Talmadge
Cotton	Lausche	Thurmond
Curtis	Long	Watkins
Dirksen	Martin, Iowa	Wiley
Dworshak	Martin, Pa.	Williams
Eastland	McClellan	Yarborough
Ellender	Morton	Young

NOT VOTING—12

Anderson	Holland	Langer
Church	Humphrey	Monroney
Fulbright	Ives	O'Mahoney
Gore	Jenner	Thye

So Mr. KENNEDY's amendment was rejected.

Mr. DIRKSEN. Mr. President, I move that the Senate reconsider the vote by which the amendment was rejected.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California.

The motion to lay on the table was agreed to.

AMENDMENT OF NATIONAL HOUSING ACT

Mr. CAPEHART. Mr. President, I think this is a good time to talk about a pending piece of legislation, inasmuch as we are about to vote on a measure to pay people who do not have jobs and are not working.

The Committee on Banking and Currency reported to the Senate on May 20 a joint resolution to give the FHA $4 billion additional authorization for insuring mortgages. I tried to have the joint resolution considered last Thursday, but without success.

The FHA is now out of authority to insure mortgages, and today FHA has telegraphed all State directors to discontinue insurance of FHA mortgages. This means people are not going to be able to build any houses under FHA mortgages. Therefore, people will be thrown out of work, because the Senate has refused to act and the House committee has refused to act.

I am now told we cannot get any action for 10 days, because certain Senators, for some reason, want to tie the proposal into the omnibus housing bill. I think the world ought to know there is some politics being played around here, and that, while we are about to pass legislation to pay people for not working because they cannot find jobs, at the same time we have pending and have had pending since May 20 a joint resolution which, if it had been passed last week, would have kept people from losing their jobs.

I should like to know why we cannot get the joint resolution before the Senate for consideration and have it passed today. I see no reason for not doing so.

I repeat: We are about to pay people for not working, yet, as a result of delay and further delay, and what looks like another 10 days' delay, we are keeping people from getting jobs all over the United States.

Is there any Senator who would like to explain a situation like that on the floor of the Senate, so that the people of the United States, who want to work at building houses and who want jobs, will see the justification for it? I should like to know what the justification is.

I am perfectly willing to wait until after the unemployment compensation bill is passed, but I should like to have some assurance from the majority leader that, when the bill which is pending at the moment has been passed, we can take up for consideration the joint resolution which was introduced by the Senator from Alabama [Mr. SPARKMAN] and myself. I do not know of any Member of the Senate who is against the proposal, but there has been delay and further delay in order to tie it in to an omnibus housing bill, which contains public housing provisions and many other things.

I presume the reason is that by tying it in with a lot of things in a big housing bill, Senators will know they must vote for the $4 billion additional authority and will have to vote for some undesirable things in the omnibus housing bill.

I am talking in a very frank manner. I want the world to know exactly what has happened and what is happening today. There is no reason why the joint resolution should not have been passed last week. There is no excuse in the world for not passing the joint resolution today.

I repeat my statement that the FHA is out of authority to insure mortgages. The FHA has telegraphed all the State directors to discontinue insuring mortgages. This means we have thrown the housing industry in the United States in turmoil and chaos, and we will be throwing men out of work at the very time we are talking about passing a bill to pay people for not working. If anyone can justify that sort of action I wish he would step up to tell the world about it.

Mr. JOHNSON of Texas. Mr. President, I should like to make a brief comment on what the Senator from Indiana has said.

We do not expect to proceed to consider the resolution to which the Senator from Indiana has referred today or tomorrow. The Senator talked to me about the resolution on the telephone shortly after the committee took action on it. I conferred with members of the majority of the committee, and I was informed they were presently considering housing legislation, and they expected such legislation to be reported to the Senate either late this week or early next week.

Today I conferred with members of the committee and urged that the proposed legislation be reported this week, if possible, so that the Senate could consider it before the Memorial Day weekend.

I conferred with the minority leader. It is my understanding we did not want any votes on Monday or Tuesday because of primaries which are being held.

The next piece of proposed legislation which has the highest priority is the mutual aid bill.

I attempted to explain all that to the Senator from Indiana privately. I will say to the Senator I agree with him that somebody is playing politics; and I think most of the people who heard the Senator know who it is.

Mr. CAPEHART. Mr. President I wish to say there is no connection between the joint resolution, which is very, very simple in its terms, and the housing bill which is presently being considered. The Subcommittee on Housing yesterday reported the omnibus housing bill to the full committee, and the full committee will take the bill up in a matter of a week. However, all we get from the able majority leader is that the resolution will be handled in connection with the omnibus housing bill. That is what I said a moment ago.

We introduced the joint resolution because there was an emergency and we wished to keep the housing industry of America going. I said a moment ago the FHA was forced today to telegraph every State director to discontinue insuring mortgages. That means people will have to discontinue FHA housing operations.

It was only about 2 months ago that the Congress passed an emergency housing bill to stimulate building. The legislation has stimulated building. That is the reason the FHA has used up its authority to insure mortgages.

Two months ago we were talking on the floor of the Senate about an emergency housing bill as a wonderful thing. It was a wonderful thing. We passed the legislation. As a result the housing industry is booming in the United States, to the point where the FHA has run out of authority to insure mortgages.

We have now presented a very simple joint resolution, which asks that the FHA be given more authority to insure houses in the United States, and what is the answer? The answer is that there is an omnibus housing bill under consideration. I think that bill embraces some 80 pages. The bill contains many things about housing and public housing. It will take the full committee 2 or 3 days to write up the bill. Then the bill will come to the Senate. It should require a couple of days of debate in the Senate. Then the bill will go to the House, and will be considered by the House committee. The House will have to pass the bill. Possibly the bill will have to go to conference between the two Houses. Then the bill will go to the President of the United States.

That process ordinarily takes about 30 days. Are we to understand from the able majority leader that the FHA is going to be without authority to insure mortgages for 30 days? Is that what we are to understand?

Why is there a delay about this matter? Why do we want to throw men out of work? Why do we want to stop the construction of FHA-insured houses in the United States? What is the reason?

The able majority leader has said, "One can understand who is playing politics." Well, I think it is very obvious who might well be playing politics, because the FHA Act is an act for everybody. The act has been on the books for years and years and years.

There is no argument about the merits of the joint resolution. There is no dispute about it. There is no dispute about the amount to be provided. The only argument is, "Shall we handle it now, so that the FHA can continue to function? Shall we continue to insure houses, so that the people can continue to be employed in the housing industry, while the industry moves forward?" or "Shall we close the housing industry down until the Senate passes an omnibus housing bill, which might take 30 days?"

That is the only question. Senators can be the judges as to what they wish to do. If they wish that kind of situation to exist, it is all right with me; but I felt obligated to call attention to exactly what is happening today.

ADDITIONAL UNEMPLOYMENT COMPENSATION

The Senate resumed the consideration of the bill (H. R. 12065) to provide for temporary additional unemployment compensation, and for other purposes.

Mr. PAYNE. Mr. President, I call up my amendment, which is at the desk.

Mr. LONG. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Senators will desist from conversation. The Senate will be in order.

The amendment offered by the Senator from Maine will be stated.

The LEGISLATIVE CLERK. On page 7, in line 23, immediately after "(a)" it is proposed to insert "(1)".

On page 8, between lines 20 and 21 it is proposed to insert the following:

"(2) The repayment provisions of paragraph (1) shall not apply to any State whose unemployment compensation law by January 1, 1963, provides (and the Secretary so finds that such law provides): (A) that such law shall be applicable to employers employing one or more individuals at any time during a calendar year; (B) a benefit formula under which the great majority of the workers covered by such law shall be eligible for benefits payment equal to at least 50 percent of their regular weekly wages; and (C) that the period during which all eligible claimants may receive unemployment compensation benefits shall not be less than 26 weeks."

Mr. PAYNE. Mr. President, I shall not take much time to discuss the amendment. It was submitted to the Committee on Finance. In effect, it is incentive legislation to try to encourage States that do not meet the standards which have been advanced for several years by the administration to get their houses in order and to come up to the minimum standards which have been suggested. If they do that, they are given freedom from the repayment provisions of the bill; so that, in effect, the result would be a grant to the States that brought their systems up to the required standards.

In other words, it would mean that the law would apply to employers employing one or more employees at any time during a calendar year; the benefit under the formula would be at least equal to 50 percent of the regular weekly wage, and the period during which a person may receive compensation payments would not be less than 26 weeks.

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

Mr. PAYNE. I yield.

Mr. JAVITS. Because the Senator from Maine, who is so gracious and also very considerate of the time of the Senate, has spoken so briefly, I hope the import of the amendment, with reference to its real value in terms of the unemployment situation which faces us today, will not escape us.

I believe the proposal is the traditional carrot and stick proposal—an inducement to do something in order to earn forgiveness.

Many Senators, even though they voted against the previous amendment, believe that the efficient and expeditious and emergency way to deal with the situation is by grants. I say if we cannot have that, at least let us have a loan situation which is of real use in terms of stabilization of the unemployment compensation situation.

As a Republican who has ardently supported the President of the United States in so many of his programs, let me say that when the President for 5 years has been asking the States to accept the very standards which are contained in the amendment offered by the Senator from Maine, we must assume that he really means it. Knowing the President as I do, I feel he does mean it, and that it is close to his heart. Therefore, if we have a situation which enables us to strike a blow for this kind of system, and the Senator from Maine gives us the opportunity to do so, we ought to take advantage of it.

Therefore, I should like to tell my colleague from Maine that I personally feel indebted to him for bringing up this very reasonable and intelligent proposal, which the committee has had a chance to consider, and that the Senate should take it very seriously, notwithstanding the fact that, in keeping with what is typical of the section of the country from which the Senator from Maine comes, he is not making a long speech about what is an extremely important subject to the whole American economy and to millions of individual Americans who are suffering the effects of grave privation at the present time.

Mr. PAYNE. I thank the distinguished Senator from New York for his remarks. Let me close my statement by saying that we have been worried by compulsory requirements being foisted upon the States.

There is nothing compulsory about my proposal. In effect, it merely says to the States: "If you will bring your standards up to decent levels and decent minimums, you will not be required to repay to the Treasury the amount which has been given to you for unemployment benefits." It provides that they can do this at any time up to January 1, 1963. That is certainly a reasonable provision for anyone to follow.

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

Mr. PAYNE. I yield to the Senator from California.

Mr. KUCHEL. I am delighted to have the opportunity to vote for the excellent amendment which is now before the Senate, offered by the distinguished junior Senator from Maine. Far different from the proposal previously offered by the Senator from Massachusetts, the pending amendment is one which every Member of the Senate can clearly understand.

Many questions arose in my mind during the discussion of the rather involved amendment offered by the able junior Senator from Massachusetts. Time did not permit, in the absence of a committee hearing prior to that, the development of some of the questions which must have occurred to others of my colleagues as well as to me.

We now have before us a proposal that can be readily understood by all of us. It is in the interest of the people. It is in the interest of the States which are

required presently to administer the proposed statute. I am delighted, as I said, to have an opportunity to support the constructive proposal of my friend from the State of Maine.

Mr. PAYNE. I thank my colleague.

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

Mr. PAYNE. I yield to the Senator from West Virginia.

Mr. REVERCOMB. I am glad to join my colleagues who have just spoken in support of the amendment. I find it particularly of value in the event the Senate decides to adopt an amendment now at the desk, submitted by the Senator from Massachusetts, which has not yet been called up, but which I trust will soon be called before the Senate. It deals with a temporary arrangement to meet the needs of the day. I intend to support the amendment if it is offered. I feel that the amendment offered by the Senator from Maine will be a complement to a bill which will help very quickly to relieve a burden which States must now bear.

Mr. PAYNE. I thank the Senator from West Virginia, particularly because I know he shares with me the concern for the needs of the unemployed and has supported legislation designed to be of benefit to them.

Mr. President, I yield the floor.

SEVERAL SENATORS. Vote! Vote!

Mr. BENNETT. Mr. President, I hope the Senate will reject the amendment for two reasons. First, as has already been indicated, this is the kind of amendment which would force the bill to conference and delay the program.

The other reason, to me, is obvious. The amendment is a kind of bribe which promises special benefits to States whose programs are already at or near the standard suggested by the Senator from Maine, but it presents a very serious problem to States which, for some reason or other, feel that it would be unwise to make the change indicated.

There is no way to measure the cost of the amendment to the Federal Treasury. The amendment has the added disadvantage of bringing the whole theory of grants into a program which previously has been handled by taxation.

I hope the Senate will keep the bill unchanged and will reject the amendment.

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

Mr. BENNETT. I yield.

Mr. PAYNE. Is it not true that the Senate has established a precedent, if we may call it that, to enable States which participate in the Interstate Highway System program, and which choose to eliminate advertising from interstate highways, to derive increased benefits if they comply with the provisions of the law?

Mr. BENNETT. The Senator from Utah will make two observations in reply. First, I voted against that provision. Second, the difference, as I remember it, was between 90 percent and 92½ percent. The proposal was to help to meet the actual cost of getting rid of existing advertising rights.

But in this case the whole cost of the program to the State would be wiped out.

Mr. PAYNE. The statement was made that it was impossible to determine what the cost would be. The testimony, and certainly the report of the committee, indicates that the overall cost of the bill now before the Senate will be approximately $600 million. Certainly the program about which I am talking would not cost in excess of $600 million. It might be much less than $600 million.

Mr. BENNETT. The cost incident to the pending bill will be returned to the Federal Treasury. In the Senator's amendment, a part of the cost will remain as a Federal grant and will be a drain on the Federal Treasury, never to be returned.

Mr. CURTIS. Mr. President, will the Senator from Utah yield?

Mr. BENNETT. I yield.

Mr. CURTIS. What incentive would there be for a State which does not borrow any money? Would not the incentive be that the State would not have to repay what it borrowed?

Mr. BENNETT. That is correct.

Mr. CURTIS. What would happen to a State which either cannot borrow or finds it is not necessary to borrow?

Mr. BENNETT. That State would have no benefit under the proposal of the Senator from Maine.

Mr. CURTIS. Would not such States be financing unemployment payments in other States on the basis of a grant from the Federal Treasury.

Mr. BENNETT. I think the Senator is completely correct. A State whose present program meets the specifications set forth in the amendment of the Senator from Maine would have to do nothing to get the benefits of this program absolutely free of cost to the employers of the State.

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

Mr. BENNETT. I yield.

Mr. MORTON. Without going into the merits or demerits of the amendment offered by the Senator from Maine, I wish to make a comment.

The pending bill proposes emergency legislation. It is designed to take care of those who are unemployed and who are going off the unemployment compensation rolls in States where there are not sufficient funds to take care of them otherwise.

This is the type of amendment, regardless of its merits or demerits, which will place the bill in conference for a long time. We who are experienced in the procedures of the House understand that the amendment will do that. Therefore, I hope the bill can be kept as clean as possible.

For these reasons, I reluctantly oppose the amendment.

Mr. BENNETT. That is one of the reasons why I am opposed to the amendment.

PROPOSED LIMITATION OF THE JURISDICTION OF THE SUPREME COURT

Mr. WATKINS. Mr. President, an editorial published in the Washington Star of yesterday comments on the provisions of the so-called Jenner-Butler bill, which would modify some recent Supreme Court decisions and would limit the jurisdiction of the Supreme Court in the matter of permitting individuals to practice law in the States.

This excellent editorial calls attention to the fact that this is not a measure, as other editorial commentators have called it, "to kill the umpire."

I am a member of the committee which reported the bill, and I was also a member of the subcommittee which held hearings on the measure, although I was not in a position at the time to attend many of the hearings. However, extensive hearings were held, and a great deal of opinion evidence was received by the committee.

The first section of the bill would deprive the Supreme Court of jurisdiction to hear matters relating to the right of individuals to practice law in the States. The Supreme Court rendered two decisions last year which have been seriously questioned by many members of the bar and students of constitutional law. As the writer in the Star points out, "It is not an earthshaking issue," but I believe the committee was in error in reporting a bill with this section in it. I moved in the committee to strike out section 1, but was defeated. When and if the measure is made the pending business in the Senate, I shall move to strike this section, largely on the ground that I think the problem which was created by the Supreme Court's decision will be solved in actual practice in the matter of a very few years. I do not agree with the Supreme Court's ruling, but I believe that the remedy suggested does not require the use of the power which Congress has to limit the jurisdiction of the Supreme Court.

I am in full agreement with the other sections of the bill. I think it is high time that Congess makes it clear that it has the right, and that it will exercise that right, to define clearly what Congress meant in legislation which was passed by it, but which the Supreme Court construes contrary to what Congress thought it meant when the laws were adopted. Clearly, Congress should be able to redefine the legislation which it had the power to enact. Congress has exercised the power of clarifying the meaning of legislation which has been ruled on by the Supreme Court in a number of instances in the past. I can see no attack on the Court when Congress determines that its meaning has been misconstrued and determines to correct the situation with additional legislation.

This editorial is such a clear analysis of the provisions of this bill and their meaning that I believe that all Members of the Congress should read it. Therefore, I ask unanimous consent that it be printed at this point in the RECORD.

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

[From the Evening Star of May 26, 1958]

KILLING THE UMPIRE

One approach to the Jenner-Butler bill, which would modify some recent Supreme Court decisions, is to denounce it as a measure designed to kill the umpire. This is not an approach which reflects much credit on the maturity of those who adopt it.

The bill would do four things. The first provision would deprive the Supreme Court of jurisdiction to overrule a refusal by a State to permit an individual to practice law in the State. This is a reaction to two questionable decisions last year, and in some small degree it would curb the power of the court. It is not an earth-shaking issue, for any person denied permission to practice law would have an appeal to the courts of the State. The question is whether the issue is of sufficient importance to justify Congress in exercising its constitutional power to limit the court's jurisdiction. We doubt that it is.

The second provision would modify the court's controversial ruling in the Watkins case by stipulating, in effect, that a Congressional investigating committee, once the issue has been raised, shall be the final judge as to whether a question asked a witness is pertinent to the investigation. Some correction of this sort, if it can be done within constitutional limits, may well be necessary to insure the effectiveness of Congressional investigations.

It is clear that the third and fourth provisions lie well within the authority of Congress. One deals with a ruling that Congress had intended to preempt the field in dealing with subversive activities. The other involves a judicial interpretation of the intent of Congress in passing the Smith Act, under which several Communist leaders have been convicted. We do not see how there can be any argument respecting the right of Congress to enact these provisions. For if the Court has misinterpreted the intent of Congress, or if Congress failed to make its intention clear, it can hardly be doubted that the national legislature, if it thinks it is wise to do so, can adopt corrective or clarifying laws. And these certainly will not kill the umpire.

Perhaps there should be one final word on this latter point. The kill-the-umpire outcry seems to be based on the fallacious notion that the Court is aloof from politics and should be immune to attack or criticism. There is nothing in our national experience to support this view. In the broad sense of the term, the Court has always been involved in politics. If anyone doubts this, he should refresh his recollection with respect to the clashes between the Court and such Presidents as Jefferson, Jackson, Lincoln, Grant, and Franklin Roosevelt. In some of these clashes the court prevailed. In others it was curbed. But it is still, perhaps, the most powerful of our three branches of government—subject to no restraint except self-restraint, or, in rare instances, to the restraint which can be imposed upon it by a Congress or a President. In this instance—in the case of the Jenner-Butler bill—there is no significant threat to the independence or to the proper authority of the Court. The real question is whether it is wise to adopt any or all of the bill's provisions, and *this is for Congress* to decide.

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

Mr. WATKINS. I yield.

Mr. BUTLER. I think the Senator from Utah has made a very good point. There has been so much of a critical nature written about the bill, S. 2646, that the public simply has not been able to comprehend what we are trying to do. But as time goes on I am certain that the purposes of the bill will become known, and that when the people understand it, they will overwhelmingly support it.

Mr. WATKINS. With respect to clarifying what Congress meant in several other measures which have been ruled on, is it not true that there is now before the Senate Committee on the Judiciary a bill, S. 11, which attempts to correct another ruling by the Supreme Court?

Mr. BUTLER. Precisely so.

Mr. WATKINS. Some persons who are supporting S. 11 are opposing S. 2646 because they think the jurisdiction of the Supreme Court ought to be clarified in certain very important respects.

Mr. BUTLER. Precisely so. Many of the bills coming before Congress have for their purpose the clarifying of Court decisions. Indeed, some of them have for their sole purpose the reversal of decisions which Congress feels have erroneously construed their intent. There is nothing unusual about such action by Congress.

ADDITIONAL UNEMPLOYMENT COMPENSATION

The Senate resumed the consideration of the bill (H. R. 12065) to provide for temporary additional unemployment compensation, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maine [Mr. PAYNE].

Mr. BYRD. Mr. President, I hope the amendment offered by the Senator from Maine will be rejected. It was not considered by the Committee on Finance. It is a very far-reaching amendment. It has nothing to do with the emergency. It is an attempt to coerce the States by providing certain benefits to the State.

The amendment provides that the repayment provisions of H. R. 12065 shall not apply if a State increases coverage by January 1, 1963, so that, first, employers of one or more employees are covered; second, benefit payments equal at least 50 percent of the worker's regular weekly wage; and third, the duration period be at least 26 weeks.

States then might think that they are relieved of the advancements which are to be made by reason of the bill, perhaps to the extent of $600 million.

The amendment would not be helpful at all in this emergency. It has not received the consideration of the Committee on Finance. I hope the amendment will be rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maine. [Putting the question.]

The amendment was rejected.

Mr. KENNEDY. Mr. President, I call up the amendment which I have at the desk, and I ask that it be stated. It is identified by the letter "F."

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). Let the Chair ask whether the Senator from Massachusetts desires to have the entire amendment read.

Mr. KENNEDY. No, Mr. President; it will suffice to have the identification of the amendment and the names of the sponsors read.

The PRESIDING OFFICER. They will be read.

The CHIEF CLERK. The amendment is identified as "5-26-58-F," and is submitted by Mr. KENNEDY, for himself, Mr. DOUGLAS, Mr. CLARK, Mr. MCNAMARA, Mr. MANSFIELD, Mr. MURRAY, Mr. PROXMIRE, Mr. GREEN, Mr. NEUBERGER, Mr. HUMPHREY, Mr. MORSE, Mr. JACKSON, Mr. CARROLL, Mr. CHAVEZ, Mr. PASTORE, and Mr. MAGNUSON.

The PRESIDING OFFICER. The amendment will be printed at this point in the RECORD.

Mr. KENNEDY's amendment is as follows:

On page 2, line 3, strike out "April" and insert in lieu thereof "July".

On page 2, lines 4 and 5, strike out the following: "(or after such later date as may be specified pursuant to section 102 (b))".

On page 2, strike out lines 12 through 16.

On page 2, line 17, strike out "(3)", and insert in lieu thereof "(2)".

On page 3, strike out lines 1 through 19 and insert in lieu thereof the following:

"DURATION

"(b) The maximum aggregate amount of temporary unemployment compensation payable to any individual under this Act shall be an amount equal to sixteen times the last weekly benefit amount (including allowance for dependents) for a week of total unemployment which was payable to him pursuant to the unemployment compensation law or laws referred to in subsection (a) (3) under which he last exhausted his rights before making his first claim under this act. The payment for any such week shall be reduced by the amount of any temporary additional unemployment compensation payable to him under the unemployment compensation law of any State."

On page 5, strike out lines 3 through 10; change "(c)" to "(b)" in line 13 and change "(d)" to "(c)" in line 17.

On page 5, immediately following line 25, insert the following:

"ABSENCE OF AGREEMENT

"(d) Where there is no agreement under section 102, the Secretary shall make payments of temporary additional unemployment compensation, on the basis provided in this title, and the Secretary is authorized to enter into agreements with Federal agencies to utilize, pursuant to such agreements, the facilities and services of such agencies, and may delegate to officials of such agencies any authority granted to him by this title whenever the Secretary determines such delegation to be necessary in carrying out the provisions of this title. The Secretary is further authorized to allocate or transfer funds or otherwise to pay the total cost of the temporary additional unemployment compensation paid pursuant to such agreements with Federal agencies and to pay or reimburse such agencies for expenses incurred in carrying out such agreements."

On page 7, line 16, insert after "(b)" and before "whose" the following: "or in a State where there is no agreement under section 102".

On page 8, at the end of line 8, insert "(i)".

On page 8, line 20, strike out the period and insert in lieu thereof the following: "or, (ii) that the unemployment compensation law of such State provides: (A) that such law shall be applicable to employers employing one or more individuals at any time during a calendar year, (B) a benefit formula under which the great majority of the workers covered by such law shall be eligible for benefit payments equal to at least 50 percent of their regular weekly wages, and (C) that the period during which all eligible claimants may receive unemployment compensation benefits shall not be less than 26 weeks; or (iii) that on January 1 of the taxable year (A) the balance in such States' unemployment fund on the last day of the preceeding quarter is less than the amount of the compensation paid from such fund under the State

unemployment compensation law during the six months' period ending on such last day and (B) that the average contribution rate under the State unemployment compensation law for the taxable year is not less than 2.7 percent and that the minimum contribution rate under such law for the two preceding taxable years was not less than 1.2 percent.

Mr. KENNEDY. Mr. President, this amendment provides that participation in the program will be automatic. The duration of the temporary compensation payments will be a flat minimum of 16 weeks. The payments will be made at the present State rates.

The amendment also provides: First, that a State need not repay the cost of the temporary unemployment compensation program for the State—and here I include the language of the amendment of the Senator from Maine [Mr. PAYNE] and the language of the amendment of the Senator from New Jersey—if it has in its law, and adopts, minimum standards of weekly amounts and duration, as advocated by the President, namely, 50 percent of the individual worker's wage, for a period of 26 weeks.

That is the very standard the President himself re-recommended in January of this year as a minimum standard for the States.

Second, that a State is not required to pay the cost of the program in the State if its unemployment program is in a precarious position and if, in addition, the State has maintained average unemployment tax rates of 2.7 percent of payrolls, with a minimum of 1.2 percent, during the past 2 years.

Mr. KNOWLAND. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. KNOWLAND. As I understand, the Senator from Massachusetts has merely called up the amendment. He does not intend to have it voted on tonight, does he?

Mr. KENNEDY. That is correct.

Mr. MORSE. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield.

MORSE AMENDMENT FOR FEDERALLY FINANCED RAILROAD UNEMPLOYMENT BENEFITS FOR 13 WEEKS

Mr. MORSE. I wish to say that I am about to send to the desk an amendment, and ask that it be printed, so it can be considered tomorrow as an amendment to the amendment of the Senator from Massachusetts. My amendment simply would add an additional section on page 4 of the amendment of the Senator from Massachusetts; at the end of his amendment, I would propose an amendment to add temporary benefits and to extend the unemployment compensation for 13 weeks, with a Federal grant to finance the additional benefits.

I shall send the amendment to the amendment to the desk, and ask that it be printed; and I shall call it up tomorrow.

I hope the Senator from Massachusetts will give favorable consideration to my amendment to his amendment. It seeks to provide for railroad employees the same advantages the Senator from Massachusetts seeks to provide for other employees.

In the interest of uniformity and nondiscriminatory practices, I believe my amendment has great merit; and I shall appreciate it if the Senator from Massachusetts will consider my amendment overnight, and then, on tomorrow, will state whether he can accept it as a part of his amendment, and will incorporate it as a part of his amendment or as a perfecting amendment, thereby making it unnecessary for me to offer the amendment separately.

Mr. KENNEDY. How many weeks does the amendment of the Senator from Oregon call for?

Mr. MORSE. It calls for 13 weeks, in the case of the railroad employees.

RAILROAD UNEMPLOYMENT COMPENSATION AMENDMENT TO KENNEDY AMENDMENT ACCEPTED

Mr. KENNEDY. Very well; I accept the amendment right now.

Mr. MORSE. Mr. President, I shall have the amendment sent to the desk, to be printed. I believe it should be at the desk. But the Senator from Massachusetts has announced that he will accept my amendment. I thank him very much.

The PRESIDING OFFICER. Will the Senator from Oregon send to the desk his perfecting amendment?

Mr. MORSE. Mr. President, I am having it typed at this time. However, I have discussed it with the Senator from Massachusetts; and he knows its contents. If necessary, the Senator from Massachusetts can accept it tomorrow, as a perfecting amendment. But I thought we should make our record this evening.

Mr. CLARK. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield.

Mr. CLARK. I should like to ask whether the Senator from Massachusetts would be willing to amend his amendment by making the following change on page 3, in line 23: Strike out the word "twenty-six" and insert in lieu thereof the word "thirty". The purpose is to have the Federal standards—which, as I understand the amendment of the Senator from Massachusetts, need not become applicable for several years—when they do become applicable, take cognizance of the fact that the Commonwealth of Pennsylvania is already committed, by State law, to pay unemployment compensation benefits for 30 weeks.

If we are to try to raise the standards on a national level, it seems to me a little unfair to penalize my Commonwealth because it provides 30 weeks of unemployment compensation, instead of merely 26 weeks, as in the case of the State of Massachusetts and many other States.

So I shall deeply appreciate it if the Senator from Massachusetts will accept my amendment as a part of his amendment.

Mr. KENNEDY. I will accept it, although I think this year the President requested only 26 weeks. However, this language deals with the repayment in 1963. By that time—5 years from now—there is no doubt that whoever is President then will have raised his sights, and that although 26 weeks are requested now, 30 weeks will be regarded as proper then.

So I accept the amendment of the Senator from Pennsylvania.

Mr. CLARK. I thank the Senator from Massachusetts.

Mr. AIKEN. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield.

Mr. AIKEN. If the Senator from Massachusetts accepts the requested change from 26 to 30 weeks, what will be the effect on the various States?

Mr. KENNEDY. They would have to raise their standards to 30 weeks, as the Senator from Pennsylvania has assumed. They would have to do that by 1963, under the repayment provision.

Mr. AIKEN. But they would not have to provide for a minimum of 30 weeks at this time, in order to take advantage of these provisions, would they?

Mr. KENNEDY. No. The language of this amendment is the original language of the other amendment, with two changes, as follows: First, instead of calling for a 50-percent increase regardless of the duration of the program in a particular State, the amendment calls for a flat 16 weeks, which is the language of the McCormack-Mills bill which was before the Ways and Means Committee. The amendment is mandatory, and includes the language of the administration bill, and requires that every State accept it.

Mr. AIKEN. The payments are to be based on the present State laws, are they?

Mr. KENNEDY. Yes. But the amendment extends them for 16 weeks.

Mr. AIKEN. It extends them for 16 weeks, does it?

Mr. KENNEDY. That is correct.

I also include the amendment of the Senator from Maine [Mr. PAYNE], but modify it so as to call for 30 weeks, which I believe is fair.

Mr. AIKEN. Then the amendment will apply to States which presently have requirements in regard to a total of four employees?

Mr. KENNEDY. That is correct; the amendment does not deal with that point.

Mr. AIKEN. I was trying to make sure that special sessions of the State legislatures would be avoided, if possible.

Mr. KENNEDY. That is correct; the amendment would avoid that.

Mr. AIKEN. Does the Senator from Massachusetts understand that the amendment would be applicable without the holding of special sessions of the legislatures in most States, at least?

Mr. KENNEDY. The point is that if we adopt the language the administration has proposed, then, as Secretary of Labor Mitchell explained, if a State legislature does not meet to enact such a bill, in those cases the Federal Government will make the payments directly.

Mr. AIKEN. Then the amendment would not permit the States to decide whether they would take it or would leave it?

Mr. KENNEDY. That is correct.

Mr. President, to conclude my remarks, this amendment by providing for

16 weeks of temporary benefits, recognizes the necessity for equal treatment of the unemployed workers during the present emergency, and likewise removes the inequity inherent in H. R. 12065, which calls for benefit payments of as few as 3 weeks in some States, ranging up to 15 weeks in others.

It also cures an inherent defect of H. R. 12065, which would produce few, if any, State agreements. It does so by providing the Secretary of Labor with authority to employ Federal agencies in the State to carry out the temporary program, if the State does not enter an agreement.

The amendment offers the States a real incentive, which can be measured in terms of dollars—the cost of the temporary program in the State—to adopt the minimum standards recommended by the President.

The amendment recognizes the possibility that the employers in a State might not be in condition, in 1963 and later years, to sustain an additional tax burden when that burden has already been fairly heavy due to the economy of the State.

In brief, when unemployment has been high during the 2 preceding years and the State fund is depleted, employers will not be called upon for an additional tax if their tax rates have been at an average of 2.7 percent and the minimum rate in the State has been not less than 1.2 percent during the 2-year period.

I think the amendment is a good amendment and combines the best features of the administration's first program and the proposal of the Senator from Maine [Mr. PAYNE].

Mr. COOPER. Mr. President, I send to the desk an amendment, which I ask to have printed and to lie on the table.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

Mr. COOPER. Mr. President, the amendment would provide a new section at the bottom of page 5. The new section would be identified as section 103, and would be the same as section 106 in the bill introduced in the House of Representatives by Representative REED.

The amendment provides that in the event no agreement is made between the Federal Government and a State, the Secretary shall make payments of temporary additional unemployment compensation, utilizing Federal agencies. That is the substance of the amendment.

I offer the amendment on behalf of myself and the junior Senator from New York [Mr. JAVITS].

Mr. MORSE. Mr. President, I now have my railroad amendment at the desk. The Parliamentarian informs me that all I need do is offer it once again to the Senator from Massachusetts. If the Senator will state again that he accepts it as a perfecting amendment, the matter will be settled.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The legislative clerk read as follows:

At the end of the bill add the following new title:

"TITLE —PROVISIONS APPLICABLE TO EMPLOYEES COVERED BY THE RAILROAD UNEMPLOYMENT INSURANCE ACT

"SEC. . The Railroad Retirement Board (hereinafter in this title referred to as the "Board") shall pay temporary additional unemployment compensation under this title, for days of unemployment which occur during the period beginning on the 30th day following the date of the enactment of this act and ending on March 31, 1959, to individuals who have, on or after December 31, 1957, exhausted their rights to unemployment benefits under the Railroad Unemployment Insurance Act, as amended (45 U. S. C. 351 et seq.), and who have no rights to unemployment compensation with respect to such days under any other Federal or State law.

"SEC. . The temporary additional unemployment compensation payable to any individual under this title shall be at the daily benefit rate that was payable to him by the Board under the Railroad Unemployment Insurance Act when his last exhaustion of unemployment benefits occurred before he makes a claim under this title, but shall not exceed a total amount equal to 65 times the daily benefit rate that was payable to him under the Railroad Unemployment Insurance Act when his last exhaustion of unemployment benefits occurred before his first claim under this title. Such temporary additional unemployment compensation shall be paid in accordance with the provisions of the Railroad Unemployment Insurance Act except where inconsistent with the provisions of this act.

"SEC. . Any individual whose claim for temporary additional unemployment compensation under this title has been denied shall be entitled to an appeal and review in accordance with the provisions, including rules and regulations, applicable to claims denied under the Railroad Unemployment Insurance Act.

"SEC. . An individual initially receiving temporary additional unemployment compensation under this title shall not thereafter be entitled to receive temporary additional unemployment compensation under title I of this act, and his right to receive temporary additional unemployment compensation under this act shall thereafter be determined in accordance with the provisions of this title.

"SEC. . The Board, upon request, shall furnish the Secretary of Labor information deemed necessary by the Secretary for the administration of this act.

"SEC. . Notwithstanding any provisions of the Railroad Unemployment Insurance Act to the contrary, temporary additional unemployment compensation under this title shall be paid from the railroad unemployment insurance account, and expenses incurred by the Board in carrying out the purposes of this title shall be paid from the railroad unemployment insurance administration fund.

"SEC. . The Board is hereby authorized to make such rules and regulations as may be necessary to carry out the provisions of this title.

"SEC. . There is hereby authorized to be appropriated funds sufficient to replenish the railroad unemployment insurance account to the level at which it would remain but for the additional compensation provided for by this title."

Mr. KENNEDY. Mr. President, I accept the amendment as a perfecting amendment.

The PRESIDING OFFICER. The Senator has the right to accept the amendment.

MUTUAL SECURITY ACT—AMENDMENT

Mr. MORSE. Mr. President, I send to the desk, out of order, an amendment to the Mutual Security Act. I ask that it be printed and lie on the desk.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the desk.

THE LEBANON CRISIS

Mr. MORSE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial published in the Memphis Press-Scimitar entitled "Why Bypass U. N. in Lebanon Crisis?"

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

[From the Memphis Press-Scimitar of May 22, 1958]

WHY BYPASS U. N. IN LEBANON CRISIS?

Secretary Dulles seems to be outsmarting himself in the Lebanon crisis.

He recognizes the Soviet and Nasser threat there. Our forces are alerted to protect American lives and property if necessary. Mr. Dulles says Moscow's warnings against American intervention will not prevent this Nation from doing its duty, or giving required aid if requested by Beirut.

But something is missing. While Moscow and Washington are fist-shaking; while Beirut is accusing the Reds and Nasser of subversion and they are denying all; the United Nations is bypassed.

If press reports are accurate, Washington has blocked Lebanon and Britain from taking the case to the U. N. Three excuses are given: anticipated Soviet obstruction. Fear that Lebanon can't prove her case. Washington's effort to woo Nasser.

These excuses are shortsighted. If the U. N. can't protect Lebanon, then the United States—preferably with Britain—may have to do so. But that is all the more reason the U. N. should be given the chance to meet its responsibility first. The longer the delay in taking the case to the U. N., the easier it will be for Russia in an emergency to stall the U. N. and to sabotage Lebanese defense outside the U. N.

We cannot police the world alone. We should not allow Russia to maneuver us into any such self-defeating policy—much less trick ourselves into it.

When Britain and France intervened in Suez, our Government insisted on the U. N.'s jurisdiction. By failing to apply that rule now, Washington risks injuring the already weak U. N., jeopardizing the frail Anglo-American alliance in the Middle East, and unwittingly aiding the enemy.

UNITED STATES MUST SHARE BLAME FOR LATIN IRE AND SUSPICION

Mr. MORSE. Mr. President, I also ask unanimous consent to have printed in the body of the RECORD as a part of my remarks a guest editorial from the Oregon Journal of May 17, 1958, written by George W. Friede, under the title "United States Must Share Blame for Latin Ire, Suspicion."

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

[From the Oregon Journal of May 17, 1958]

UNITED STATES MUST SHARE BLAME FOR LATIN IRE, SUSPICION

(By George W. Friede)

Communists and Communist sympathizers, as was reported, undoubtedly led in the unfortunate stoning of Vice President NIXON and his party in Peru and Venezuela. Anyone who believes, however, that anti-United States sentiment in these countries is confined to the Communists is badly mistaken.

I make this statement based upon my observations made during six visits below the border. Although I was always in Latin North America, the pattern was undoubtedly the same as in South America.

A fear of economic aggression and United States "imperialism" has played an important part in estranging from us the support and confidence of much of the more liberal segment of the intellectual classes. This fear to many Latin people seems to be confirmed by the diplomatic and economic maneuvering of our Government, regardless of which political party is in power.

For example, in Nicaragua, which I visited in February 1957, I was told that there would have been an uprising to set up a genuine democracy that previous September 1956, when Anastasio Somoza, Sr., dictator, was shot.

The action of President Eisenhower, who instead of just dispatching a routine diplomatic note of sympathy, sent down his personal plane to carry the dying despot to Balboa in the Canal Zone for treatment in the United States Army hospital there and rushed his personal physician from Washington to supervise the treatment, discouraged all hope of United States support or even neutrality in a struggle by the people for political emancipation.

Our Democrats were no better in this regard, having in their time treated the Somoza regime just as tenderly.

Again and again, for the sake at all costs of preserving order and keeping trade moving, we have financially and with military supplies supported governments which used force to suppress and exploit their own people and which have siphoned off the hard earned moneys of United States taxpayers from the intended use of improving the lot of the people to increasing the security and improving the economic position of the ruling cliques.

Too many of our embassy and consular employees are seeking a social position, luxuries and a feeling of importance which they were unable to obtain at home and have spent their time enjoying the favors of the rich instead of mingling among the populace.

These realities have been observed by the general population and have not been lost upon them. Is it any wonder that we are so frequently identified these days with the ruling classes of these countries and hated when they are hated? I might add that the concentration of American tourists at the super de luxe hotels (for example the El Panama at Panama City; $22 a night without meals) which are far beyond the dreams of the average Latin does not detract from the identification.

But to decrease aid, because of incidents such as that which has just occurred, would only increase, not minimize, communism. An out for the United States, however, might be to cut down on aid to governments as much as possible and in its stead to establish more direct aid and contact with the people.

Thus, by means of publicly financed corporations although spending no more than we do now, the Latin governments could be partly by passed and there could be created agricultural institutes, hospitals and clinics, technical schools, exchanges of students and teachers and the like, all of which would carry our message of good will and helpfulness directly to the people.

LEGISLATIVE PROGRAM FOR TOMORROW

Mr. JOHNSON of Texas. Mr. President, I should like to announce that following the ceremony on tomorrow the Senate will return to its Chamber to consider the pending bill, and we expect to conclude action on the pending business tomorrow, even if it is necessary to have a late evening session. I should like all Members of the Senate to be on notice that we expect to finish consideration of this proposed legislation tomorrow. If not, of course, the bill will go over until the next day.

We also expect to bring up a bill from the Committee on Agriculture and Forestry concerning emergency legislation for flooded areas, and perhaps a housing resolution from the Committee on Banking and Currency, which was referred to in our discussion earlier today. I should like all Members to be on notice of that possibility.

PRINTING AS SEPARATE LEAFLET THE INDIVIDUAL VIEWS OF SENATOR MORSE ON MUTUAL SECURITY BILL

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in a separate leaflet the individual views I submitted on the mutual security bill, so that it will be available for the use of the Foreign Relations Committee and the use of my office.

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

ARMY'S STRATEGIC COMBAT CORPS

Mr. JAVITS. Mr. President, the New York Herald Tribune of May 21 carried a most timely report on the organization of the Army's strategic combat corps, which I commend to the attention of my colleagues. This strategic Army force is the Army's ready mobile force of highly trained infantrymen and paratroops, specifically designed to deal with brush-fire conflicts and to prevent such conflicts from growing into a general war. It is a major instrument of deterrence to war, and its philosophy of operations is to move quickly, strike quickly, and put out a brush-fire type of war before it can develop into a full blaze.

I ask unanimous consent to have printed in the RECORD at this point the article which appeared in the New York Herald Tribune of Wednesday, May 21, 1958, to which I referred.

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

[From the New York Herald Tribune of May 21, 1958]

SMALL WAR CORPS SET UP BY ARMY—BATTLE-READY FOR FAST MOVES

(By Tom Lambert)

WASHINGTON, May 20.—The Army announced it has organized a "fire brigade" corps of paratroopers and infantrymen to fight limited wars or move swiftly to potential trouble spots anywhere in the world.

The announcement came shortly after Secretary of State John Foster Dulles told a news conference that Russian blustering and threats will not deter the United States from assisting friendly nations around the globe.

The Army move, in keeping with that service's belief that limited war is more likely than all-out, thermonuclear conflict, came during a continuing period of violence and unrest abroad which has resulted in movements of American soldiers, Marines, aircraft and naval forces in or to the Caribbean, Mediterranean and Western Europe.

The Army's new unit, to be called the Strategic Army Corps, or STRAC, will include the 18th Airborne Corps headquarters and the 82d Airborne Division at Fort Bragg, N. C.; the 101st Airborne Division at Fort Campbell, Ky.; the 1st Infantry Division at Fort Riley, Kans., and the 4th Infantry Division at Fort Lewis, Wash.

The Army said STRAC is "a force specially tailored to deal with limited wars and to move promptly to potential trouble spots anywhere in the world." In all, it will comprise 125,000 men. Some STRAC units, such as the 101st Airborne, have both conventional and atomic weapons.

DEPENDENCY DEPLORED

Commanded by Maj. Gen. Robert F. Sink, whose headquarters are at Fort Bragg, STRAC soldiers are being trained for amphibious, jungle, and Arctic warfare with conventional and nuclear arms, "to meet or reinforce any initial emergency requirements throughout the world." STRAC furnished the 500 paratroopers flown to the Caribbean last week when Vice President RICHARD M. NIXON was under mob attack in Venezuela.

STRAC has one gaping deficiency, as pointed out by General Sink: It has to depend on the Air Force or Navy to move anywhere in the world. General Sink indicated today that he disapproves of this arrangement.

General Sink, a paratrooper, said STRAC was organized to prepare highly trained units for movement quickly to trouble areas and to "stop the little mess before it gets to be a great big mess."

STRAC's 101st Airborne Division proved its readiness last week when 500 of its paratroops began moving to the division's airfield 10 minutes after being order to the Caribbean.

Like the 101st the 82d Airborne keeps one battle group on continuous alert and one company on 4-hour notice.

THE FARM SITUATION

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed in the body of the RECORD one of the best editorials I have ever read on the farm situation.

Mr. Fred Froeschle, editor of the Ranson County Gazette, at Lisbon, N. Dak., is not only very close to the farmers, but has the ability to put into words better than anyone I know the true farm situation today.

I hope every Senator will read this editorial.

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

[From the Ranson County, N. Dak., Gazette of May 25, 1958]

IS SECRETARY BENSON ON FARMER'S TEAM?

In the President's Cabinet, Secretary Benson is the voice of the farmers, but he is not

speaking for the farmers we know, and in Republican North Dakota the farmers we know are Republican even though they may cast a Democratic protest once every 3 or 4 decades.

It is possible that Ezra Taft Benson is doing the kind of job President Eisenhower expects of him.

And maybe the Secretary of Agriculture is entirely right in his views on how to solve the farm problem.

But Secretary Benson is botching the job as far as most farmers are concerned.

Where Benson is failing the farmers is in his reluctance to present their side of the farm problem to the vast American public that understands little about farming.

He has let the people in cities and towns believe that the high cost of food is a reflection of the high price the farmer receives for his goods, when in reality the relationship between farm prices and food prices has all but disappeared.

When he has taken the stump he has used it to tell farmers they are wrong rather than to tell the other 83 percent of the American public in what respects the farmer is right.

ADJOURNMENT TO 9:30 A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, pursuant to the order previously entered, I move that the Senate stand in adjournment until 9:30 a. m. tomorrow.

The motion was agreed to; and (at 6 o'clock and 16 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Wednesday, May 28, 1958, at 9:30 a. m.

NOMINATIONS

Executive nominations received by the Senate May 27, 1958:

Diplomatic and Foreign Service

Edward T. Wailes, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Iran.

Federal Coal Mine Safety Board of Review

Edward Steidle, of Pennsylvania, to be a member of the Federal Coal Mine Safety Board of Review for the term expiring July 15, 1961. (Reappointment.)

Public Utilities Commission of the District of Columbia

George E. C. Hayes, of the District of Columbia, to be a member of the Public Utilities Commission of the District of Columbia for a term of 3 years expiring June 30, 1961. (Reappointment.)

United States Marshal

Kenner Wilburn Greer, of Oklahoma, to be United States marshal for the western district of Oklahoma for a term of 4 years. He is now serving in this office under an appointment which expires June 10, 1958.

Collectors of Customs

The following-named persons to the positions indicated:

Maynard C. Hutchinson, of Massachusetts, to be collector of customs for customs collection district No. 4, with headquarters at Boston, Mass. (Reappointment.)

Bernhard Gettelman, of Wisconsin, to be collector of customs for customs collection district No. 37, with headquarters at Milwaukee, Wis. (Reappointment.)

William A. Dickinson, of Virginia, to be collector of customs for customs collection district No. 14, with headquarters at Norfolk, Va. (Reappointment.)

Promotions and Appointments in the Regular Army

The following-named officers for promotion in the Regular Army of the United States, under the provisions of title 10, United States Code, sections 3284 and 3298. All officers are subject to physical examination required by law.

To be first lieutenants

Anderson, Karl R., Jr., O72811.
Badovinac, Nick J., Jr., O78211.
Bailey, William R., Jr., O77261.
Barney, Charles D., Jr., O78217.
Bartell, Harold T., O73087.
Baty, Roy S., Jr., O72574.
Beatty, Donald B., O72675.
Bjorn, Edward D., O77270.
Bradshaw, Don L., O72825.
Brinkpeter, Charles H., O73133.
Britten, Samuel L., O72680.
Brown, Joe A., O78244.
Burnette, Charles D., O72832.
Butler, Frank C., Jr., O72834.
Cahill, William J., O78254.
Cameron, Frank N., O77301.
Chapman, Charles W., O78258.
Clark, Richard DeW., O72692.
Cosby, Lloyd N., O77337.
Cross, Ray S., O78271.
Cuthbertson, Robert J., O73091.
Daves, Phillip E., O72852.
DeAmaral, Charles F., Jr., O78278.
Dorand, Edwin J., O78282.
Duggan, Daniel E., O72704.
Dunn, James T., O78288.
Ellingwood, Dean C., O79574.
Farris, Robert I., O72706.
Feeley, Robert F., O72867.
Fox, Frederick W., O72870.
Fry, Kenneth L., Jr., O73147.
Fucella, Edward D., O72874.
Gantt, Gerald D., O78313.
Garner, James E., O77399.
Gingrass, Robert J., O73336.
Gleave, Paul R., O73149.
Gourley, William H., O78322.
Grivna, Lawrence F., O72720.
Gunter, Gurnie C., O72477.
Hall, Harry T., O72887.
Halsey, Milton B., Jr., O72722.
Hammill, William C., O73227.
Hammond, Rudolph E., O72889.
Hanchey, Jennings B., Jr., O78335.
Haney, Kenneth W., 2d, O78336.
Harris, James W., O73035.
Hayward, Donald P., O78347.
Hoffman, Glenn F., O72899.
Holder, Floyd D., Jr., O73346.
Horner, Roger H., O73213.
Hudson, Samuel R., O77464.
Huhn, John N., O78358.
Jackemeyer, Robert R., O77476.
Jeffries, Charles O., O73039.
Jerrett, Lyle E., O78369.
Kansler, Norbert A., O78377.
Kelley, Norman D., O78381.
Kennedy, Billie J., O77502.
Kennedy, Bruce, O77503.
Keyes, William G., O77506.
Kiser, Billy J., O72615.
Konkle, Carl H., O77513.
Krebs, James M., O77515.
Kuper, James F., O72617
Lamons, Robert E., O72502.
Lasker, Paul E., O77522.
Lehnert, Edwin D., O78398.
Leonard, John D., O73104.
Light, Clarence O., Jr., O78403.
Lindquist, Gary E., O73165.
Loeffler, John F., O77536.
Luetge, Arnold E., O72922.
Lund, Robert E., Jr., O77542.
Lutz, Joseph C., O72506.
Lynch, Francis D., O73105.
MacDonald, John, O77546.
MacDonnell, Thomas A., O77475.
Maher, Kevin L., O73167.
Manna, Paul E., O72508.
Martin, James G., O73168.
McDonald, Merle A., O78422.
McDonald, Vincent P., O77564.
McManus, Booker T., O72623.
Meissner, Roger F., O72520.
Mendel, Thomas E., O78431.
Moir, Raymond C., O77584.
Moore, Herbert W., O72765.
Moore, Virgil E., Jr., O78444.
Morgans, William W., O73175.
Naddef, Wilfred J., O79609.
Naegel, Charles L., O78453.
Nelson, Ronald A., O77596.
Nolan, John W., O77599.
O'Neil, William R., O77611.
Orkand, Robert E., O77612.
Orr, James McD., O72531.
Osborn, John A., O74795.
Pannell, William P., O73182.
Parham, Paul B., O77618.
Parson, Joe W., O72961.
Pece, Henry W., Jr., O77620.
Pfeil, Kenneth A., O72963.
Pulliam, Nathan McG., O77633.
Putorek, William P., O78472.
Rice, Richard C., O73185.
Robertson, Gene W., O78479.
Roddy, Patrick McR., O72979.
Rogers, John E., O73188.
Rosie, Gerald J., O72980.
Sage, Robert S., O72546.
Sanford, William F., O73115.
Schick, Robert L., O77671.
Scoggins, Larry E., O77678.
Scribner, Edwin G., O77679.
Seago, Pierce T., Jr., O77680.
Sheehan, Stephen A., O77684.
Shepardson, John A., O72988.
Shepherd, Richard G., O73078.
Shilko, Edwin M., O74842.
Simmons, Bobby B., O73192.
Simons, John D., Jr., O77689.
Slaven, Joseph E., O73223.
Sliva, Norman E., O77691.
Springman, Robert W., O77699.
Standeven, Ernest J., O78514.
Stout, Anthony N., O72993.
Strimbu, George, O72994.
Sutton, James L., O72996.
Swartwout, Donald C., O77719.
Sweetwood, Dale R., O77720.
Taylor, Francis C., O77722.
Thorpe, Marvin, Jr., O72797.
Van Horn, Jonathan S., O72799.
Vergot, William D., O72559.
Waldo, Rondel L., O73206.
Wallace, James W., O73003.
Walton, John C., Jr., O77762.
Ward, Stanley D., O77763.
Weiher, Ronald G., O78540.
Wesson, Robert E., O78543.
Westcott, Charles E., O73009.
Wiggers, Ralph G., O77776.
Woolworth, Wesley B., O73013.
Yore, Joseph A., O77796.
Yuhas, Robert J., O73014.
Zane, Thomas L., O77798.
Zittrain, Lawrence O., O72806.
Zwahlen, Robert J., O72807.

To be first lieutenant, Women's Army Corps

Keil, Barbara J., L550.

To be first lieutenants, Medical Service Corps

Dorsett, Herbert F., O73067.
Paul, Hinton G., Jr., O76829.
Pfeiffer, William G., O78166.
Smith, Robert C., O78687.
Wiley, Robert A., O73234.

To be first lieutenants, Army Nurse Corps

Capper, Edna L., N2778.
Dubatowski, Doris T., N2786.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of section 103 (a) (4), Public Law 737, 84th Congress, subject to physical examination required by law:

To be major

Kuznicki, John Frank, O405609.

To be captains

Daniels, William Fowler, O446377.
Davis, Edmund Pettus, O518288.
Gustafson, Carl William, O888358.
Isenson, Raymond Serlo, O417089.
Laible, Roy Charles.

To be first lieutenants

Crampton, Theodore Henry Miller, O1020406.
Kriegh, Roy Benjamin.
Riseng, Ole Arne Jerome.
Sebera, Donald Keith, O1933758.
Sieving, Kenneth William.
Williams, Jacob Alberry.
Yee, George Staples.

To be second lieutenants

Abrahamson, Ernest Percival, 2d, O4038401.
DeMio, Dante Chester, O4010450.
Eccles, William James, O4037377.
Ehrman, Leonard, O4015124.
Jarboe, Charles Harry, O999850.
Lowrey, Austin, 3d, O4058413.
Matney, Thomas Stull, O1920466.
Mitchell, Allston Thomas, O2288939.
Parsons, Robert Eugene, O4033774.

The following-named persons for appointment in the Medical Service Corps, Regular Army of the United States, in the grades specified under the provisions of section 103 (a) (4), Public Law 737, 84th Congress, subject to physical examination required by law:

To be captains

Harmon, George Andrew, Jr., O551916.
Holland, Donald Brownlee, O1640567.

To be first lieutenants

Burkitt, William Cromer, O977783.
Mittenthal, Lothrop, O961005.

To be second lieutenants

Anderson, Robert Edgar, O2279852.
Steinberg, Marshall, O2287239.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, section 3294, as amended by Public Law 497, 84th Congress; title 10, United States Code, section 3291, as amended by Public Law 85–155, title 10, United States Code, section 3292, and Public Law 737, 84th Congress:

To be captains

Birath, Alma V., ANC, N752655.
Conly, Marjorie J., ANC, N776360.
Hewitt, Wilmer C., Jr., MC, O4043810.
Malone, William F., DC, O2275656.
Nuttall, Edith M., ANC, N784812.
Smith, Willard F, MC.
Taimuty, Julia, ANC, N761834.
Thorpe, William J., MC, O2286745.

To be first lieutenants

Beach, Robert A., MC, O2284267.
Forsha, Sue M., ANC, N901131.
Gleason, Eleanor M., ANC, N901812.
Huerter, Gerard W., DC, O2289639.
Inglefield, Joseph T., Jr., MC, O2288708.
McNeil, Darrell O., JAGC, O2292209.
Robinson, Sherman S., MC, O2283927.
Stevenson, Robert E., MC.

To be second lieutenants

Orbelo, William R., MSC, O5302414.
Walden, Betty J., ANC, N2289582.

The following-named distinguished military students for appointment in the Medical Service Corps., Regular Army of the United States, in the grade of second lieutenant, under the provision of Public Law 737, 84th Congress:

Barden, Regginial R.
Doctor, Robert L.
Hayes, John D.
Logan, Robert F., Jr.
Wright, Harry S.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law, 737, 84th Congress:

Allen, Jerry P.
Allen, Teddy G.
Barnwell, Isaiah E., Jr
Barnwell, Marion L.
Beers, Richard C.
Bentz, Ronald J.
Bergevin, Duane B.
Bishop, Robert L.
Bondurant, Edwin A.
Bonnoitt, John J., III
Boothe, Robert S.
Boozer, James M.
Boswell, Benjamin W.
Bowen, David, Jr.
Bowling, Harold T.
Bowser, John A.
Boyce, James C., Jr.
Bradin, James W., IV
Briggs, Bobby G.
Brown, Joe J.
Brown, Joe M.
Brown, Joseph E.
Bruno-Berretiaga, Fernando A.
Bumgardner, George H.
Burleson, Grady L.
Cannon, Edwin E., Jr.
Cantor, Robert L.
Casey, Joe W.
Cassimus, Christos R.
Chandler, Edward V., Jr.
Clar[illegible]rbert T.
Cook, Larry J.
Cooley, Howard D.
Cortelli, Richard J.
Cotton, Thomas W.
Cox, Kenneth E., Jr.
Crawford, Jon C.
Crowley, Ronald C.
Daley, Richard M.
Daniel, Joe H.
Decker, Gilbert F.
Dempsey, Gene A.
Dishner, Wilbert J., Jr.
Doster, David A.
Doyle, Stuart G.
Edmonds, Holman, Jr.
Edwards, Fain E.
Ellis, Orous L., Jr.
Farill, Trent G.
Farris, Jack B., Jr.
Fee, Gene B., Sr.
Fields, Harvey R.
Filson, Ronnie L.
Fish, Richard O.
Galbreath, Carlton A.
Gammons, Vance S.
Gardner, Robert M.
Giesler, Russell M.
Gilligan, Thomas A.
Gissendaner, William E., Jr.
Gordon, Raymond
Gordy, Terry L.
Green, James F.
Groomes, Benjamin H.
Hagood, Monroe J., II
Hale, Sanders F.
Hammond, William D.
Hansen, Boyd C.
Hardin, Robert E.
Harris, William K.
Haskell, Charles T., Jr.
Henderson, James M., Jr.
Hendry, Robert R.
Herron, Roy H.
Hoag, Phillip C.
Howard, William M.
Humphrey, Johnny M.
Jemison, Richard A., III
Joe, Johnny L.
Johnson, Eugene F.
Johnson, Gonzales B.
Johnson, James O.
Jones, Billy G.
Jones, John D.
Jones, Joseph E., Jr.
Jordan, Daniel W.
Jordan, James P.
Kelly, Joseph J., Jr.
Krebs, Thomas J., Jr.
Loughboro, John P., O5701904
Lowe, Larry E.
Malave-Garcia, Samuel
Malone, John F.
Marshall, Harold C.
Martinez-Boucher, Rafael E.
Massey, Ralph E., Jr.
Matsen, Gerald G.
Maxson, Ronald G.
McCluskey, William J.
McCollum, Bobby F.
McCormick, Kenneth J., Jr.
McDermott, Charles L.
McIntyre, Stephen, III
McIver, Willie J.
McKay, Lawrence E., Jr.
McLeod, Roger L.
Meadows, Roberts A.
Methvin, Joseph L.
Miller, Retsae H.
Moore, Charles F.
Nelson, Roosevelt
Novak, Jerry R.
Oakley, Osborne C., Jr.
Olds, Warren T., Jr.
Osterlund, John R.
Parent, Donald E.
Pierce, Dale W.
Ponder, Thomas B.
Ponton-Nieves, Hector R.
Ray, Thomas L.
Rees, Warren K.
Rivera-Munoz, Hector M.
Rizzo, Peter J.
Robinson, James C., Jr.
Root, Duane B.
Rosener, Stanley I.
Roy, Mark J., Jr.
Rush, William H.
Rushing, Theophilus H., Jr.
Ryan, Edmond P.
Schlossberg, Arnold, Jr.
Schomburg, August, Jr.
Scott, Edmond L.
Scott, Franklin D.
Scott, James M.
Serda, William C., Jr.
Sharp, John B.
Shepherd, Donald E.
Smart, William E.
Smith, Lee C., Jr.
Snyder, Thomas E.
Spearman, David L.
Spivey, Currie B., Jr.
Squire, John H.
Stewart, Robert G.
Stiner, Carl W.
Stoner, Clifford D.
Sullivan, Dale B.
Taylor, William E.
Theophilus, Clayton M.
Thomas, Kenneth E.
Thornhill, John W.
Thublin, Marcus F., Jr.
Trotter, Oron G., Jr.
Turenne, Paul N.
Turner, Douglas H.
VanDevender, Edward P.
VanHoof, James H.
VanMeter, Harold C.
Walker, Elvin F.
Ward, Alan W.
Warren, Pascal D.
Watts, Garrison G., Jr.
Wayne, Ed R.
Weiffenbach, William L., Jr.
Welsh, Richard W.
Westbrook, Lewis E.
Wilhite, James A.
Wilkinson, Cicero, Jr.
Williams, Robert S., Jr.
Willingham, Jesse L., Jr.
Willoughby, Kenneth L.
Wimmer, Melvin L.
Wollman, David H.
Wolverton, Morton E.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of colonel:

Kenneth E. Martin
Nicholas A. Sisak
Theodore F. Beeman
Wilbur F. Meyerhoff
Frank E. Gallagher, Jr.
Henry J. Smart
Ralph M. Wismer
George E. Dooley
Ross S. Mickey
Robert G. Owens, Jr.
Thomas J. Ahern
David E. Marshall
William M. Gilliam
John A. White
Carl V. Larsen
George F. Waters, Jr.
Richard I. Moss
Eugene N. Thompson
John W. Stevens II
Martin E. W. Oelrich
Joseph A. Gray
John T. Rooney
Louis N. King
Jonas M. Platt
James O. Appleyard
Walter Holomon
Clifford B. Drake
Charles R. Baker
Robert H. Armstrong
Wallace H. Robinson, Jr.
Crawford B. Lawton
Marshall J. Hooper
Hulon H. Riche
James O. Bell
Paul T. Johnston
Orville V. Bergren
Walter F. Cornnell
Elliott Wilson
Bernard T. Kelly
Karl W. Kolb
Stoddard G. Cortelyou
William H. Souder, Jr.
Andre D. Gomez
George B. Kantner
Tolson A. Smoak
Daniel S. Pregnall
Robert J. Oddy
Virgil W. Banning
Richard W. Wyczawski
Franklin B. Nihart
Howard A. York
Edward V. Finn
Winsor V. Crockett, Jr.
Victor J. Croizat
Ernest C. Fusan
Charles E. Warren
Roy J. Batterton, Jr.
Earl E. Anderson
Robert D. Taplett
Wilson F. Humphreys
Victor J. Harwick
Wade H. Hitt
Robert H. Houser
Tillman N. Peters
Allen T. Barnum
Robert A. Merchant, Jr.
Alexander R. Benson
John H. Jones
Marlin C. Martin, Jr.

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel:

Franklin C. Thomas, Jr.
Thomas R. Merritt
Philip H. McArdle
Charles S. Robertson
Robert H. Venn
James C. Fetters
William E. Lunn
Richard H. Mickle
John R. Grove
David H. Pepper
Robert J. Edwards
Warren F. Lloyd
Howland G. Taft
Andrew J. Voyles
Charles W. Boggs, Jr.
Richard F. Delamar III
John B. Bristow
Martin J. Sexton
Coburn Marston
William L. Sims
Earl R. McLaughlin
John A. Creamer
Lelon L. Patrow
Alex H. Sawyer
Robert J. Fairfield
Philip N. Pierce
Bernard G. Thobe
Augustine B. Reynolds, Jr.
David Foos, Jr.
Benjamin F. Sohn
Clifford J. Robichaud, Jr.
Jake B. Hill
Remmel H. Dudley
Alfred H. Peterson
Leslie Menconi
Robert H. Brumley
George H. Linnemeier
Donald D. Kennedy
Wiley E. Haverty
George W. Kaseman
Albert Wood
Charles C. Crossfield III
Clarence F. Zingheim
Donald L. Mallory
Fred A. Steele
William C. Davis, Jr.
Gilbert N. Powell
George W. Doney
Charles H. Beale, Jr.
Fletcher R. Wycoff
Milton A. Hull
Julian Willcox
Robert A. Thompson
James K. Linnan
James C. Norris, Jr.
Ross T. Dwyer, Jr.
James F. McInteer, Jr.
Samuel Jaskilka
John A. Lindsay
Franklin L. Smith
Robert M. Jenkins
David H. Lewis

The following-named officers of the Marine Corps for permanent appointment to the grade of major:

John S. Alexander
Joe B. Crownover
Dene T. Harp
Eugene W. Gleason
John E. Quay, Jr.
Paul G. Graham
Edgar F. Remington
John E. McVey
Elbert F. Price
Thomas L. Cobb
Ted H. Collins
Gordon R. Squires
Joseph W. Krewer
John W. Kirkland
John J. Murphy
Robert D. Slay
Richard W. Benton
Harold F. Keller
Robert L. Parnell, Jr.
McDonald D. Tweed
Loren W. Calhoun
Daniel A. Casey, Jr.
William F. Harrell
Harvey L. Jensen
Herbert F. McCormick
Truman Clark
Stanley E. Adams
Robert C. Simons
Thomas H. Nichols, Jr.
James S. McAlister
Thomas W. Clarke
Duane G. Lynch
Robert E. Paulson
John T. Ryan
Joseph A. Nelson
Rocco D. Bianchi
Robert V. Anderson
William L. Hall
Charles H. Watkins, Jr.
Chester M. Lupushansky
Kenneth J. Smock
Edgar D. Pitman
David M. Bidwell
Harry Hunter, Jr.
Donald R. Dempster
Cecil L. Champion, Jr.
Ross R. Miner
Eraine M. Patrias
Joseph DiFrank, Jr.
Kenneth J. Conklin
Richard J. Fellingham
Walter E. Sparling
Paul L. Hitchcock
William R. Quinn
Joseph L. Wosser, Jr.
Stanley G. Dunwiddie, Jr.
Jack G. Kelly
Elwin M. Jones
Julian G. Bass, Jr.
Daniel A. Somerville
Emanuel R. Amann
Leland S. Gaug
William B. Higgins
Richard B. Haines
George R. Pillon
Charles N. Sims, Jr.
James T. Doswell II
William H. Johnson
George T. Keys
Paul T. Wiedenkeller
Leslie W. Bays
Leo Gerlach
Bobby Carter
Donald R. Harris, Jr.
Steve Furimsky, Jr.
Roy E. Oliver
Jerome J. C. Beau

The following-named officers of the Marine Corps for permanent appointment to the grade of captain:

Frederick L. Farrell, Jr.
James C. Gerard
Gerald W. Vaughan
Richard H. Marciniak
Marvin E. Day
Marcus D. McAnally
Rylen B. Rudy
Paul G. Janssen
Richard T. Spencer
Jimmie L. Dillon
Coyle H. Willis
Lawrence R. Hawkins
Raymond L. Duvall, Jr.
William K. Hutchings
Reginald G. Sauls IV
Edison W. Miller
Donald W. Anderson
Alan B. Kimball
John W. P. Robertson
William H. Stewart, Jr.
Marque C. Debenport
Leo J. LeBlanc, Jr.
Laurence A. Taylor
William G. Brothers, Jr.
Guy R. Campo
Ralph F. Kenyon
Alfred N. Drago
James S. Thompson
Louis W. Schwindt
Michael A. Ciaburro
James W. Kirk
George M. Lawrence, Jr.
Allan H. Robb
Wallace H. Graham
William E. Garman
Richard L. Hawley
Charles R. Kucharski, Jr.
Eugene Lichtenwalter
Edward J. Sample
Edward H. Stansel
David R. Stanton
Harold J. McMullen
Robert L. Zuern
Robert D. Jameson
Robert D. Purcell
Joseph B. Brown, Jr.
Billy D. Conrad
John R. Fox
Joseph P. Mitchell, Jr.
John S. Bugg, Jr.
Joseph R. Lepp
Cyril H. Cornwallis-Stevenson, Jr.
Joe E. Willis
Thomas F. Rochford
William H. Keith
Robert E. Nicholson
John C. Love
Robert E. Cook
Franklin C. Broadwell
Donn E. Seaman
John A. Hennelly
James W. Dion
John H. Strandquist
Morgan L. Spence
Theo F. Aschenbeck
Jack K. Griffith
Charles F. Keister
Samuel J. Fulton

Richard Petroff for permanent appointment to the grade of first lieutenant in the Marine Corps, subject to qualification therefore as provided by law.

The following-named officers for temporary appointment to the grade of first lieutenant in the Marine Corps, subject to qualification therefor as provided by law:

Richard H. Esau, Jr.
William R. Gentry.
William R. Irwin.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 27, 1958:

UNITED STATES DISTRICT JUDGE

Walter H. Hodge, of Alaska, to be United States district judge, division No. 2, district of Alaska, for the term of 4 years.

CIRCUIT COURTS, TERRITORY OF HAWAII

Frank Aloysius McKinley, of Hawaii, to be fourth judge of the first circuit, circuit courts, Territory of Hawaii, for the term of 6 years.

UNITED STATES ATTORNEY

Henry J. Cook, of Kentucky, to be United States attorney for the eastern district of Kentucky for a term of 4 years.

UNITED STATES MARSHAL

John Burke Dennis, Missouri, to be United States marshal for the western district of Missouri for a term of 4 years.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 27, 1958:

POSTMASTER

Perry C. Harris to be postmaster at Browning in the State of Illinois.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 27, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

John 8: 12: *Jesus said unto them, I am the light of the world; he that followeth Me shall not walk in darkness, but shall have the light of life.*

Most merciful and gracious God, we worship and adore Thee for Thou art the life of our lives, the light of our minds, and the love that fills our hearts.

We thank Thee for the manifestation which Thou hast made of Thyself as the strength of all that is good and the glory of all that is beautiful.

Thou art always drawing us to Thyself by the bonds of love which nothing can break, and seeking to lead us out of darkness into the blessedness of the larger and more abundant life.

Grant that daily we may be baptized with Thy Holy Spirit, giving us an awareness of Thy presence, an inflowing of Thy peace, and a new sense of Thy power.

Hear us in Christ's name. Amen.

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

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 7870. An act to amend the act of July 1, 1955, to authorize an additional $10 million for the completion of the Inter-American Highway;

H. R. 12356. An act to amend the act entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes," approved August 30, 1954; and

H. R. 12377. An act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 6006. An act to amend certain provisions of the Antidumping Act, 1921, to provide for greater certainty, speed, and efficiency in the enforcement thereof, and for other purposes; and

H. R. 10015. An act to continue until the close of June 30, 1959, the suspension of duties on metal scrap, and for other purposes.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 2498. An act for the relief of Matthew M. Epstein.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10746) entitled "An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, and for other purposes."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 58-14.

TRADE AGREEMENTS EXTENSION ACT OF 1958

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 578, Rept. No. 1777), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 12591) to extend the authority of the President to enter into trade agreement under section 350 of the Tariff Act of 1930, as amended, and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill, and shall continue not to exceed 8 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendments shall be in order to said bill except amendments offered by direction of the

Committee on Ways and Means or an amendment proposing to strike out all after the enacting clause and inserting in lieu thereof the text of the bill H. R. 12676, and said amendments shall be in order any rule of the House to the contrary notwithstanding, but such amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion, except one motion to recommit, with or without instructions.

DEPARTMENT OF AGRICULTURE AND FARM CREDIT APPROPRIATION ACT, 1959

Mr. WHITTEN. Mr. Speaker, I call up the conference report on the bill H. R. 11767, making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1959, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

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

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 1776)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11767) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1959, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 5, 6, 7, 13, 18, 19, and 20, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$59,044,890"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$14,195,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$20,659,000"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "110,000,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment amended to read as follows: "*Provided further*, That $35,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act, such additional funds to be used for the general purposes of section 32"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$16,000,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$12,750,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$375,000,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "*Provided further*, That an additional amount, not to exceed $20,000,000, may be borrowed under the same terms and conditions to the extent that such amount is required during fiscal year 1959 under the then existing conditions for the expeditious and orderly conduct of the loan programs under the Bankhead-Jones Farm Tenant Act, as amended, not to exceed $5,000,000 of which shall be available for loans under Title I and section 43 of Title IV of such Act, as amended"; and the Senate agree to the same.

Amendment numbered 22: That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$2,968,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 8 and 17.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
ALFRED E. SANTANGELO,
CLARENCE CANNON,
H. CARL ANDERSEN,
WALT HORAN,
C. W. VURSELL,
JOHN TABER,
Managers on the Part of the House.

RICHARD B. RUSSELL,
CARL HAYDEN,
LISTER HILL,
A. WILLIS ROBERTSON,
ALLEN J. ELLENDER,
MILTON R. YOUNG,
KARL E. MUNDT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11767) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1959, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF AGRICULTURE

Agricultural Research Service

Amendment No. 1, research: Appropriates $59,044,890 instead of $58,444,890 as proposed by the House and $59,362,390 as proposed by the Senate. It is intended by the conferees that all items earmarked in both the House and Senate reports shall be carried out by the Department during the coming fiscal year. The full amounts proposed for each project are approved with the following adjustments: $100,000 additional above the amount earmarked by the House for rust research on cereals; a total of $125,000 for cold-hardiness research on citrus; and a total of $25,000 for research on "hotspot" conditions in the lower Rio Grande Valley.

Amendment No. 2, plant and animal disease and pest control: Appropriates $47,132,000 as proposed by the Senate instead of $41,732,000 as proposed by the House. The conferees are in full agreement that no funds shall be expended by the Department for eradication of the screwworm unless and until fully matched by the States in which such program is carried out.

Amendment No. 3, meat inspection: Appropriates $17,326,000 as proposed by the Senate instead of $24,326,000 as proposed by the House. The conferees have agreed that the new mandatory poultry-inspection service may be located under the Agricultural Marketing Service, at the discretion of the Secretary. The conferees feel, however, that the Secretary should give attention to setting up a new combined inspection service or should take such other steps as may be necessary to prevent the creation of duplicate offices and supervisory personnel for the meat-inspection work and the poultry-inspection activity. In this connection the conferees direct that additional supervisory personnel in Washington and the field for these activities be held at an absolute minimum and that no new area or district offices be created for either service.

Amendments Nos. 4 and 5, State experiment stations: Appropriate $31,553,708 as proposed by the Senate instead of $30,353,708 as proposed by the House.

Extension Service

Amendments Nos. 6 and 7, payments to States, Hawaii, Alaska, and Puerto Rico: Appropriate $53,715,000 as proposed by the Senate instead of $50,715,000 as proposed by the House.

Agricultural conservation program

Amendment No. 8: Reported in disagreement. The managers on the part of the House intend to offer a motion to recede and concur with the Senate amendment with perfecting language to require that the 1959 program remain the same as the 1957 and 1958 programs. Most States followed the language contained in last year's conference report, directing that no changes be made in the 1958 program to restrict eligibility requirements or delete cost-sharing practices included in the 1957 program. Since a few States made changes in the 1958 program despite such directive, the conferees have agreed to language in the accompanying bill which will restore any such changes and will make certain that future changes are made only upon the recommendation of the county committee concerned.

Agricultural Marketing Service

Amendment No. 9, marketing research and agricultural estimates: Appropriates $14,195,000 instead of $14,095,000 as proposed by the House and $14,287,000 as proposed by the Senate. The increase is provided to extend the quarterly cattle and feed reports to 13 additional States. No funds are provided

for monthly interim statistics. The conferees have received some complaints concerning the accuracy of the quarterly reports. They request that this matter be studied by the Department and reports of findings be provided to the Committees on Appropriations of both Houses.

Amendment No. 10, marketing services: Appropriates $20,659,000 instead of $14,097,000 as proposed by the House and $21,272,000 as proposed by the Senate. The increase includes $6,500,000 for poultry inspection, $42,000 for extension of wholesale meat reports and market news services, as set forth in the Senate report, and $20,000 for strengthening wool standardization and grading work.

Amendments Nos. 11 and 12, school-lunch program: Amendment No. 11 appropriates $110 million instead of $100 million as proposed by the House and $125 million as proposed by the Senate. Amendment No. 12 restores House language authorizing the transfer of section 32 funds for the purchase of food for use in the school-lunch program; for this purpose the amount of $35 million is provided instead of $55 million as proposed by the House.

Soil Bank programs

Amendment No. 13, conservation reserve program: Appropriates $200 million as proposed by the Senate instead of $250 million as proposed by the House. The reduction is based on final figures indicating total sign-ups of $71,468,000 for the 1958 program.

Amendments Nos. 14 and 15, conservation reserve program: Authorize $16 million for administrative expenses instead of $15 million as proposed by the House and $17 million as proposed by the Senate, and provide $12,750,000 for county-committee expenses instead of $12 million as proposed by the House and $13,500,000 as proposed by the Senate.

Amendment No. 17, conservation reserve program: Reported in disagreement.

Commodity Stabilization Service

Amendment No. 18, Sugar Act program: Appropriates $76 million as proposed by the Senate instead of $71 million as proposed by the House.

Rural Electrification Administration

Amendments Nos. 19 and 20, loan authorizations: Authorize $317 million for rural electrification loans as proposed by the Senate instead of $300 million as proposed by the House; also authorize $67,500,000 for rural telephone loans as proposed by the Senate instead of $60 million as proposed by the House.

Farmers' Home Administration

Amendment No. 21, loan authorizations: Establishes a contingency fund of $20 million as proposed by both Houses, with not to exceed $5 million for farm-ownership loans under title I of the Bankhead-Jones Farm Tenant Act and the balance for farm operating loans under title II of that act.

Office of the General Counsel

Amendment No. 22, salaries and expenses: Appropriates $2,968,000 instead of $2,943,000 as proposed by the House and $3,043,000 as proposed by the Senate. The additional $25,000 is for legal work related to the new mandatory poultry-inspection work of the Department.

Commodity Credit Corporation

The conferees have considered statements contained in the reports of the two committees, particularly comments relative to cotton and other export subsidy programs. They are in full agreement that it is the responsibility of the Committees on Appropriations of the House and Senate to review activities of the Department of Agriculture under all existing laws for which appropriations are proposed by the executive branch or are considered by the Congress. In carrying out this responsibility, they recognize that it is within the jurisdiction of such committees to recommend approval or disapproval of appropriations and to make comments and recommendations with regard to such programs and activities.

In connection with the comments of the House committee on the export policies of the Department, the conferees would point out that were it not for exports, American agriculture literally would smother in its own production. Sixty million acres of cropland—1 out of every 5—produce for export. The large flow of agricultural products to customers overseas not only provides additional farm income but also eases the pressure of supplies on the domestic market and strengthens prices.

In the 1956–57 marketing year the United States exported over $1 billion of cotton, $400 million of tobacco, $196 million of soybeans, $190 million of rice, $350 million of feed grains, $231 million of dairy products, $46 million of poultry products, $405 million of fats and oils, $230 million of fruits, and $958 million of wheat.

In the handling of Commodity Credit Corporation operations, including the export program, it is to be noted that payments to the trade for such things as storage, handling and transportation costs, including any exorbitant profits, in fact all costs or losses of the Commodity Credit, add to the costs to the Treasury and increase appropriations. Further, they are charged against the farm program, and are frequently used as arguments against farm programs, though, of course, such expenditures do not go to the farmer. These facts make it essential that the Committees on Appropriations maintain a continuing review of departmental activities to see that unnecessary expenditures are not made and unnecessary losses are not incurred due to the failure of the United States to retain its fair share of world markets.

The conferees point out that the Commodity Credit Corporation has full authority to sell farm commodities in world trade on a competitive basis and would call attention to the large increase in American exports for dollars which have occurred with the use of such authority in the past several years. The conferees take note of the fact that the Department has announced, with reference to cotton, that in the future the authority to sell competitively for dollars through normal trade channels will be maintained concurrently with a program of payment of an export subsidy in kind.

It is the opinion of the conferees that, in order to retain for the United States its fair share of world markets, all authority of law should be used to the fullest extent necessary to keep United States farm commodities offered in world trade at competitive prices. Officials of the Commodity Credit Corporation, in the interest of the Government and of the farm programs, in keeping farm commodities available in world trade at competitive prices, should make every effort to obtain the largest return for such commodities with the minimum of cost.

JAMIE L. WHITTEN,
WILLIAM H. NATCHER,
ALFRED E. SANTANGELO,
CLARENCE CANNON,
H. CARL ANDERSEN,
WALT HORAN,
C. W. VURSELL,
JOHN TABER,
Managers on the Part of the House.

Mr. WHITTEN (interrupting the reading of the statement). Mr. Speaker, inasmuch as there is complete agreement, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. And that it be printed in the RECORD?

Mr. WHITTEN. Yes.

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

There was no objection.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: Page 11, line 25, insert: *"Provided further,* That no change shall be made in such 1959 program which will have the effect, in any county, of restricting eligibility requirements or cost-sharing on practices included in the 1958 program, unless such change shall have been recommended by the county committee and approved by the State committee."

Mr. WHITTEN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate No. 8, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert *"Provided further,* That no change shall be made in such 1959 program which will have the effect, in any county, of restricting eligibility requirements or cost-sharing on practices included in either the 1957 or the 1958 programs, unless such change shall have been recommended by the county committee and approved by the State committee."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: Page 18, line 4, strike out the colon through the word "program" on line 10 and insert *"Provided further,* That in determining the amount of rental payments the Secretary shall give due consideration to the value of the land and the rental value thereof."

Mr. WHITTEN. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Amendment No. 17: Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate No. 17, and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert ": *Provided further,* That hereafter no conservation reserve contract shall be entered into which provides for (1) payments for conservation practices in excess of the average rate for comparable practices under the agricultural conservation program, or (2) annual rental payments in excess of 20 percent of the value of the land placed under contract, such value to be determined without regard to physical improvements thereon or geographic location thereof. In determining the value of the land for this purpose, the county committee shall take into consideration the estimate of the landowner or operator as to the value of such land as well as his certificate as to the production history and productivity of such land."

Mr. REUSS. Mr. Speaker, I desire to be heard in opposition to the motion.

The SPEAKER. Does the gentleman from Mississippi yield for that purpose?

Mr. WHITTEN. I do not yield at this time, Mr. Speaker.

The SPEAKER. The question is on the motion.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. REUSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that further consideration of the conference report be postponed until tomorrow.

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

There was no objection.

The SPEAKER. Does the gentleman withdraw his point of order?

Mr. REUSS. The point is withdrawn, Mr. Speaker.

CURRENT ECONOMIC CONDITION

Mr. HIESTAND. 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 California?

There was no objection.

Mr. HIESTAND. Mr. Speaker, much has been made of the extraordinary circumstances surrounding the current economic condition of our country. Time and again, Members of this body have, in the course of debate, made references to particular phases of our economy, and with the familiar chorus, "never before in the history of our Nation" and so forth, proclaimed this a peculiar recession.

Mr. Speaker, I quite agree, and if a note of irony is detected in my voice and statement, I assure you it is completely intentional.

It is peculiar indeed, that savings are at an all-time high, and still climbing, while we are supposedly in the ruthless grip of economic disaster.

It is peculiar, beyond comprehension, that the buying power of our people is so strong that prices are continually forced upward, while the Nation supposedly flounders in a business slump.

It is peculiar, exceedingly peculiar, that farm income is up $2 billion from the same period last year, yet supposedly recession stalks the land.

Mr. Speaker, the peculiar aspects of this recession, some of which I have just cited, add up to only one thing. That is, this is a psychological recession. Yes; a mental recession, and though I am no psychiatrist, I say, let us get up off the couch and quit thinking recession, and we will soon discover that it was mainly a state of mind.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that Calendar Wednesday of next week be dispensed with.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

CALL OF THE HOUSE

Mr. O'BRIEN of New York. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

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

A call of the House was ordered.

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

[Roll No. 76]

Andersen, H. Carl	Garmatz	Morrison
Andrews	George	O'Hara, Minn.
Ashley	Granahan	Passman
Auchincloss	Grant	Philbin
Barrett	Green, Pa.	Poage
Bass, Tenn.	Gregory	Powell
Boggs	Gross	Radwan
Boland	Gubser	Reece, Tenn.
Brooks, La.	Gwinn	Riley
Buckley	Harris	Robeson, Va.
Byrd	Hays, Ohio	Saund
Carnahan	Healey	Scott, N. C.
Celler	Hemphill	Shelley
Chelf	Hillings	Sheppard
Christopher	Holt	Shuford
Colmer	Holtzman	Sieminski
Coudert	Hull	Siler
Davis, Tenn.	Ikard	Spence
Dawson, Ill.	Jackson	Taylor
Dies	James	Thompson, La.
Diggs	Jenkins	Thornberry
Dollinger	Kearney	Trimble
Donohue	Kilburn	Udall
Dowdy	Kirwan	Vinson
Doyle	Lennon	Vursell
Engle	McCarthy	Watts
Farbstein	Marshall	Weir
Fogarty	Merrow	Zelenko
Forand	Miller, Calif.	
	Morris	

The SPEAKER pro tempore (Mr. McCORMACK). Three hundred and thirty-two Members have answered to their names, a quorum.

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

ADMISSION OF THE STATE OF ALASKA INTO THE UNION

Mr. O'BRIEN of New York. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7999) to provide for the admission of the State of Alaska into the Union.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7999) with Mr. MILLS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday all time for general debate on the bill had expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That, subject to the provisions of this act, and upon issuance of the proclamation required by section 8 (c) of this act, the State of Alaska is hereby declared to be a State of the United States of America, is declared admitted into the Union on an equal footing with the other States in all respects whatever, and the constitution formed pursuant to the provision of the act of the Territorial legislature of Alaska entitled, "An act to provide for the holding of a constitutional convention to prepare a constitution for the State of Alaska; to submit the constitution to the people for adoption or rejection; to prepare for the admission of Alaska as a State; to make an appropriation; and setting an effective date," approved March 19, 1955 (chap. 46, Session Laws of Alaska, 1955), and adopted by a vote of the people of Alaska in the election held on April 24, 1956, is hereby found to be republican in form and inconformity with the Constitution of the United States and the principles of the Declaration of Independence, and is hereby accepted, ratified, and confirmed.

Mr. BOYLE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on behalf of the dean of the Illinois delegation, THOMAS J. O'BRIEN, I ask unanimous consent that all Members may be permitted to extend their remarks at this point in the RECORD.

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

There was no objection.

THE LATE CARDINAL STRITCH

Mr. BOYLE. Mr. Chairman, it is with keen sadness that the Illinois delegation has learned of the death of the beloved and universally respected Samuel Cardinal Stritch, Archbishop of Chicago, who died in Rome last night at the age of 70, only 1 month and 1 day after he was appointed to the Roman Curia, the highest governing body of the church.

Samuel Cardinal Stritch was the first American-born cardinal to be so honored. He was elevated to that body when on March 1, 1958, Pope Pius XII appointed him proprefect of the congregation. It seems but yesterday that various Members of the House of Representatives took the floor to felicitate and wish well this great prince of the church and this truly great American on the occasion of that most singular and recent honor. Samuel Cardinal Stritch through all his years has demonstrated a talent, a love and affection for the humble and the meek and the lowly.

A brilliant student, Samuel Cardinal Stritch was ordained to the priesthood by special dispensation a year before reaching the canonical age of 24. He became a bishop at 34, an archbishop at 43, and a cardinal at 58.

Samuel Cardinal Stritch was known best for his work in the cause of world peace, united charities, and the Catholic youth movement—a group of all races and all faiths.

American liberals of all faiths considered him an outstanding liberal. Samuel Cardinal Stritch was deeply concerned about the problems of labor and was friendly to labor organizations; he condemned as morally wrong interference with Negroes seeking to use the rights they enjoy under the Constitution, and he established a policy of helping all minority groups to integrate themselves religiously, socially, and economically into the life of their city.

It is said that a kindly providence called him so abruptly to his just reward long before he had an opportunity to further demonstrate that intensity of purpose that scholarliness and that charity that made him beloved the world over.

At this time it is with considerable sadness that we point up, on the floor of

the House, the passing of a great churchman, a great American, and a truly great humanitarian as he goes to his much-merited reward, and we only hope that a kindly providence will visit upon his successor the same talent, the same respect, and the same love of little people that the great Samuel Cardinal Stritch, Archbishop of Chicago, demonstrated so thoroughly.

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

Mr. BOYLE. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Chairman, I read with grief of the death of Cardinal Stritch, a great churchman and a great American. His spiritual leadership was not confined to his influence on communicants of the Catholic Church, but to all persons of all creeds of a religious mind. It was only several weeks ago when Mrs. McCormack and I were in Chicago when I was addressing the Fourth Degree Knights of Columbus that we spent a very pleasant hour with Cardinal Stritch, an hour that will always be one of our treasured memories. Cardinal Stritch's leadership in the spiritual field and in the field of government as an American citizen was outstanding. He possessed a universal mind, and his thoughts and his utterances appealed to all persons of deep faith and of a religious mind. Countless millions of persons of all faiths and of all creeds will feel a real sorrow in the passing of this great churchman and this great American.

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

Mr. BOYLE. I yield to the gentleman from Illinois.

Mr. SHEEHAN. Mr. Chairman, I join with the gentleman from Illinois in expressing our grief at the death of Cardinal Stritch. As the majority leader, the gentleman from Massachusetts [Mr. McCORMACK] so well said, regardless of one's faith or one's political creed, everyone in Cook County and in Illinois was very much mindful of the great works of charity and the great works of religion which were so close to Cardinal Stritch's heart. When he came to Chicago from Milwaukee, yes, even before he came to Milwaukee, we all realized the great charitable works undertaken by Cardinal Stritch. Those of the Catholic religion as well as those of all other religions will ever remember the great work he has done for his church and his country.

Mr. BYRNE of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BOYLE. I yield to the gentleman from Illinois.

Mr. BYRNE of Illinois. Mr. Chairman, I would like to associate my remarks with those of the gentleman from Illinois as well as the distinguished majority leader. As one who was born and educated in the city of Chicago, I, too, recall when our beloved cardinal came to the great city of Chicago. His work was outstanding. He was a recognized leader not only as a leader of the Catholic Church, but his leadership was felt in all civic activities in our area. He was a great builder of churches, a great builder of schools, and his influence was far reaching. He particularly had a great love for the retarded children and the exceptional children. We in Chicago, as well as people in all parts of the United States of America not only feel great sorrow at the departure of this great leader, but we shall miss him.

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

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

Mr. REUSS. Mr. Chairman, Cardinal Stritch was a distinguished and beloved former citizen and resident of the city of Milwaukee. His loss will be deeply felt.

Samuel Alphonsus Stritch became Archbishop of Milwaukee in 1930. He was only 43, one of the youngest men ever to receive such an appointment. In his 10 years as Archbishop of Milwaukee, Cardinal Stritch made inestimable contributions to the welfare and betterment of the entire community.

His energetic work in charity, in educational expansion, in parish expansion will not be forgotten. Cardinal Stritch held the respect and friendship of Milwaukeeans of all faiths.

His concern for the suffering and the needy extended worldwide. He fought always against racial discrimination. He was a devoted American. His belief in democracy was firm and strong.

The christian world has lost a great and dedicated spiritual leader. Nowhere is the sadness at the death of Cardinal Stritch more deeply felt than in Milwaukee, where so many of his good works were accomplished.

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

Mr. BOYLE. I yield to the gentleman from Indiana.

Mr. MADDEN. Mr. Chairman, I wish to join with the Illinois delegation in paying tribute to the memory of Samuel Cardinal Stritch who passed away yesterday in Rome, Italy.

The people of the Calumet region of Indiana, which adjoins Chicago, mourn the passing of this great religious leader and humanitarian. The cardinal's outstanding accomplishments during a long life of religious service are familiar to people of all denominations throughout the Middle West.

That he would become a man of great intellectual attainment was demonstrated in his very early years as a boy in high school and college through hard work and sacrifice during his younger years. As a priest, his abilities were soon recognized by his church superiors and gradually his responsibilities increased until he reached one of the highest pinnacles of office and position in the Catholic Church. Cardinal Stritch was an acquaintance and friend of Pope Pius XII since his school days in the Seminary in Rome. During all these years, the great ability and work of Cardinal Stritch in his religious life was so outstanding that a few months ago His Holiness appointed the cardinal to the Roman Curia as proprefect of the Sacred Congregation for the Propagation of the Faith, the church's missionary agency. This is the highest recognition ever bestowed upon an American prelate.

The people of Illinois, Indiana, and other Middle West States will long mourn the memory of this leader of the church whose great religious work and charities have benefited hundreds of thousands during his long service in the work of God.

Mr. O'BRIEN of Illinois. Mr. Chairman, the news of the untimely and unfortunate passing of Samuel Cardinal Stritch reached me late last night. It was the unwelcome news which I had hoped might not take place at this critical time in world history when we are so much in need of great leaders.

Through the last several weeks after learning of Samuel Cardinal Stritch's grave condition, like so many people all over the world, I read each bulletin with anxiety as the great churchman's life hung by a thread.

This great cleric and great American was a brilliant man and had a brilliant life. Truly he was a living exhibit of the proposition, "As a man is, so he acts." He was a man of energy and intensity of purpose. Ten years after his birth in Nashville, Tenn., on August 17, 1887, he graduated from grammar school. By the time he was 16 he had a bachelor of arts degree.

Eighteen years later he was named bishop of Toledo, Ohio, the youngest member of Roman hierarchy in the United States. When he was only 43 he became archbishop of Milwaukee, one of the youngest men ever to receive such an appointment.

Ten years later he was made archbishop of Chicago, the largest archdiocese in the United States with more than 2 million communicants. It was in that role we first truly appreciated his great capacity for community good and untiring work.

Of his continued achievements, in 1945 at the age of 58 he was named a cardinal. As such he became titular pastor of a church in Rome—St. Agnes Outside the Walls.

He flew to Rome for the ceremonies and saw again the fields where he had played baseball at the North American College in Rome some 40 years earlier.

Samuel Cardinal Stritch was the first American-born cardinal of the Roman Curia.

So it is with a deep sense of loss that we mark his passing. In death we continue to recall his simplicity as signalized in remarks uttered in his inaugural address when he said, "In my poor person you see the shepherd whom Pope Pius has sent."

Now the Great Shepherd has called Samuel Cardinal Stritch home.

Although his passing is a distinct loss to Chicago, to Illinois, to the United States and the entire world, may his inspiration, love, and charity live on.

Mr. KLUCZYNSKI. Mr. Chairman, I wish to join my colleagues from Illinois and the country in paying tribute to the outstanding prelate of the Middle West, Samuel Cardinal Stritch, who passed away this morning in Rome, a few short weeks after he was accorded his greatest honor by the Roman Catholic Church,

that of proprefect of the Vatican's Congregation for Propagation of the Faith.

Cardinal Stritch was born in Nashville, Tenn., on August 27, 1887. After studying in Cincinnati and Rome, he was ordained a priest at the age of 22. A special dispensation was needed since priests usually are not ordained until the age of 24. Ten years after his ordination he became bishop of Toledo, Ohio, the youngest member of the Roman Catholic hierarchy in the United States. In 1930 he was named archbishop of Milwaukee and 10 years later became archbishop of Chicago. In December 1945 he was elevated to the College of Cardinals.

Samuel Cardinal Stritch was a prince of the church who retained the manner of a simple parish priest. The son of an Irish immigrant who died when the cardinal was a boy, Samuel Stritch rose in church councils through extraordinary mental and spiritual gifts which were displayed from his boyhood. He was enormously popular in Chicago and was highly respected for his administrative energy and revered for his good works. Through his leadership rapid strides were made in the construction of new schools, churches, and colleges.

Since 1944 the Sheil School of Social Studies—Chicago—has annually awarded the Pope Leo XIII Medal in recognition of outstanding work in the field of Catholic social education. In 1949 this distinct honor was awarded to Samuel Cardinal Stritch.

He was known as "the cardinal of charity." His concern for the suffering and the needy extended beyond the diocese in Chicago, which was the largest in the United States. In 1946 he became chairman of the bishop's war emergency and relief committee, which sent tons of food and clothing to war victims.

The slight, silver-haired cardinal took a lively, liberal interest in world affairs. In 1938 he lashed out at the Nazis for savagery and barbarism. He lent his voice and influence to bolstering the United Nations in its early days.

The city, the county, the State, and the Nation mourn the death of a great citizen and a great American.

Mr. LIBONATI. Mr. Chairman, Samuel Cardinal Stritch died as a true servant of God, whose entire life was spent in the service of mankind. He passed his earthly way giving religious nurture to the souls of men. With brilliant fervor he met his many tasks contributing to the spiritual welfare and peace of mind of millions of Americans. His work among the old and infirm resulted in the building of homes and institutions for their care. His charitable nature sustained the many programs that he sponsored for the needy and the poor. His contribution to the medical profession remains a monument to his memory in the establishment and maintenance of a college of medicine through his efforts. He loved humankind and was venerated with godly respect by men of all creeds.

He was a pillar of American decency and as a churchman supported the censorship of films and publications that exerted a satanic influence upon the minds of the youth of our country. He sponsored cultural and social seminars to bring out in the open the problems of racial misunderstanding. He was a guardian to the new immigrant populations and fought for their acceptance in their communities. He was honored by the Catholic Church as a prince of its holy family—by the Catholics of America and the world as a scholarly religionist and by the unfortunates in every walk of life as the true servant of the great Saviour. God walks with him today as Christianity grieves and men bow their heads in prayers of love and veneration.

His spirit moves on but his works remain to remind us that the destiny of this holy man was to lead the sacred way to everlasting life and instill broken men with a new hope to better live their lives for a new chance in the heavenly world of the hereafter. He loved us—we ask God's blessings. The citizens of Chicago are proud of his memory and the goodness of God for sending him to us.

Mr. O'HARA of Illinois. Mr. Chairman, it was Easter Sunday morning. Holy Name Cathedral in Chicago was filled, some worshipers standing in the aisles. It was the last public mass of Samuel Cardinal Stritch before the departure of His Eminence for Rome and the assumption of his new duties as proprefect of the Congregation for the Propagation of the Faith which directs the Roman Catholic mission work.

The tone of the mass was joyous as befitted the Easter season. Honor through their cardinal had come to Chicago. Nevertheless the sentiment in every heart in that great cathedral was of sorrow not exultation. There may have been a sense of foreboding.

The cardinal, brilliant though his administration had been, had won the heart of Chicago as "the bishop of charity," "the bishop of the poor." His leadership had been directed toward making Chicago a city in which spiritual values should take precedence over the material. Everyone in the congregation filled with reverence and affection for their spiritual leader, sensed the fact of approaching separation. Rejoicing that the great talents of their archbishop were to be extended to a worldwide field, their hearts were heavy in contemplation of their personal loss. There were tears in many eyes when his eminence began his farewell sermon.

> Wherever you teach people the dignity of man and our blessed Saviour, it helps instill in them a desire for freedom, equality and dignity. * * * If all Americans live our democracy and shoulder its responsibility, we shall become a great force in the world.

That was the message of Samuel Cardinal Stritch to the people of Chicago and through them to America.

Mr. Chairman, those were the words of Samuel Cardinal Stritch in his farewell sermon when celebrating his last public mass in the Holy Name Cathedral. It was as though he had seen through the purpose of his Master soon to call him home and were leaving for his own parishioners, for Chicago, his country and all the world the counsel of his faith to guide them.

Chicago, with pride and joy, underlaid with the sorrow of pending separation, relinquished their cardinal to the broader service of the church in the missionary field. Death has not defeated that purpose, for he who was a spiritual force in a great city has become a symbol for our times and for the ages of that which motivated him, love of mankind and faith in God. His life among us, his words and his deeds, have left us a spiritual legacy and in those words in his farewell sermon on Easter Sunday at Holy Name Cathedral a blueprint for the world we seek, a world to be gained when "All Americans live our democracy and shoulder its responsibilities" in respect of the dignity of man and faith in God.

Mr. GORDON. Mr. Chairman, every American, regardless of his faith, race, or creed, is saddened by the death of Samuel Cardinal Stritch. We citizens of Chicago particularly will feel his depature. Since 1939 he was our chief prelate.

Probably no other American enjoyed so rapid a rise in the hierarchy of the Catholic Church. He graduated from high school at the age of 14, and 2 years later finished St. Gregory's Preparatory School. He attended the North American College in Rome.

In 1921 he was named bishop of Toledo, in 1930 he became archbishop of Milwaukee and in 1939 moved to Chicago. In 1946 he was 1 of 4 Americans created a cardinal by his close friend, Pope Pius XII.

Cardinal Stritch was a man of devotion wherever the welfare of his people was concerned. He was intensely interested in labor and the improvement of the laboring man's lot. He stood squarely and firmly for equal treatment of all Americans. Wherever he served, he lifted the moral tone of the community. Under his leadership the Chicago archdiocese had a phenomenal growth. His administrative capacity won him further recognition when the Pontiff appointed Cardinal Stritch the proprefect of the Congregation for the Propagation of the Faith. This congregation is one of the most important in the church's organization with supervision over 25,000 missionary priests, 10 000 missionary lay brothers, and 60,000 missionary nuns. Its jurisdiction covers areas in 5 continents. It was in the discharge of this important task that Cardinal Stritch suffered his fatal illness.

In paying this small tribute I know I am expressing the sorrow of millions who knew him, who revered him, and who are richer for his having walked among us.

Mr. PRICE. Mr. Chairman, holding a crucifix before his eyes, Samuel Cardinal Stritch of Chicago died last night in Rome. His Eminence had left his post as archbishop of Chicago just 1 month ago to become the only American-born prelate to serve on the governing curia of the Roman Catholic Church.

Beloved in Chicago and throughout the archdiocese, Cardinal Stritch's departure for Rome was marked by a civic observance. Through many years he had contributed greatly to the spiritual and material well-being of the community. So great was his contribution that his work was recognized by all segments of the community.

Illinoisans, and in particular Chicagoans, were saddened even in their elation at the great honor which came to Cardinal Stritch upon his selection by Pope Pius XII to serve on the Roman curia central government of the church. They gave him up to the higher call with reluctance and the archbishop accepted the call in the same manner. He did not want to leave his flock but he could not fail to respond to the assignment from the Holy Father as proprefect of the Congregation for the Propagation of the Faith.

The Nation, the State of Illinois, and the city of Chicago mourn the death of this great churchman, and Americans in all walks of life are saddened at his passing. Known as the Cardinal of Charity, he had a saying: "As long as 2 pennies are ours, 1 of them belongs to the poor."

Cardinal Stritch was a devoted American. It was 13 years ago that he was elevated to the College of Cardinals. At that time his message to his people in the United States was that America "must be a beacon light of democracy to all men and peoples." Leaving for Rome to begin his new work he extolled democracy to newspapermen and warned against a destruction of spiritual values and elevation of the material. As he sailed away from New York Harbor his parting words were: "We will not fight materialistic philosophy with a mere materialistic democracy."

The prayers of all Americans join together today in memorial to Samuel Cardinal Stritch whose Christian influence will be felt through many generations yet to come.

Mr. MACK of Illinois. Mr. Chairman, when Samuel Cardinal Stritch became bishop of Toledo, Ohio, at the age of 34, he was the youngest member of the Roman Catholic hierarchy in the United States.

His death yesterday in Rome, at the age of 70, came less than 2 months after he became the first American-born Cardinal of the Roman Curia, central governing body of the Church.

What kind of a man was this whose spiritual leadership encompassed half a century?

Those who knew him best will remember him as a gentle, kindly, scholarly man, yet one with firm, clear convictions. How typical was his greeting when he became head of the great archdiocese in Chicago in 1940. "In my poor person," he said, "you see the shepherd whom Pope Pius has sent."

Humble in the sight of God, Cardinal Stritch was outspoken when the occasion demanded it, as exemplified by his recent warning against the destruction of spiritual values in favor of material ones. "We will not fight materialistic philosophy with a mere materialistic democracy," he said.

Cardinal Stritch was one of the outstanding religious leaders in our country. His death will be mourned by all Americans and especially by the people of Illinois.

Mr. DELLAY. Mr. Chairman, the world is saddened today by the passing of Cardinal Stritch and his death is being mourned by all Christendom.

Spiritual leaders, such as he, have helped to bring about a spiritual reawakening, and a resurgence and reavowed belief in God. In these serious times, we need and demand a consciousness of our spiritual well-being and our soul. Dedication to and belief in God is our own salvation, but also is one of the best fortresses against communism and Communist teachings which threaten the world and our democratic way of life.

Cardinal Stritch of Chicago, U. S. A., will be remembered as the 15th Cardinal of the Roman Curia, the official resident in Rome who aided Pope Pius XII in the government of the church, but to peoples of all faiths he will be long remembered for his fight for world peace, the underprivileged, his devotion and interest in the welfare of young people, and his avid concern for the problems of labor. His life of 70 years is a testimonial to his love of mankind and his God.

As he goes to meet his Maker, he brings with him a long list of outstanding and commendable marks of achievement, the greatest of which was his appointment by Pope Pius XII on March 1, 1958, proprefect of the Congregation for the Propagation of the Faith. He was the first American ever appointed to this high position in the Vatican.

Mr. YATES. Mr. Chairman, it was with a profound feeling of sadness that I learned of the passing of Samuel Cardinal Stritch in Rome. With his death, the world lost a powerful and significant force for good.

To think of him only as a religious leader is to single out but one of his many wonderful personal qualities. He was a spiritual leader of the highest idealism and the greatest intellectual capacity, a man with a gift of warm friendship, of sympathetic understanding, of broad vision, and of profound wisdom. He was gentle and kind in all of his endeavors, even when conducting his most determined efforts to achieve his goals.

Cardinal Stritch had a passion for justice for all men without regard to their religion, their race, or their place of origin. He frequently left the quiet isolation of his religious study to participate in the turmoil of the community's human relationships, and because of his actual experience with people, his inspiring messages were based on solid fact. He used the pulpit to fight for the right as he saw the right.

In my conversations with Cardinal Stritch, I was impressed by his fervent desire to make government responsible and responsive to the needs of the people and he provided active leadership in thought and action to create a genuine spiritual renaissance of the democratic faith. He condemned ostentatiousness and materialism, urging adherence to the true values upon which democracy and the human spirit lives. He demanded maturity and responsibility in citizens and in public servants alike.

People of all faiths admired the courage and composure with which Cardinal Stritch faced his recent physical afflictions. People of all faiths admired his devotion to humanity. People of all faiths will mourn his loss.

Mr. BOW. Mr. Chairman, I, too, rise to pay tribute to a great American and a great church leader, Samuel Cardinal Stritch. With his passing, America and all of the God-fearing world, has lost one of its glowing champions for Christian action. As in the past he had spoken out against the tyrannous and savage Nazi movement; he served in more recent times as a shining beacon from this citadel of democracy to the religious world.

I, as a Protestant layman, pay humble tribute to this man, recently religious leader to the Catholics of the world and a religious inspiration to us all.

Cardinal Stritch was known to the people of Ohio long before he was known to the people of the world. When serving as the bishop of Toledo he was the youngest member of the Roman Catholic hierarchy in the United States, and the people of Ohio remember him for his outstanding efforts to help the less fortunate citizens of that area. As he was known to America as a pioneer in works of welfare, he was known to the members of his diocese as a constant friend to all of those who were in need of help.

In being the first American to hold so exalted position in the Roman Catholic Church, Cardinal Stritch was again evidencing his outstanding ability to pioneer for God and man in whatever field of service he was called.

He has now gone to the final reward for those who give outstanding service to God and their fellow man. Mr. Chairman, with the loss of Cardinal Stritch, America has lost one of her outstanding citizens; the people of the world have lost one of their most compassionate friends, and the entire religious world has lost one of its great leaders. But, the work he has done, and the impression he has left upon the minds, and hearts, and souls of men everywhere will make the memory of Cardinal Stritch live on in the years to come as a lasting memorial to this great pillar of faith.

Mr. KEATING. Mr. Chairman, the earth has lost one of its noblest inhabitants with the passing of Samuel Cardinal Stritch. The life and works of this devoted man speak eloquently for themselves.

His prodigious work for the underprivileged earned him the unofficial titles of "Bishop of the Poor" and "Bishop of Charity." His tireless energy, his humility, his brilliance, and his strong patriotic views reached the point of legend. He was, in particular, an untiring foe of communism, nazism, and all forms of tyranny over man.

That this man should be struck down at the pinnacle of a life filled with service and sacrifice is to be especially mourned. But all may take comfort in the fact that he died as he lived, working for his God and his fellow men.

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

The Clerk read as follows:

Amendment offered by Mr. HOSMER: Page 2, line 10, strike the period, insert a semicolon and add the following: "*Provided, however,* That the provisions of this section shall

have no force or effect until said constitution shall have been duly amended to deny power to the legislative and/or executive branches of the State government to legalize gambling in any form."

Mr. HOSMER. Mr. Chairman, what I propose is to require that the constitution of the proposed State of Alaska, prior to the time that it is admitted to statehood, be so amended as to take away any power either of the legislative or the executive branch of the proposed State government, to legalize gambling in any form. Many of the Members were not here the other day when I discussed the matter of the economy of Alaska. There are only some 40,000 people in private employment in this whole vast area, equaling one-fifth of continental United States during the warm weather, and only 20,000 during the cold weather. That fact makes this an area of vast economic danger and potential destitution.

One of our continental United States, with a very small population, has had to turn to the device of legalized gambling in order to support itself. That State is next to my own State of California. If such a device should be turned to by the Territory, I want the Members to think of it in relation to the 50,000 United States servicemen who are stationed in the area, many of them young boys under the age of 21. Remember what happened in such places as Phenix City where gambling ran riot in areas adjacent to posts, even in continental United States, let alone up in Alaska where there are but few other diversions for the servicemen during their off-duty hours.

Mr. Chairman, I think it is our responsibility to pass such a protection for those servicemen, and it is also our duty to pass such a protection for all the citizens of Alaska, particularly those younger citizens whom we, as Americans, I am sure, would not want to see grow up under conditions breeding delinquency, which conceivably could happen.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HOSMER. I yield.

Mr. MILLER of Nebraska. I am in accord with the sentiments of the gentleman's proposed amendment, but I should like to ask if there has ever been a definition of gambling. What is gambling? Is bingo gambling? Is betting on the horseraces or is a little pitch gambling? Some of these boys play a little poker.

Mr. HOSMER. I decline to yield further. I will answer the gentleman this way. The gentleman is possibly a few years older than I am and I think he has been around. He probably knows the definition of gambling as well as I do.

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

Mr. HOSMER. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. In order to get clear what the gentleman does have in mind, does he include parimutuel betting, that is carried on in his State within a few miles of military installations in his State?

Mr. HOSMER. I would refer the gentleman to the library adjacent to the floor of the House, which is known as the Law Library of the House of Representatives. There are plenty of books in there that define gambling, for either the gentleman or anybody else who may be in doubt about the term.

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

Mr. HOSMER. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. Has any similar provision ever been placed in the constitution of any other State?

Mr. HOSMER. I think that would be irrelevant and immaterial to this discussion if it had or had not. We are talking about the year 1958 and we are talking about the geographical location of that land which has to be protected by a great permanent body of young men in uniform, who have been taken away from their homes and family guidance, and for whom we as legislators have a responsibility to insure that they perform their duty in as clean an environment as possible. This is the way to do it, because if you do not do it here you are going to have legalized gambling in that Territory, and all that goes with it, because they cannot afford to live without that kind of revenue.

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

Mr. HOSMER. I yield to the gentleman from Michigan.

Mr. JOHANSEN. Would the gentleman possibly suggest that if it is necessary for us to write into Federal law and into the provisions for the admission of this Territory such a provision, in other words, legislate for them in this fashion, perhaps they are not ready for statehood?

Mr. HOSMER. I think that has been the burden of the argument by many of us, but if the Congress is going to persist in this action it should be done in as clean a fashion as possible.

Mr. O'BRIEN of New York. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we had anticipated a number of proposed amendments to this bill but I am rather startled to discover that the first amendment offered comes very definitely under the heading of frivolous. This amendment was not offered at any time in the committee by the gentleman who is now so concerned about the servicemen who might be led into a bingo game in Alaska.

The gentleman knows that his State has gambling. New York has gambling, many other States have gambling, parimutuel betting and bingo, among other things, and they are bringing in millions of dollars into their treasuries. In New York alone I think our revenue from gambling was around $50 million. Now we are about to say to a new State, "You must not do any of these things," assuming, of course, that the new State plans to do so.

I do not know why the gentleman did not go all the way and prohibit the legalization of the sale of alcoholic beverages, and speak out firmly against sin of every kind.

The gentleman said that the servicemen in Alaska have no diversion. Well, we were in Alaska and discovered that there was just as much diversion for the servicemen there as anywhere else. Alaska is not a place of polar bears or Eskimos entirely. It is not the Alaska of Jack London or Robert W. Service. I think this amendment is offered entirely for frivolous purposes. I cannot believe that the House of Representatives would ever create a new State anywhere and start laying down provisions which do not apply to any other State by Federal mandate.

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

Mr. O'BRIEN of New York. I yield.

Mr. HOSMER. I want to assure the gentleman it is not offered in a frivolous vein whatsoever, and that during my period of service I probably covered as much ground in the Territory of Alaska as anybody in this Chamber except the Delegate from Alaska. I am familiar with the Territory and its geography. I know its people well. I seriously offer this amendment because of that prior knowledge of the land, its people, and its conditions, and its economic poverty.

Mr. O'BRIEN of New York. The gentleman is as well acquainted with Alaska as he stated, but it is too late for the gentleman to protect himself now from these iniquitous gambling games that might flourish in Alaska. I am sure the gentleman, who is a man of the world, knows that any serviceman anywhere can find some way to gamble, if he wants to, and I think he also will agree that there is just as much gambling among servicemen whether or not there is a parimutuel track or a legalized bingo game somewhere in the neighborhood.

Mr. ROGERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. ROGERS of Texas. Realizing the gentleman has been to Alaska a number of times and studied this and probably gone into their constitution with them, that is the constitution they adopted, can you tell me whether or not this gambling matter was discussed by the people of Alaska at the time they were discussing statehood with you or at the time they were considering the drafting of their constitution?

Mr. O'BRIEN of New York. No; it was not; and I might say to the gentleman further, having a slight trace of sporting blood in my makeup, I rather zealously looked here and there to see if, perhaps, there was some little way of indulging in a game of chance, and I found none.

Mr. ROGERS of Texas. You mean in Alaska?

Mr. O'BRIEN of New York. So I do not believe if the people of Alaska become full citizens of their State that they will suddenly plunge into gambling. Why should they, when the gentleman himself argued here that we were making this enormous giveaway and that they were going to pick up gold at every street corner—they are not going to need this support from gambling, if the gentleman is right in his other argument.

Mr. ROGERS of Texas. If the gentleman will yield further, then the Alaska people would have no objection

to the amendment of the gentleman from California because they are against gambling; is that not right?

Mr. O'BRIEN of New York. Oh, yes, they would object to putting it in their statehood bill, if you put in this frivolous proposal. This is a stall just the same as having a referendum first is a stall. It is only to delay this another 42 years and the gentleman knows it.

Mr. ROGERS of Texas. Would the gentleman be in favor of forbidding gambling if we do not delay the statehood bill?

Mr. SISK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as a member of the Committee on Interior and Insular Affairs I have been very much interested in statehood for Alaska for the past 4 years that I have had an opportunity to serve in this House. We anticipated that there would be amendments offered here—some in good faith and some possibly with the idea maybe of hurting the legislation. I would like to say with reference to this particular amendment which has been proposed, and as my colleague the gentleman from California indicates, was offered in good faith and I accept it as being in good faith, but I, for one, am for States rights because I think this is in the first place definitely an infringement on the rights of the State and I do not think that the balance of the States of the Union would have appreciated having written into their admission legislation matters which would have precluded them from carrying on things of this kind. I, too, would like to say on behalf of our neighboring State of Nevada, although I think they certainly receive substantial revenue from the gambling that goes on in that State, but at the same time that happens to be their business and I do not think we should in any sense criticize them. I feel sure that the State of Nevada would be going forward and would be progressing, in my own opinion, possibly better without gambling than they have been with it. But that is a matter that is up to them, just as it should be up to the State of Alaska. Having spent some time in Alaska, I have a great deal of respect and regard for the people who live up there, for the men and women that I had an opportunity to meet and talk with. I am sure there are those up there who would engage in a game of chance just as there are a great many in the States that engage in games of chance from time to time. This represents another way to hurt this particular legislation that we have before us.

I take the floor at this time to plead with you to give us an opportunity to present the best bill that we possibly can. Then if you are opposed to statehood, cast your vote in opposition, as I am sure you shall. On the other hand, if you are for statehood, we ask for an opportunity to perfect to the best of our ability the finest type of admission legislation. Then on its merits let it stand.

I realize in all probability we may be faced with many kinds of amendments that will be offered. Frankly, it is simply a stall, and I think in view of the great amount of business that confronts this House I might say, in connection with what the gentleman from Virginia had to say the other day, we have a great many things that we should be doing. Let us proceed in a fair and equitable way to bring about the best legislation that we can. Then let us vote it up or down strictly on the merits of the case.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield.

Mr. SMITH of Virginia. Does the gentleman think we have got a pretty good bill?

Mr. SISK. I think that the bill as a whole is a very good piece of legislation. I might say to the gentleman there are some things that could be done perhaps to improve it.

Mr. SMITH of Virginia. You suggest that we vote on it and get through with it?

Mr. SISK. Of course I supported it in committee and I will support it now. On the other hand, I agree it could possibly be perfected.

Mr. SMITH of Virginia. I want to find some area of agreement with the gentleman whom I respect very much. I am willing to go to bat on it just as it is. I do not want any amendments.

Mr. SISK. I appreciate the statement of the gentleman. As I say, there are some amendments that will be offered that I believe will improve the legislation. Possibly there are some other amendments that will be offered by other Members that could improve the legislation. We hope it will be improved.

The CHAIRMAN. The time of the gentleman from California [Mr. SISK] has expired.

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

Mr. Chairman, it is true that games of chance are played in Alaska, but the chances taken are principally in the search for gold and other minerals, and opportunities for advancement in a frontier land. As a matter of fact, the Territorial Legislature has enacted some very severe prohibitions against gambling. They are enforced to the best of the ability of the law-enforcement officers throughout the Territory. I do not doubt that once in a while a game of cards may be played here or there for money, but there is no legalized gambling of any kind. But whether there is or not, I agree with the gentleman from New York [Mr. O'BRIEN] and the gentleman from California [Mr. SISK] that this amendment would be writing into this bill, first, a provision which would give Alaska less than equality with the other States; and, secondly, which would merely serve to delay the arrival of statehood. I want to say that we should not consider seriously a proposition of this kind. We should inquire into the main features of the bill and vote them up or down and then vote the bill up, as I hope the Committee and the House will.

But I cannot speak for the future as to what the State of Alaska might do regarding legalized gambling. I have my own views relating to that, and they are that we will not need revenue from that source to maintain ourselves; we have enough resources of a more substantial kind, and those resources will enable the State government to live and live well, and the people in the State likewise. In any case that is a decision which the citizens of the State themselves have every right to make as do the residents of every other State in this Union. It is not right that the Congress should seek to impose restrictions on Alaska in this respect or in any other that are greater than those applied to other States of the Union.

I hope the amendment will not be adopted.

Mr. BARDEN. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I am not going to enter into a discussion of the subject of whether or not I believe in gambling; I think public sentiment speaks pretty well on that subject. The thing that does disturb me greatly is the gambling we are doing here in this House, and have been doing and are about to gamble, I think, beyond the realm of reason when we begin to gamble on upsetting and shaking around these 48 United States.

I do not think it is enough for you or me—and many of you I know have and certainly I have laid my life on the altar for the defense of this country—I do not think it is enough to say only that to be a good American; I think you must add to it the statement, "Not only was I willing to make that sacrifice, but I am willing to stand up and defend it and protect it as long as I live."

For the life of me, I cannot see the sound basic reasons that would support the action that is being sought. I do not propose to be one who is intolerant of others' ideas; I do not question their motives on the floor of the House; I do not make this statement applying to anyone except myself. To me, personally, it points right straight at the patriotism I possess for my country. I do not think we could ever make Alaska one of our 48 or 49 States as we recognize States; I simply do not think it would make any contribution towards the strength of our existing 48 States.

If Alaska needs additional self-governing power, then I say give it to her. I want the people up there to be free people, I want them to be freedom-loving people, I want them to develop the way they want to develop; but to me, to attempt to erase the 3,000 miles of Canadian territory between the borders of the United States and Alaska and then call it a United States of America, 49 States, just does not add up in my way of thinking.

Certainly, I am not unkind to anyone in Alaska. I do not think less of them; I just love the United States of America more than any other nation on the face of this earth. And, I think it has been demonstrated on the floor of this House that there are very serious misgivings about this matter. I think everyone will agree with me that this House is approximately divided 50–50 right now on this subject, and here we are considering maybe making a mistake by 1 vote or 2 votes. No, I do not think the at-

mosphere is right or the time ready to make that change.

Now, somebody raised the question of the political significance. Oh, they will have two additional Democratic Senators, they say, and an additional Member of the House. I would not care whether they were Democrats, Republicans, or what they may be. We do not need them bad enough to take them in this way. I do not believe there is anyone on this floor that is absolutely sure about the situation. So, when we speak of gambling, let us not gamble here. This is no place to gamble, and I say to you seriously it is a gamble when this House is just about 50–50 divided right now. Somebody is wrong, and about 50 percent of the 435 Members of this House are wrong, because that is the way it stands. Until the atmosphere is a little clearer, until the justification can be made clear, I say I will not be one to take it, with the ability and the standing and the union of the 48 States as this great country exists today.

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

The question was taken; and on a division (demanded by Mr. HOSMER) there were—ayes 33, noes 53.

So the amendment was rejected.

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

The Clerk read as follows:

Amendment offered by Mr. HOSMER: Page 2, line 10, strike the period, insert a semicolon and add the following: "*Provided, however,* That the President shall not issue the proclamation required by section 8 (c) until by decennial census or otherwise the Bureau of the Census shall have determined that not less than 250,000 United States citizens permanently reside in the Territory of Alaska."

Mr. HOSMER. Mr. Chairman, this amendment would delay the creation of the State until a minimum of 250,000 United States citizens are permanent residents of the Territory of Alaska.

Now, this amendment does not hold it up. It does not say "decennial census," because they obviously will not have that many there by the 1960 census. It does not make them wait until 1970, when they have the next decennial census. The Bureau of the Census can come in any time between and take a census of the Territory. If they find 250,000 United States citizens permanently residing there, then the condition of statehood is met, if the bill is passed, and then Alaska becomes a State. Mr. Chairman, why should I ask the House to attach such an amendment as this to the bill? I think perhaps I can best explain it by reading the minority report, which I wrote, and which will be found in the report on this bill. It goes like this:

According to 1956 United States census population estimates, the population of Alaska is 161,000 of which approximately 141,000 are adults. This does not include 50,000 transitory military personnel in the Territory; they have no bearing on the statehood issue.

The population of the Territory is far less than that of any of the 435 Congressional Districts in the existing 48 States. It totals less people than the capacities of many college football stadiums.

Under the circumstances, there simply does not exist in the Territory of Alaska the basic minimum number of people to warrant or support statehood status.

Although some States had no more population when admitted than Alaska today, the situations are not comparable due to reasons of geography, economic potentialities, and time in history.

How many people are 161,000? Imagine a football stadium on the day of the big game filled with people. There would be just about that number—perhaps a few more. This report of mine may be a little in error; but, if you left the children home, you could get every adult person in the Territory of Alaska into one of our major football stadiums. Last Friday I mentioned to this House that there are 40,000 people gainfully employed in private employment in that Territory during the summertime, 20,000 in the wintertime. Just visualize what that means. Visualize this stadium; if you take an area from the goalpost to the 50-yard line, and take out those people, that would be just about 40,000 people.

Mr. Chairman, do you think that those 40,000 people—that is, in the summertime; 20,000 in the winter—are ever going to be able to support some $30 million a year of statehood expenses, without coming into an economic crisis? Why, of course not.

That is why I have to oppose this bill. I have made mention before of these riots and troubles in various areas around the world and related them directly to the economic situation of poverty and distress in those areas, which made them breeding grounds for trouble. Do we wish to create a State which in this sense will be a breeding ground for trouble in these critical times of the world? Why, of course not.

Mr. Chairman, I ask the ladies and gentlemen of this Congress to withhold statehood long enough so that we will have at least a quarter of a million people up there so that they may have a reasonable possibility, at least an outside chance, of being able to support the expenses of the creation of this new State government which would have to govern an area equal to the area of all the United States from Maine to Florida and inland through the Appalachians. That is the expense that those 40,000 people would have to bear.

Mr. Chairman, I ask for the passage of my amendment.

Mr. MILLER of Nebraska. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I call attention of the Committee to the fact that had the gentleman's amendment prevailed at the time other States were coming into the Union, there would be 16 States that would not have been admitted to the Union, including the gentleman's own State of California. When California came into the Union, on September 9, 1850, there were 82,597 people in California. Had such an amendment been in force then California would not have come in, Arkansas, California, Arizona, and Illinois. Indiana had only 63,897 people when she came in as a State of the Union. Illinois had less than 35,000 when admitted in in 1818. Yes, the great State of Ohio when admitted in 1830 had 60,000 people. As I recall the debate on Ohio and other States the record will show that some of the Members of Congress at the time of their admission tried to have an amendment adopted similar to the one offered by the gentleman from California, to the effect that there were too few people in the proposed State, too many rattlesnakes, too many sand dunes, the land was worthless. "We don't want Ohio as a State because it is worthless land. No one wants to live there." The very same argument made against Ohio and other States when they were coming in as States could be made against Alaska at this time.

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

Mr. MILLER of Nebraska. I yield to the gentleman from California.

Mr. HOSMER. The gentleman does not in any way, shape, or form wish to contend that the States to which he has referred are any fraction of the area of one-fifth of the area of the United States of America as presently constituted on this continent, does he? Does not that make a very distinct difference, the population density and the number of other factors growing from that fact? Are not the statistics the gentleman is using inapplicable to this case, although they might have been applicable to the admission of some other States?

Mr. MILLER of Nebraska. When California came into the Union it was about 100 times the size of Delaware. I have one county in my district larger than Delaware and Rhode Island put together, in square miles. The gentlemans' State was nearly a hundred times larger than Delaware, and the gentleman from Delaware in 1850 made the very argument the gentleman is making, that California was too large, it ought not to be brought into the Union because it was too far removed from Washington, too far away, the land was worthless. California came in with 92,597 people.

The gentleman from California said, "Why do I ask the House to adopt this amendment?" I do not think he would vote for the bill if his amendment were adopted. If I am wrong, I yield to the gentleman for a correction.

Mr. HOSMER. Will the gentleman yield for any other purpose?

Mr. MILLER of Nebraska. No, I am just trying to find out if the gentleman will support the bill if the amendment is adopted. I am quite sure he would not support it.

So I say to you, there were 16 States that came into the Union with less than 250,000 population. I just hope this amendment is not adopted. Sure, Alaska is one-fifth the size of the United States. When Texas came into the Union it retained the right to divide itself into 5 States, and it might well want to do it some day. California is a tremendously large State, the largest of all when it came into the Union. That was one of the biggest objections to California's coming in as a State, that it had only 92,000 people at the time.

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

Mr. MILLER of Nebraska. I yield to the gentleman from Florida.

Mr. HALEY. The gentleman stated just a little while ago that the argument used against the admission of California to the Union was that a lot of the land was worthless. Has that ever been disproved?

Mr. MILLER of Nebraska. They are going to be probably one of the largest States in the Union in population. I know the keen rivalry that exists between California and Florida. California has a big group of fine people. Both States have grown rapidly. I understand California is going to take 7 Representatives in the next realinement of the population, and Florida is going to get 3 new ones.

Mr. Chairman, I hope this amendment will not prevail.

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

Mr. Chairman, I think the gentleman from Nebraska has adequately answered the amendment which is proposed by the gentleman from California, but I think his figures need amending in one particular. The gentleman gave figures as to the population at time of admission. When we take the population of preceding censuses or at succeeding censuses for the other States, which were admitted to the Union, and examine them in the light of this amendment, we find there would be only 10 States in this Union of ours today if the gentleman's amendment had been in effect at the time this Union was started. We would have a great Union today of the States of Maine, New Mexico, Washington, West Virginia, Maryland, Massachusetts, North Carolina, Pennsylvania, Virginia, and Oklahoma—that would comprise the United States of America today if the test which the gentleman from California seeks to impose had been in effect since the formation of our Union. The plain fact of the matter is that Alaska today has more population according to the census figures than 29 of the 48 States in the Union had at the time of their admission, and I do not think it would be fair to impose this kind of test on Alaska today when our history proves that the States have rapidly grown in population after their admission into the Union.

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

Mr. EDMONDSON. I yield.

Mr. SAYLOR. If this test had been applied by our Founding Fathers, we would never have had the United States of America because most of the States of the Union that formed the original 13 States could not have qualified.

Mr. EDMONDSON. Even the great State of New York, the most populous State in the Union today had only 238,000 people at the time New York came into the Union.

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

Mr. EDMONDSON. I am glad to yield to my friend from California.

Mr. HOSMER. I would like to point out, or at least to allege, that the gentleman is comparing oranges with apples by these figures because he fails to state that the total population of the United States at the time these other States were admitted was a great deal less and, therefore, the situation is simply not comparable.

Mr. EDMONDSON. I will grant that the gentleman has a point there, but I will say to him that if we had imposed an arbitrary test of any kind back in the early years of our history, we would not have the great Union we have today, and I must decline to yield further to the gentleman at this point.

Mr. Chairman, there is one other argument I would like to dispose of before sitting down. The argument has been made by the distinguished gentleman from Virginia that there is a question as to how the people of Alaska stand on this question because of a poll which a gentleman from another State conducted in that Territory. I think the test which the Members of this House have always been willing to impose as to what the people want is the test of the question of how the representatives of that area vote and the stand that they take in this body. We have a clear demonstration of that here. We have the distinguished Delegate from Alaska who is here telling us that the people of Alaska want statehood. We have two Senators under the Tennesee plan and a Representative too, under the Tennesee plan, the representatives and the spokesmen of the people of Alaska who are here and telling all of us directly that their people want statehood for Alaska. I say to you to take what a few editorials say on this question or to take what a poll conducted by a Member from outside the jurisdiction of Alaska says on the question rather than what the elected representatives of the people would say would be a departure from the very foundation principles that govern this House and in the way we do business. We believe the representative of an area speaks for the people and we believe that representative reflects the feeling, the thoughts and the desires of the people. We have convincing evidence on this floor that the people of Alaska want statehood because their representatives are here fighting with every bit of strength that they have and with all their ability to obtain statehood. I hope we will go along with those representatives. I hope we will go along with the people of Alaska. I hope we will go along with the people of America on this subject. Legislatures of many States have demonstrated by resolutions how they stand. I hope we will go along with the destiny of America and add the 49th star to our flag and demonstrate to the entire world that America believes in progress. That we believe in democracy for all our people and that we are willing to stand by those principles in this year of 1958.

The CHAIRMAN. The time of the gentleman from Oklahoma [Mr. EDMONDSON] has expired.

The question is on the amendment offered by the gentleman from California [Mr. HOSMER].

The amendment was rejected.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wonder how many of my colleagues know how Pravda and Izvestia, printed in the Soviet Union, feel toward the treaty, negotiated in 1867, under the then czar, which sold to the United States the Territory of Alaska. These newspapers describe the area as Russian-America and they contend that the czar had no right to alienate "sacred Russian soil."

When I was first elected to the Congress, in 1940, the delegate from Alaska was Anthony J. Dimond. This very able and very dedicated delegate, pleading for proper defenses for Alaska, prophesied before Pearl Harbor, that the Japanese would attack without warning. Not heeding the Delegate's prophesy, Alaska became the only part of our North American Continent to be invaded and held for a time by the enemy.

I recall a speech once made by Tony Dimond in which he expressed great concern that thousands of Russians, supposedly colonists, were being settled on Big Diomede Island in Bering Strait only 5 miles from Little Diomede, an American island. Commenting on Mr. Dimond's remarks, the New York Times stated:

> The thousands of young Russian men and women who are being settled in northeast Siberia are all representatives of the younger generation that has matured entirely under Soviet control. They are said to be carried away with the idea that they are to be the glorious conquerors of the world, that they must sow the seeds of revolution everywhere, and that, to quote from a Vladivostok newspaper, "Their mission first of all is to get their hands on Alaska which so idiotically was sold to capitalist America by the czarist government."

Tony Dimond often spoke about Soviet Russia's aggressive intentions. Had we taken his warnings to heart, we might possibly not have committed the folly of holding back our victorious troops in Europe and allowing the Russians to occupy Berlin and Austria.

Today, I, for one, am voting to admit to full partnership in our Union that most vital of all American areas, Alaska. I, for one, am anxious to set at rest forever the fantastic Russian claim that Alaska still belongs to Russia and the Russians should have it back.

Mr. Chairman, I note sitting before me as I speak the distinguished and able Delegate who succeeded Anthony Dimond to represent the Territory of Alaska. He has been with us 14 years. He is not a Member of the Congress of the United States, because he is not a Representative and he is not a Senator. No. He is not one of us. He is only a Delegate under the Constitution, with a voice in this body but no vote.

I remember how Tony Dimond in yesteryear spoke about his frustration because of that anomalous situation.

Now I am going to ask the Delegate if he will not rise and during my time tell the House something about his own frustration in not being able to vote as a Member of the Congress of the United States of America.

Mr. BARTLETT. I am glad to respond to the question asked by my friend from New Jersey. Before doing so I should like to say that I am happy he brought the name of Tony Dimond

into this discussion. He was a good man, a great American. His was the true voice of prophecy; had we heeded his warning in the thirties, there would have been no disaster in the Aleutians in World War II and, as the gentleman so properly said, the situation would have been different had we heeded that which he had to say after World War II.

I can say to the gentleman after long experience here—this is my seventh term—that personally I am rather inured to being here in a position of Delegate without a vote; but I can say that it remains most frustrating.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. CANFIELD. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

Mr. MASON. I object.

Mr. CANFIELD. I am sure my friend is not really going to object. I am sure he wants to be fair to the Delegate.

Mr. MASON. Mr. Chairman, I have objected.

The CHAIRMAN. The Chair has observed that the gentleman from Illinois has objected.

Mr. ASPINALL. Mr. Chairman, I move to strike out the last word, and yield to the Delegate from Alaska so he may finish his statement.

Mr. CANFIELD. I want to thank the gentleman from Colorado because, most certainly, the Delegate who is sent to this body, who has no vote, has the right to speak.

Mr. MASON. Mr. Chairman, I demand the regular order.

Mr. CANFIELD. The regular order is being observed.

The CHAIRMAN. Does the gentleman from Colorado yield to the gentleman from New Jersey?

Mr. ASPINALL. Yes, Mr. Chairman.

The CHAIRMAN. The regular order is being observed.

Mr. ASPINALL. Mr. Chairman, I now yield to the Delegate from Alaska.

Mr. BARTLETT. I was about to say a moment ago that it is not too frusstrating on a personal basis to be here representing a Territory, but daily I grieve for the citizens there who pay all Federal taxes which apply to citizens of the States, who are bound by all the Federal laws that apply to the citizens of the other States but have no right to vote in this Congress of the United States, and who in so many other ways occupy inferior status.

I would say that, granted the fact that territories are commonly, traditionally, required to serve periods of tutelage, that 90 years ought to be long enough. Alaska has been an incorporated Territory since 1868, the year after its purchase form Russia for the terrifically low sum of $7,200,000.

Alaska is made up 85 percent of citizens from the 48 States, and I think they have gone through school; they are entitled now to their diploma so that they may have on this floor and in the other body voting representatives instead of a voteless delegate.

I thank the gentleman for giving me this opportunity, and my friend from Colorado also, to say that when you live in a Territory it becomes terribly frustrating in that you have no vote to record your opinion on any subject of national or international importance through your representation in the Congress of the United States.

Mr. ASPINALL. May the gentleman from Colorado say that one of the most pleasing experiences that he has had in his 10 years here in the House is that of trying to be helpful to the Delegate from Alaska.

I yield to the gentleman from New Jersey, if he has any further statement he wishes to make.

Mr. CANFIELD. I have no further statement, but again I want to thank the distinguished gentleman from Colorado for being so fair in this debate.

Mr. PELLY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when mention of the name of the Delegate from Alaska was made a moment ago I felt impelled to join with those who were expressing words of commendation for him and also his predecessor, because, coming from that area of the country which is so close to Alaska, we, in my District, know the Delegate well. He is almost like a citizen in Seattle. When he walks along the street, everybody knows him. He is almost like a member of our chamber of commerce. We feel very warmly toward him. We admire the great work he has done, and I know that I am only expressing the sentiments of my District when I join in saying words of commendation and admiration for a very fine gentleman, the Delegate from Alaska.

Mr. PRICE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I know of no one more deserving the tributes which have just been paid to him by his colleagues than the Delegate from Alaska, BOB BARTLETT.

I have had the good fortune to have worked with Delegate BARTLETT since he came to Congress. My own interest in the problem of statehood for Alaska has developed because of the contacts I have had with him. He has always been most fair in his presentations in behalf of the Territory and I am certain that the great good he has accomplished for Alaska has resulted from the high personal esteem in which he is held by Members on both sides of the aisle. This has been evident during the consideration of the statehood bill during the past week.

Now, Mr. Chairman, I would like to reiterate my support for H. R. 7999 granting statehood to Alaska. There have been many arguments over the last several days, pro and con, over this proposed legislation. There has been one argument in particular I would like to refute. That is one having to do with the claim Alaska is not ready for statehood. I think that if we subscribe to the arguments advanced by those who raise this issue we would disregard precedent and history. If our predecessors in this body had subscribed to such arguments, the western boundary of this great country of ours would not have extended beyond the Mississippi River. We must remember that many great States in the Union, stars represented in that blue field up there, would not have been admitted to the Union if we had subscribed to those kind of arguments.

Under the conditions laid down by some, my own great State of Illinois would not have been admitted to statehood back in 1818. I have read the debate in Congress on the question of admission of Illinois. The opponents talked then as the opponents of Alaska's statehood talk today. Fortunately their arguments did not prevail. You may say that in time Illinois would have been admitted anyway—but how can we be certain it would have? Had the opponents of statehood of the many States which have been admitted to the Union subsequent to the founding of our Nation by the Original Thirteen been in majority we might well have a dozen or more independent nations where today we have one Nation united. Our predecessors showed great wisdom in rejecting negative arguments in the cases of Illinois and the others and I predict the judgment of the House membership will be just as sound here this afternoon.

The granting of Territorial status to Alaska more than 80 years ago carried with it a guaranty that someday this area would be admitted into the Union. Its people are entitled to full status of American citizenship. They must be growing impatient in their present position as wards of the Nation. They cannot be expected to endure such a status much longer. They have served the necessary period of tutelage. We could not blame them if they became tired of being half citizens and demanded statehood or independence.

Now, in effect, they are living under circumstances strongly reminiscent of those which compelled our forefathers to revolt against British rule. Subject to all Federal taxes imposed generally, they have no right to express an effective voice in the making of the tax or other laws.

For these reasons I favor statehood for Alaska, but there is to me an even greater reason why I will vote to admit Alaska to the Union, and that is because the history of the United States shows that real development of an area has started only when Territorial status was changed to statehood.

Yes, and for selfish reason as an American, I want this great Territory as a State of the Union. It abounds in untold natural resources. I want these preserved for the United States. You say we can preserve them as well by holding Alaska as a Territory. I refer you back to my previous remarks; people grow impatient as second-class citizens and they are prone to do something about it in time. It would be far better to grant statehood now than to ferment a condition that would lead to a demand for independence that could embarrass the United States in the family of nations. The Alaskans make no such threat—have not even advanced a hint in that direction—but we may very well be creating such a hazard by rejecting this measure today.

Since statehood will accelerate the development of the area, it is of the utmost importance from a military standpoint—but I went into that in detail yesterday. Recently the commanding general of the Alaskan department stated that military defense of Alaska could not be effective

unless there is a growth in the civilian population and civilian industry. Statehood would aid materially in bringing this about.

Alaska has a population of about 212,000 today, exceeding the population of 12 States at the time of their admission into the Union. Few States can match her in resources. Her tremendous resources have barely been touched. Her timber, minerals, and her waterpower have not been tapped. All these things make her a necessary factor in the defense of the United States.

The Clerk read as follows:

SEC. 2. The State of Alaska shall consist of all the territory, together with the territorial waters appurtenant thereto, now included in the Territory of Alaska.

SEC. 3. The constitution of the State of Alaska shall always be republican in form and shall not be repugnant to the Constitution of the United States and the principles of the Declaration of Independence.

SEC. 4. As a compact with the United States said State and its people do agree and declare that they forever disclaim all right and title to any lands or other property not granted or confirmed to the State or its political subdivisions by or under the authority of this act, the right or title to which is held by the United States or is subject to disposition by the United States, and to any lands or other property (including fishing rights), the right or title to which may be held by any Indians, Eskimos, or Aleuts (hereinafter called natives) or is held by the United States in trust for said natives; that all such lands or other property, belonging to the United States or which may belong to said natives, shall be and remain under the absolute jurisdiction and control of the United States until disposed of under its authority, except to such extent as the Congress has prescribed or may hereafter prescribe, and except when held by individual natives in fee without restrictions on alienation: *Provided*, That nothing contained in this act shall recognize, deny, enlarge, impair, or otherwise affect any claim against the United States, and any such claim shall be governed by the laws of the United States applicable thereto; and nothing in this act is intended or shall be construed as a finding, interpretation, or construction by the Congress that any law applicable thereto authorizes, establishes, recognizes, or confirms the validity or invalidity of any such claim, and the determination of the applicability or effect of any law to any such claim shall be unaffected by anything in this act: *And provided further*, That no taxes shall be imposed by said State upon any lands or other property now owned or hereafter acquired by the United States or which, as hereinabove set forth, may belong to said natives, except to such extent as the Congress has prescribed or may hereafter prescribe, and except when held by individual natives in fee without restrictions on alienation.

SEC. 5. The State of Alaska and its political subdivisions, respectively, shall have and retain title to all property, real and personal, title to which is in the Territory of Alaska or any of the subdivisions. Except as provided in section 6 hereof, the United States shall retain title to all property, real and personal, to which it has title, including public lands.

SEC. 6. (a) For the purposes of furthering the development of and expansion of communities, the State of Alaska is hereby granted and shall be entitled to select, within 50 years after the date of the admission of the State of Alaska into the Union, from lands within national forests in Alaska which are vacant and unappropriated at the time of their selection not to exceed 400,000 acres of land, and from the other public lands of the United States in Alaska which are vacant, unappropriated, and unreserved at the time of their selection not to exceed another 400,000 acres of land, all of which shall be adjacent to established communities or suitable for prospective community centers and recreational areas. Such lands shall be selected by the State of Alaska with the approval of the Secretary of Agriculture as to national forest lands and with the approval of the Secretary of the Interior as to other public lands: *Provided*, That nothing herein contained shall affect any valid existing claim, location, or entry under the laws of the United States, whether for homestead, mineral, right-of-way, or other purposes whatsoever, or shall affect the rights of any such owner, claimant, locator, or entryman to the full use and enjoyment of the land so occupied.

(b) The State of Alaska, in addition to any other grants made in this section, is hereby granted and shall be entitled to select, within 25 years after the admission of Alaska into the Union, not to exceed 182 million acres from the public lands of the United States in Alaska which are vacant, unappropriated, and unreserved at the time of their selection: *Provided*, That nothing herein contained shall affect any valid existing claim, location, or entry under the laws of the United States, whether for homestead, mineral, right-of-way, or other purpose whatsoever, or shall affect the rights of any such owner, claimant, locator, or entryman to the full use and enjoyment of the lands so occupied: *And provided further*, That no selection hereunder shall be made in the area north and west of the line described in section 10 without approval of the President or his designated representative.

(c) Block 32, and the structures and improvements thereon, in the city of Juneau are granted to the State of Alaska for any or all of the following purposes or a combination thereof: A residence for the Governor, a State museum, or park and recreational use.

(d) Block 19, and the structures and improvements thereon, and the interests of the United States in blocks C and 7, and the structures and improvements thereon, in the city of Juneau, are hereby granted to the State of Alaska.

(e) All real and personal property of the United States situated in the Territory of Alaska which is specifically used for the sole purpose of conservation and protection of the fisheries and wildlife of Alaska, under the provisions of the Alaska game law of July 1, 1943 (57 Stat 301; 48 U. S. C., secs. 192–211), as amended, and under the provisions of the Alaska commercial fisheries laws of June 26, 1906 (34 Stat. 478; 48 U. S. C., secs. 230–239 and 241–242), and June 6, 1924 (43 Stat. 465; 48 U. S. C., secs. 221–228), as supplemented and amended, shall be transferred and conveyed to the State of Alaska by the appropriate Federal agency: *Provided*, That such transfer shall not include lands withdrawn or otherwise set apart as refuges or reservations for the protection of wildlife nor facilities utilized in connection therewith, or in connection with general research activities relating to fisheries or wildlife. Sums of money that are available for apportionment or which the Secretary of the Interior shall have apportioned, as of the date the State of Alaska shall be deemed to be admitted into the Union, for wildlife restoration in the Territory of Alaska, pursuant to section 8 (a) of the act of September 2, 1937, as amended (16 U. S. C., sec. 669g–1), and for fish restoration and management in the Territory of Alaska, pursuant to section 12 of the act of August 9, 1950 (16 U. S. C., sec. 777k), shall continue to be available for the period, and under the terms and conditions in effect at the time, the apportionments are made. Commencing with the year during which Alaska is admitted into the Union, the Secretary of the Treasury, at the close of each fiscal year, shall pay to the State of Alaska 70 percent of the net proceeds, as determined by the Secretary of the Interior, derived during such fiscal year from all sales of sealskins or sea-otter skins made in accordance with the provisions of the act of February 26, 1944 (58 Stat. 100; 16 U. S. C., secs. 631a–631q), as supplemented and amended. In arriving at the net proceeds, there shall be deducted from the receipts from all sales all costs to the United States in carrying out the provisions of the act of February 26, 1944, as supplemented and amended, including, but not limited to, the costs of handling and dressing the skins, the costs of making the sales, and all expenses incurred in the administration of the Pribilof Islands. Nothing in this act shall be construed as affecting the rights of the United States under the provisions of the act of February 26, 1944, as supplemented and amended, and the act of June 28, 1937 (50 Stat. 325), as amended (16 U. S. C., sec. 772 et seq.).

(f) Five percent of the proceeds of sale of public lands lying within said State which shall be sold by the United States subsequent to the admission of said State into the Union, after deducting all the expenses incident to such sales, shall be paid to said State to be used for the support of the public schools within said State.

(g) Except as provided in subsection (a), all lands granted in quantity to and authorized to be selected by the State of Alaska by this act shall be selected in such manner as the laws of the State may provide, and in conformity with such regulations as the Secretary of the Interior may prescribe. All selections shall be made in reasonably compact tracts, taking into account the situation and potential uses of the lands involved, and each tract selected shall contain at least 5,760 acres unless isolated from other tracts open to selection. The authority to make selections shall never be alienated or bargained away, in whole or in part, by the State. Upon the revocation of any order of withdrawal in Alaska, the order of revocation shall provide for a period of not less than 90 days before the date on which it otherwise becomes effective, if subsequent to the admission of Alaska into the Union, during which period the State of Alaska shall have a preferred right of selection, subject to the requirements of this act, except as against prior existing valid rights or as against equitable claims subject to allowance and confirmation. Such preferred right of selection shall have precedence over the preferred right of application created by section 4 of the act of September 27, 1944 (58 Stat. 748; 43 U. S. C., sec. 282), as now or hereafter amended, but not over other preference rights now conferred by law. Where any lands desired by the State are unsurveyed at the time of their selection, the Secretary of the Interior shall survey the exterior boundaries of the area requested without any interior subdivision thereof and shall issue a patent for such selected area in terms of the exterior boundary survey; where any lands desired by the State are surveyed at the time of their selection, the boundaries of the area requested shall conform to the public land subdivisions established by the approval of the survey. All lands duly selected by the State of Alaska pursuant to this act shall be patented to the State by the Secretary of the Interior. Following the selection of lands by the State and the tentative approval of such selection by the Secretary of the Interior or his designee, but prior to the issuance of final patent, the State is hereby authorized to execute conditional leases and to make conditional sales of such selected lands. As used in this subsection, the words "equitable claims subject to allowance and confir-

mation" include, without limitation, claims of holders of permits issued by the Department of Agriculture on lands eliminated from national forests, whose permits have been terminated only because of such elimination and who own valuable improvements on such lands.

(h) Any lease, permit, license, or contract issued under the Mineral Leasing Act of February 25, 1920 (41 Stat. 437; 30 U. S. C., sec. 181 and following), as amended, or under the Alaska Coal Leasing Act of October 20, 1914 (38 Stat. 741; 30 U. S. C., sec. 432 and following), as amended, shall have the effect of withdrawing the lands subject thereto from selection by the State of Alaska under this act, unless such lease, permit, license, or contract is in effect on the date of approval of this act, and unless an application to select such lands is filed with the Secretary of the Interior within a period of 5 years after the date of the admission of Alaska into the Union. Such selections shall be made only from lands that are otherwise open to selection under this act, and shall include the entire area that is subject to each lease, permit, license, or contract involved in the selections. Any patent for lands so selected shall vest in the State of Alaska all right, title, and interest of the United States in and to any such lease, permit, license, or contract that remains outstanding on the effective date of the patent, including the right to all rentals, royalties, and other payments accruing after that date under such lease, permit, license, or contract, and including any authority that may have been retained by the United States to modify the terms and conditions of such lease, permit, license, or contract: *Provided,* That nothing herein contained shall affect the continued validity of any such lease, permit, license, or contract or any rights arising thereunder.

(i) All grants made or confirmed under this act shall include mineral deposits. The grants of mineral lands to the State of Alaska under subsections (a) and (b) of this section are made upon the express condition that all sales, grants, deeds, or patents for any of the mineral lands so granted shall be subject to and contain a reservation to the State of all of the minerals in the lands so sold, granted, deeded, or patented, together with the right to prospect for, mine, and remove the same. Mineral deposits in such lands shall be subject to lease by the State as the State legislature may direct: *Provided,* That any lands or minerals hereafter disposed of contrary to the provisions of this section shall be forfeited to the United States by appropriate proceedings instituted by the Attorney General for that purpose in the United States District Court for the District of Alaska.

(j) The schools and colleges provided for in this act shall forever remain under the exclusive control of the State, or its governmental subdivisions, and no part of the proceeds arising from the sale or disposal of any lands granted herein for educational purposes shall be used for the support of any sectarian or denominational school, college, or university.

(k) Grants previously made to the Territory of Alaska are hereby confirmed and transferred to the State of Alaska upon its admission. Effective upon the admission of the State of Alaska into the Union, section 1 of the act of March 4, 1915 (38 Stat. 1214; 48 U. S. C., sec. 353), as amended, and the last sentence of section 35 of the act of February 25, 1920 (41 Stat. 450; 30 U. S. C., sec. 191), as amended, are repealed and all lands therein reserved under the provisions of section 1 as of the date of this act shall, upon the admission of said State into the Union, be granted to said State for the purposes for which they were reserved; but such repeal shall not affect any outstanding lease, permit, license, or contract issued under said section 1, as amended, or any rights or powers with respect to such lease, permit, license, or contract, and shall not affect the disposition of the proceeds or income derived prior to such repeal from any lands reserved under said section 1, as amended, or derived thereafter from any disposition of the reserved lands or an interest therein made prior to such repeal.

(l) The grants provided for in this act shall be in lieu of the grant of land for purposes of internal improvements made to new States by section 8 of the act of September 4, 1841 (5 Stat. 455), and sections 2378 and 2379 of the Revised Statutes (43 U. S. C., sec. 857), and in lieu of the swamp-land grant made by the act of September 28, 1850 (9 Stat. 520), and section 2479 of the Revised Statutes (43 U. S. C., sec. 982), and in lieu of the grant of 30,000 acres for each Senator and Representative in Congress made by the act of July 2, 1862, as amended (12 Stat. 503; 7 U. S. C., secs. 301–308), which grants are hereby declared not to extend to the State of Alaska.

(m) The Submerged Lands Act of 1953 (Public Law 31, 83d Cong., 1st sess.; 67 Stat. 29) shall be applicable to the State of Alaska and the said State shall have the same rights as do existing States thereunder.

Mr. DAWSON of Utah. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DAWSON of Utah: On page 4, line 13, strike the word "fifty" and insert the word "twenty-five."

On page 5, lines 10 and 11, strike the words "one hundred and eighty-two million" and insert "one hundred and two million five hundred and fifty thousand."

Mr. DAWSON of Utah. Mr. Chairman, these two amendments bring the bill in line with the figures presented in the original bill as introduced by the gentleman from Alaska and other authors of bills. The acreage was increased in committee. Some objection was made there—and I think rightly so—the large amount of land that was granted to the State of Alaska. I think the gentleman from Virginia [Mr. SMITH] made a case on yesterday that justifies some reduction in the total acreage granted to the new State. By reducing the figure from 182 million to 102 million, we reduce the total percentage from some 50 percent to 27 percent of the land in Alaska. This, in my opinion, is a much more realistic figure than 50 percent. It is true, as the gentleman from Virginia [Mr. SMITH] has stated, that this is a much larger grant, even with the reduction that is now proposed, than any other State in the Union has had. I feel, however, that this amount of land is needed in order to give the new State a sufficient tax base to allow a reasonable assurance of its future existence.

The other amendment relates to the reduction of the selection time from 50 years to 25 years for the lands in the national forests and in my opinion that also is reasonable. We would hate to see a situation develop in Alaska where the new State could wait for the lands to come into mineral production or commercial development and then take over. For that reason I feel that 25 years would be sufficient time for that development to take place and for the new State to make a reasonable selection.

Mr. Chairman, I hope that the committee will see fit to accept this amendment.

Mr. O'BRIEN of New York. Mr. Chairman, the committee will accept the amendment.

Mr. MILLER of Nebraska. Mr. Chairman, as part of the committee, I am not ready to accept the amendment and rise in opposition to the amendment.

Mr. Chairman, this amendment was adopted by the full committee, and, as I remember it, the gentleman from Utah voted for the amendment when it was in the committee. It was adopted unanimously.

Mr. DAWSON of Utah. Mr. Chairman, I am not so sure that that is correct.

Mr. MILLER of Nebraska. Mr. Chairman, I am not ready now to agree that the committee shall rescind the action just because somebody simply offers an amendment and to say that we accept the amendment. We adopted these figures in the committee. What does it do? It gives the new State about one-half of its land. The Federal Government has already taken 100 million acres of selected land that it wants for itself—100 million acres. I have always been under the impression that neither the Federal Government nor a State can properly develop its own resources. Generally it is the individual who goes out on his own initiative, with his courage and his willingness to work, that develops the resources of the land.

I believe that 25 percent of all the land in the United States is owned by the Federal Government. In the 11 Western States 50 percent of the land is owned by the Federal Government. If we adopted the amendment offered by the gentleman from Utah [Mr. DAWSON], it would mean 102 million acres of land would go to the new State, and that is about 28 percent of their land. If Members will look at page 89 of the report you will see that in the 11 Western States it ranges all the way from 85 percent in the State of Washington that is owned by the Federal Government to 84 percent in the State of Nevada.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Nebraska. I yield to the gentleman.

Mr. DAWSON of Utah. In my own State, even today, the Federal Government owns 73 percent of all the land area. Yet, if this amendment were adopted we would give the new State of Alaska 27 percent of their total area.

Mr. MILLER of Nebraska. I think we might well say that one reason the gentleman's State has not grown very much is that so much of the land is owned by the Federal Government. Utah had 210,000 people when it came into the Union in 1896. What is its population now, about a third of a million?

Mr. DAWSON of Utah. About 1 million.

Mr. MILLER of Nebraska. The State has not grown very much because the Federal Government has seen fit to hold onto all of the land. In my humble opinion, if you want to develop a territory, turn it over to the State, and let us hope that there is wise economic and political leadership in the State so that they, in turn, will turn it back to the people who will come there from every

State in the Union, in this case, who will go to Alaska, to the new State, so that they may carve out their own destiny by taking a piece of land and develop the resources. If there is coal, or if there is gold, or one or another of a dozen different strategic minerals that we need in this country, including lumber, then they, themselves, as individuals, can work out their destiny through the ownership of that land. But you cannot do that if you say to a new State, "We will give you just a little bit of land and hope you get along on it." I have 1 county in my District of 38 counties that is larger than Delaware and Rhode Island, in square miles, not in people. They have almost as many cattle, but not people. So you cannot judge this new State on a square-mile basis.

I will go along with a 25-year limitation, instead of 50 years, for the new State to select its land, but let the State divide that land. They may have some homestead law or mineral law so that individuals from every State in the Union can go up there, and they can divide their resources. If we say the Federal Government is going to hold onto most of the land it will not be developed. I did not vote for this bill in the 81st Congress because we were not then giving them very much of the land and only 6 percent of their land. A State, to grow and develop must have most of its land. I think I was right at the time. The bill did not carry. I think you weaken the bill here when you say to the State, "We will let you have 28 percent of your land," when in the first place the Federal Government has already selected 100 million acres of that land.

I suggest the amendments to give less land to the new State be defeated.

Mr. O'BRIEN of New York. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I hesitate to state that my support of the amendment does not mean that I am in violent disagreement with the distinguished gentleman from Nebraska. The gentleman from Nebraska in the committee strongly advocated the 184 million acres. One of the reasons I went along with that larger amount was that I believed the gentleman from Nebraska to be a conservative man in his approach to all these problems. If he felt as a conservative gentleman that the larger amount of land was necessary I was willing to yield to his views. I still believe that he was right. I still believe that if we are to create a new State, a State of such size and undoubted importance, we should give it as many of the sinews of statehood as possible.

I think we have here in the statement by the gentleman from Nebraska an answer to many of those who talk about giveaway. Here is the gentleman from Nebraska, a conservative gentleman, who says we should give more, not less, of this land. Here is the gentleman from Nebraska, a conservative gentleman, who tells you he sees no prospect of looting the public treasury by permitting people of a new State to lease to private enterprise these mineral lands which should be developed in the interest of the entire Nation.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. O'BRIEN of New York. I yield.

Mr. MILLER of Nebraska. If they are going to loot 182 million acres, what safeguard are you going to have so they will not loot 102 million acres?

Mr. O'BRIEN of New York. I think the answer might be that the difference could be the difference between petty larceny and grand larceny, but I do not believe there is larceny of any kind possible.

One point should be emphasized. What loot are we talking about here? We now give the Territory of Alaska 90 percent of all the revenue from mineral leases by the Federal Government. Under this bill, we will give 100 percent plus the cost of administering it. So moneywise they will be in exactly the same posture as they are in now. So I am very happy that the gentleman from Nebraska explained why he favors this provision as it stands. Nevertheless, I have always believed it is a mistake to stumble over a pebble on your way to a mountain top and I believe this amendment would be a reasonable compromise.

Mr. ROGERS of Texas. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Texas to the amendment offered by Mr. DAWSON of Utah: Strike out "102,000,000" and insert "21,000,000."

Mr. ROGERS of Texas. Mr. Chairman, in view of the controversy which seems to have arisen within the Committee here about how much land is going to get looted up there, I thought, perhaps, we had better reduce it down to the amount that had been included in the former bills that have been presented to the Congress on this subject. When we weigh this whole problem out, we find that 21 million acres should be plenty of land if you are going to grant statehood to Alaska; everybody talks in percentages but no one talks in figures. They talk about how much land the Federal Government owns throughout this Nation, but they never tell you that a lot of that land is owned by the Federal Government because no one else can afford to own it. The gentleman from Utah was talking about how much land in his State was owned by the Federal Government. Now, who can afford to own these mountain tops? Why they could not even pay the taxes on them. Of course, that is all counted. And they talk about it percentagewise, but they never tell you how many fertile acres there are and they never tell you anything about that, but they just talk about percentages and they have you going on percentages. But Alaska gets to choose this land and they are not going to choose mountain tops or swamps. Let us look at this thing from the standpoint of how much land would be allocated to each citizen of Alaska. At the present time, if you gave them 21 million acres—now you figure it, I am not a very good mathematician—how many people are there up there, some say there are 80,000 people and others say there are 180,000 people, but it makes no difference—each citizen up there would get a tremendous amount of land under this 21 million acres provision. In addition to the 21 million acres, do not forget this one point that was made yesterday that this proposed State is brought in under the submarginal land act. That includes, as I understand it, 3 miles out from the shore. If you just stop and think about the shoreline of Alaska—think how fantastic it is because if you go 3 miles out for every mile of shoreline you would have 2,000 acres of land that the State of Alaska would get. You look at the map of the State of Alaska and just look at the stupendous amount of land and the amount of mineral rights that would be going to the State of Alaska outside of what is included in the bill, as, you might call it, dry land. So it just occurs to me, if this is going to be a matter of turning over this land that belongs to all the people of the United States of America at the present time, if you turn this land over to Alaska, let us be reasonable about it. The gentleman wants to be conservative and I do too. Let us turn 21 million acres over to them, if you are going to pass this bill anyway, and then if they need more land they can come back and get it later on. There is nothing to keep this Congress from giving them more land at the next session of the Congress. But, if we give them all of the land now, we cannot take any of it back. We cannot take any of it back and the chances are Alaska is not going to give it back to us. So let us go about this thing in a reasonable way and not just go whole hog and turn the whole thing over and say, "Well, we are destroying the Republic so we might as well do a good job of it and give away all the land—we do not need it anyway."

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

Mr. ROGERS of Texas. I yield.

Mr. BARTLETT. I would like to remind the gentleman from Texas that the amount of land he proposes here is less than one-half that which was sought to be conveyed in the 1950 act.

Mr. ROGERS of Texas. How much land would the 21 million acres be for each citizen of Alaska at the present time?

Mr. BARTLETT. Oh, I do not know how much land it would be, but it would be no land for each citizen. It would all go to the State. It would not be divided equally.

Mr. ROGERS of Texas. But I mean the State is made up of citizens.

Mr. BARTLETT. The gentleman is applying a new rule, but what he is doing is seeking to cut the land grants by 50 percent from the lowest figure that ever came to the House before.

Mr. ROGERS of Texas. If I remember right, those other bills were defeated, so there must have been something wrong with them. Maybe it was the land business.

Mr. BARTLETT. Oh, no. I remind the gentleman that the bill which was passed on March 3, 1950, contained approximately twice as much land as he proposes in his amendment.

Mr. ROGERS of Texas. What happened to that bill?

Mr. BARTLETT. It perished elsewhere.

Mr. ROGERS of Texas. That is what I mean. It never did become law.

Mr. BARTLETT. No.

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

Mr. ROGERS of Texas. I yield.

Mr. PILLION. Is it not possible for this Congress to grant to Alaska at any time any amount of its land, regardless of whether or not the statehood bill is adopted? Even though it were defeated, this Congress could next day grant whatever it deems to be fair, such lands as the Congress might want to give to Alaska.

Mr. ROGERS of Texas. I will say to the gentleman it seems to me, according to the speech of the gentleman from New York [Mr. O'BRIEN] we have given them quite a bit of it already and certainly we could handle the matter in the future.

Mr. PILLION. One section out of each township. Is that not correct?

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

Mr. SISK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the position taken by the gentleman from Nebraska [Mr. MILLER]. I do not believe that I find myself in extreme controversy with my chairman, the chairman of our subcommittee, the gentleman from New York [Mr. O'BRIEN]. I just happen to be one of those fellows who do not believe that we are giving anything away. In the proposal which the gentleman from Nebraska [Mr. MILLER] mentioned, it was discussed in our committee, at great length, and 182 million acres was felt to be needed, in order to give the new State a proper economic base. After all, we talk about the fact that in California we have the Federal Government owning 50 percent of the land; in Utah 80-some percent of the land, and so on. The people who live in the State and who work there, who develop it, are Americans, and they are there developing and working generally along with everyone else in the country to build and strengthen this country in which we live. I just do not grasp this idea that because we permit a State to have some few million acres of land that we are giving it to anybody or that it represents a giveaway to anybody. It will be used by American citizens in an American State, a part of this great Union in which we live.

To go back to the discussion, I oppose the amendment offered by the gentleman from Texas [Mr. ROGERS] because this certainly reduces the area which Alaska would have an opportunity to develop far below the minimum required. As far as the discussion between the gentlemen from New York [Mr. O'BRIEN] and the gentleman from Nebraska [Mr. MILLER] is concerned, I personally shall vote against the amendment offered by the gentleman from Utah [Mr. DAWSON], because I believe that the 182 million acres is not too much land, when we consider the fact that that would still be only 50 percent of the total land area of the new State of Alaska.

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

Mr. SISK. I yield.

Mr. EDMONDSON. Is it not correct that under the committee bill as it now stands 183 million acres of land are reserved to the United States, and under the Dawson amendment there would be 263 million acres reserved to the United States? So when the gentleman from Texas argues that we might as well go whole hog on those propositions he is neglecting the fact that there is a reservation in both these committee positions of more than half the land in Alaska to the United States. Is that correct?

Mr. SISK. The gentleman is exactly correct on that, completely.

I wish to say that I am happy my colleague from Utah introduced this amendment because I think it is up to the House after hearing and discussing the various proposals to make a determination of the amount of land they want to go to the State.

I shall support the position of the gentleman from Nebraska [Mr. MILLER] because I believe he is right in his argument. If you choose to support the position of the gentleman from Utah and the chairman of our subcommittee, the gentleman from New York [Mr. O'BRIEN], then certainly that is your prerogative.

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

Mr. SISK. Yes; I shall be glad to yield to the gentleman.

Mr. LECOMPTE. The gentleman spoke about the amount of land in California and other States, the portion owned by the State, the portion owned by the Federal Government. It is true, but does the gentleman consider that a good thing?

Mr. SISK. I do not consider it to be a good thing. That is exactly the reason why I am opposing it.

Mr. LECOMPTE. In the State of Iowa, the last time I checked, less than one-half of 1 percent was publicly owned land. It was practically all privately owned, and we out there always thought it ought to be privately owned; it pays taxes then.

Mr. SISK. I agree with the gentleman completely; and that, I will say, is the reason for the position I have taken.

Mr. DAWSON of Utah. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. The gentleman, as a member of the committee, I am sure will agree with me that all we have been trying to do in the committee was to reach an agreement on what would be a fair allocation. Of course, we can take any one of these arguments and say, "Let us cut it down" or "Let us extend it up to 100 percent." But if you want to be realistic about it the reason the 102-million-acre figure was offered was because that was the amount of the original bill.

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

Mr. SMITH of Virginia. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I made some remarks on this bill yesterday and somebody said I was drawing a red herring across the trail; but I think from the looks of things I struck pay dirt.

When you start reading the bill you do not know just what it does. The bill is so defective that the advocates of the bill are now fighting amongst themselves. One bunch of them wants 182 million acres, another bunch wants 102 million acres; I do not want any million. So I think that what has happened here this afternoon on this bill pretty well illustrates the immaturity of this bill for serious consideration by the House when the Members who worked so long over it and came to such almost unanimity of opinion as to what was the final right thing to do about it, on the very first important amendment that is offered we find them fighting amongst themselves. Now, how are we poor, ignorant folks going to know what to do about it?

The Delegate from Alaska says that the last bill carried 42 million acres; the gentleman from Texas said it carried 21 million acres. I do not know that it makes much difference, but as a matter of fact, I had all these bills that have been introduced for statehood for Alaska analyzed to see just how much giveaway there was in them and how much tremendous giveaway there was in this particular bill.

According to the analysis given me, the only bill that ever passed this House after serious consideration and debate was in the 81st Congress, and according to my analysis that bill gave 21 million acres to Alaska. Then they have been jumping up, jumping up, and jumping up every bill since until they have given away in this bill everything that Alaska apparently is willing to accept as a gift, and now the committee is fighting amongst themselves. Now, no doubt we will get into other amendments on this bill. I am not going to offer any; I have said my say about it, so I am not going to propose to amend the bill. Let it stay like it is and see what the House wants to do. But, I would like to admonish these gentlemen, who are such sincere advocates of the bill and all of whom are so sure that their position is dead right, please get together on these amendments, and if you cannot agree among yourselves, I do not see how you can ask the membership of this House to vote for this bill. Now, that is the situation, and we are starting off here with the committee themselves quarreling about whether we shall give them everything or whether we shall give them this or that.

Mr. MILLER of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. MILLER of Nebraska. I do not think there is really any quarrel about it. I was trying to hold up the committee's position of 182 million acres. Of course, the gentleman from Texas did not want Alaska to be larger than Texas, because Texas has 168,648,320 acres. They reserved all of their land when they came into the Union. We did not take an acre away from them.

Mr. SMITH of Virginia. The gentleman is always fair, and he ought to add

to that that Texas did not come in by the grace of the United States as a possession. Texas came into this Union by treaty.

Mr. ROGERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. ROGERS of Texas. Since the gentleman from Nevada mentioned the State of Texas, Texas offered to give up the land when they came in, but they refused to take it. They said it was nothing but frog ponds, I believe, out there. And, they have been sorry ever since.

Mr. SMITH of Virginia. I believe that Texas also has the right under its treaty to divide itself into five States and have 10 United States Senators up here; is that not right?

Mr. ROGERS of Texas. That is correct.

Mr. SMITH of Virginia. I do not understand why they have never taken advantage of it. But, if they are going to have five States, it has been suggested to me—and I think by the gentleman from Texas—that there ought to be an amendment to this bill to let Alaska divide itself into 10 States, because it is twice as big as Texas. I do not know whether there will be any objection to that amendment or not.

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

Mr. O'NEILL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas. You know, as we come along Pennsylvania Avenue we see on the Archives Building, I think it is, "What is past is prologue." "Study the Past." Well, the greatest land scandal in the history of this Nation was what they called the Yazoo scandal. When Georgia came into the Union, the United States Government turned over countless acres of land to the State of Georgia. They took three Indian territories and they added that to the State of Georgia and went right to the Mississippi River. So, Georgia extended from the Atlantic Ocean to the Mississippi River, and they gave them the same rights in the bill as we give the legislature in Alaska. We gave them the same rights at that time. In Georgia, there were three land companies formed, and when the investigation came about they found out that every member of the Georgia Legislature, with the exception of one member, had been involved and was a partner in these land settlement development corporations. And, they sold the land anywhere from 1½ to 5 cents an acre. It was the greatest scandal in the history of this Nation. Washington sent a special message to the Congress asking the Congress to investigate. It took years and years and years of litigation. Now, here we are today, one group wanting to give away 182 million acres of property that belongs to the people who live in my District and who live in your District, on which is found the greatest mineral wealth and the greatest forestry reserve in the world. That belongs to the people of my District and it belongs to the people of your District, and we have no right to give it away. There is another group in the House that is not so benevolent as the first group. They want to give away only 101 million acres of the land and the property which belongs to the people of the United States. The gentleman from Texas is rather miserly in his thoughts; he wants to give them only 21 million acres.

If there is ever going to be another Yazoo land scandal, if we are going to make the biggest giveaway in the history of this Nation, let us start with only 21 million acres. Please, let us not go hogwild completely.

Personally I am in opposition to the bill. I am going to vote against it regardless of what amendment is adopted, because I honestly believe that the minerals up there, the fishing rights, the great forests up there, belong to all the people of America. I do not think we have any right to delegate to a handful of people in a legislature in Alaska the authority to give away property that belongs to the people of America.

Mr. O'BRIEN of New York. Mr. Chairman, will the gentleman yield?

Mr. O'NEILL. I yield.

Mr. O'BRIEN of New York. Is the gentleman aware that the State of Alaska would get only 400,000 acres of all the tremendous forest lands up there, the rest being reserved by the United States?

Mr. O'NEILL. I have read the bill. I know that it said that they have a period of 25 or 50 years in which to go in and pick out lots of 5,000 acres each.

Mr. O'BRIEN of New York. Except the forests.

Mr. O'NEILL. The gentleman knows and I know that for the next 25 years, those people who are up there, after having made surveys, are not going to take up the useless property. They are going to pick out the best property.

Mr. O'BRIEN of New York. Is the gentleman familiar with the Teapot Dome scandal when the leasing was done under the Federal Government, and not the State government?

Mr. O'NEILL. Certainly I am familiar with that. But I think in writing a bill such as this, and knowing what happened in connection with Teapot Dome and the leasing up there, and knowing about the Yazoo scandal and the leasing and the sales made at that time, the committee should have written some safeguards into a bill of this type.

Mr. O'BRIEN of New York. Does the gentleman know that the State of Alaska may not sell a single foot of mineral land, but may only lease it?

Mr. O'NEILL. Yes; I have read the bill.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. O'NEILL] has expired.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have listened in amazement to some of the arguments that have been made before this body, such as those made by the previous speaker. Anyone who has flown over the Territory of Alaska, or who has traveled over it by train knows that there are millions and millions of acres of muskeg in Alaska, tundra. There are swamps there that breed nothing but mosquitoes in the summertime and are frozen wastes in the wintertime. There are inaccessible bare mountain tops, without trees. It is true that they do have a great quantity of land up there, but the tillable soil in Alaska is limited. There are glacial deposits of gravel lying below most of the topsoil. The topsoil is very thin, except in certain valleys such as Matanuska Valley. If you are going to create a State, then you have to give to that State the type of land which will be an asset and not a total liability.

The gentleman from New York [Mr. O'BRIEN] has already explained that the Federal Government has protected itself as far as great grants of forest land, and the leasing of oil lands, if that comes about, and their sale. The leasing which was done by the Federal Government at Teapot Dome has been mentioned. I call the attention of the committee to the fact that we voted a Tidelands bill a few years ago. I voted for that bill although it was against the principles of my party, but I did so because I knew that in the State of California we exacted up to 50 percent of royalties from the oil companies on those tidelands, and I knew there was no such record of protecting the interests of the people, by the Federal Government. The average leasing charge of the Federal Government is around 8 to 12 percent on Federal lands. But in the State of California we exacted up to 50 percent from the public lands. So I say that your States can protect the natural resources. All of your arguments on the States' jurisdiction, on the closeness of the States relate to this situation and are involved in this instance and it will pertain in the case of Alaska.

As far as giving these resources away to Alaska, it is like talking about giving your daughter a home to live in when she gets married. You give it away but not to a stranger. Anything that is given from the public domain to a 49th State is retained in the Union. It is not like giving it away to some far-off possession overseas that has no part and parcel in the United States Government. We retain everything that we give to the State of Alaska. It is true that the jurisdictional trustee of those lands and resources changes from the Federal Government to the State, but what man among you is going to argue against that from the standpoint of principle?

I see my friends who are against statehood for Alaska using strange arguments, but they are the very first ones that take this well in defense of States rights and the superiority of State jurisdiction.

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

Mr. HOLIFIELD. I yield to the gentleman from Arizona.

Mr. UDALL. I simply want to comment as a member of the Committee on Interior and Insular Affairs, which has jurisdiction of the great public lands in the West, that the traditional States rights position of wanting to give the States the broadest possible tax basis is that taken by the gentleman from Nebraska. We have had an extraordinary situation about this bill. The gentlemen

who are shouting "Giveaway" are those who apparently do not want to have a State that is strong. This is a rather amusing and curious situation.

Mr. HOLIFIELD. It is an amazing demonstration of how you can ride both ends of a horse going in different directions at the same time.

Mr. ROGERS of Texas. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. ROGERS of Texas moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. ROGERS of Texas. Mr. Chairman, I do not want to consume much of the time of the House on this matter and I shall try to close it quickly. You have heard this debate for several days. You have heard several amendments offered. As yet I have not heard one sound reason why Alaska should be granted statehood. Everything that has been argued on this floor has been some futile attempt to tear down some argument saying Alaska should not be granted statehood.

I think the people who are here representing the people of the present United States of America should weigh this matter very, very carefully. I think we ought to realize the tremendous responsibility that is on our shoulders when we start to vote on this measure.

Much has been said as to what the Russians might think about it if we do not grant Alaska statehood. I do not know how you feel—I say I do not; I believe I do—but, as for me, I want my voice heard around the world. I do not care what the Russians think. I am not voting for or against statehood because of what the Russians might say or what they might not say. We could not please the Russians short of giving them complete domination of the world, and everyone in the sound of my voice knows it. It is high time we stopped listening to the propaganda from the Kremlin and started assuming our own responsibilities and taking care of our own business.

We have here a country, the greatest country in the world, a country that has been built by the people who are here inside of the United States of America. I say to you: When we step from the shores of this great Nation and undertake to take in other States, we are doing something that I think we are going to be very sorry for in the future. You must remember this. Once we step off the shores of this Nation, we move into an entirely new political area. We move into an area that has never been tried. It is untested. This is a terrible time in this world at the present time to be testing new political philosophies. Once we step across that chasm, we cannot return. That is the point of no return. We cannot undo what we have done in order to save this Republic if that should be necessary. I sincerely hope the Members in this Chamber today who have so ably represented their people who have sent them here will weigh these responsibilities that rest on their shoulders when we start to do this, and that you will vote for this motion to strike out the enacting clause.

Mr. O'BRIEN of New York. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. Chairman, this is a moment of great decision for our Nation. In a very few seconds, we will either accept or reject the overwhelming demand of all the American people and the solemn pledges of our two great parties that we enrich and strengthen ourselves by admitting this great new state of Alaska into the Union. Members from 41 States have spoken or voted here since last Wednesday in favor of admission. This truly reflects public feeling and makes crystal clear that this is not a north-south, Republican-Democrat, or big State-little State battle. Vocal opposition has come largely and obviously from a handful of Members, distinguished though they may be, most of whom would oppose statehood if everything to which they have objected would be deleted from the bill. They describe a normal precedent and a necessary grant of lands made to insure the full development of this mighty territory as a giveaway when they must know that the mineral rights will be developed by private enterprise under even greater restrictions than now exist. This thing they call the gimmick will help bring into our Nation wealth and greater defense by bringing in a score of vital minerals that we need. Alaska gets 90 percent now of the revenue from mineral leases. Are we going to give the new State less? They decry self-government for Alaska because Alaska with 212,000 people will have two Senators knowing that more than 20 States came into the Union with less, and they grew enormously. I am proud that a majority of Members from the Nation's most populous State, the State of New York, have rejected this selfish view and support this bill. They say the people of Alaska do not want statehood—what nonsense.

Only a few weeks ago primary candidates favoring statehood received 90 percent of the votes as against 10 percent for the candidate favoring a commonwealth. Our future, Mr. Chairman, cries out to us for recognition. The pioneering spirit which made us great demands rekindling. Our Nation is not finished. It need not live on its own fat. Let us tell the world that we keep our promises, that we are still young and vigorous and adventurous. Let us provide elbow room for the 70 million more people who will live in the United States within a generation.

When the roll is called on this motion, let us hear again in this Chamber, as we have during recent days, strong voices of men and women from Maine to California, from Vermont to Oregon, from New Jersey to Louisiana, from New York to Texas, from Washington to Ohio, and from New Hampshire to Florida. Our people want this bill and we are their representatives.

The CHAIRMAN. The time of the gentleman from New York [Mr. O'BRIEN] has expired.

All time has expired.

Mr. MILLER of Nebraska. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MILLER of Nebraska. If the motion offered by the gentleman from Texas [Mr. ROGERS] prevails, the enacting clause will be stricken in committee. Then do we go into the House and have a rollcall record vote upon such motion?

The CHAIRMAN. Under the situation, if the motion is adopted, as the gentleman suggests in his question, the Committee would rise and report that fact to the House.

Mr. MILLER of Nebraska. And then in the House there would be a recorded vote?

The CHAIRMAN. That is for the House to determine.

Mr. MILLER of Nebraska. Of course, that also, then, prevents the House from perfecting the bill and having a final vote on the bill?

The CHAIRMAN. The Chair feels that is hardly a parliamentary inquiry.

Mr. MARTIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MARTIN. I believe there is an understanding that if we go back into the House and a rollcall is demanded, the rollcall will be considered tomorrow instead of today. I would like to ask the majority leader if that is not the situation.

Mr. McCORMACK. That is correct. Expressing my own personal opinion, of course, if this motion is defeated, then we can go ahead in Committee of the Whole and perfect the bill.

Mr. MARTIN. The understanding is that if we do defeat it there will not be any rollcall.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Texas [Mr. ROGERS].

Mr. ROGERS of Texas. Mr. Chairman, on that I ask for tellers.

The tellers were ordered; and the Chairman appointed Mr. ROGERS of Texas and Mr. O'BRIEN of New York to act as tellers.

The Committee divided, and there were—ayes 144, noes 106.

So the motion was agreed to.

Accordingly, the Committee rose and, the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union reported that that Committee, having had under consideration the bill (H. R. 7999) to provide for the admission of the State of Alaska into the Union, had directed him to report the same back to the House with the recommendation that the enacting clause be stricken out.

Mr. ROGERS of Texas. Mr. Speaker, I offer a preferential motion.

The SPEAKER. The gentleman, I assume, is opposed to the bill.

Mr. ROGERS of Texas. Yes, Mr. Speaker.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. ROGERS of Texas moves to recommit the bill to the Committee on Interior and Insular Affairs.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the further consideration of the bill be postponed until tomorrow.

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

There was no objection.

UNKNOWN SERVICEMEN OF WORLD WAR II AND KOREA

The SPEAKER. The Chair desires to make the following announcement:

Members will meet here in the House Chamber, informally, at 9:30 a. m. on tomorrow, Wednesday, May 28, 1958, and will then proceed in a body to the rotunda of the Capitol to witness the arrival of the remains of the unknown servicemen of World War II and Korea which will there lie in state until May 30, 1958.

LEGISLATIVE PROGRAM FOR TODAY

Mr. MARTIN. 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 Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I understand that the majority leader was contemplating calling up the so-called Danish claims bill at this time.

Mr. McCORMACK. I was trying to arrange it. That is S. 2448, reported out of the Committee on Foreign Affairs, and I thought we could use part of this afternoon in connection with that bill.

Mr. MARTIN. At least, we could adopt the rule.

Mr. McCORMACK. The gentleman from Missouri [Mr. BOLLING] is here, and we can call it up, if that is agreeable. It is quite important that this bill be acted upon as quickly as possible.

Mr. MARTIN. It is agreeable to me, because that will facilitate our getting away a little earlier this week.

Mr. McCORMACK. I agree with the gentleman.

DEPARTMENT OF DEFENSE REORGANIZATION ACT OF 1958

Mr. THORNBERRY, from the Committee on Rules, reported the following privileged resolution (H. Res. 579, Rept. No. 1816), which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 12541) to promote the national defense by providing for reorganization of the Department of Defense, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

TAX REDUCTIONS

Mr. WILSON of Indiana. Mr. Speaker, I ask unanimous consent to revise and extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. WILSON of Indiana. Mr. Speaker, I am today introducing a measure which I hope will receive thorough attention of the House Ways and Means Committee and, later, of the full House membership. This measure provides for a 50 percent cut on long term capital gains, stipulating that the increased revenues resulting be applied by the Federal Government and be earmarked for reduction of the national debt.

I am convinced that this legislation would bring substantial new revenues to the Federal Treasury, and that substantial amounts of frozen capital would be freed for investment in new and small businesses throughout the land. It would go far toward providing an incentive and a shot-in-the-arm for the national economy.

PAYMENT TO THE GOVERNMENT OF DENMARK

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 493 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2448) to authorize a payment to the Government of Denmark. After general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, this resolution makes in order the consideration of the bill S. 2448, to authorize a payment to the Government of Denmark in settlement of claims that have been in controversy for some time.

Mr. Speaker, I understand there is some controversy on the bill itself, but there was, as I remember it, no controversy on the question of granting a rule. Therefore, I reserve the balance of my time and at this time yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I, too, know of no opposition to the rule and reserve the balance of my time.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2448) to authorize a payment to the Government of Denmark.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 2448, with Mr. ROGERS of Texas in the chair.

The Clerk read the title of the bill.

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

Mr. MORGAN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill authorizes a payment to the Danish Government for 40 vessels requisitioned by the United States during the war. The amount involved is $5,296,302, which will permit a payment to the Danish Government in full satisfaction and settlement for these ships. The United States has already paid $35,432,350 to the Danish shipowners.

It is possible to treat this authorization as a very technical matter. The claims of the Danish shipowners have been considered by the Court of Claims and have been the subject of prolonged negotiations with various agencies of our Government. I am not a lawyer and I would rather leave to others a discussion of the legal points involved.

From the point of view of foreign policy, I think the issue involved in this bill is a very simple one. It is primarily whether we make full payment to Denmark of claims which our Government acknowledges to be just but which because of certain legal technicalities we have not been able to pay in full.

Let me invite you to consider the situation as it was in the summer of 1941 when these Danish vessels were seized.

Denmark had been overrun by the Nazis. Thirty-eight of these ships were in United States ports; the other two arrived within a few weeks. The Danish Ambassador disregarded the instructions of his own Nazi-dominated Government and offered to the Department of State the use of these ships. The United States had not yet entered the war and there was no way in which we could requisition them at the time the offer was made. The Congress enacted legislation on June 6, 1941—Public Law 101 of the 77th Congress—which authorized the requisitioning of these vessels.

The Danish Ambassador did not insist that all details as to the compensation to be paid should be worked out in advance. No written contract or agreement was entered into. He very courageously and generously said: "You take the ships and use them in whatever way is necessary against the forces of Hitler and pay us on the same basis as you would pay owners

of United States ships under similar circumstances."

From the point of view of strictly legal considerations, we got ourselves in a difficult situation. We seized the Danish ships for title rather than for use on a charter-hire basis. It was the clear understanding of the Danish Ambassador that we would compensate for the vessels on the charter-hire basis. We took this action because of the situation which prevailed at that time.

Heavy losses of allied shipping made it important that the Danish ships be used on the North Atlantic run. The neutrality legislation prevented the use of the United States flagships on this run. Had the Danish ships been requisitioned for use they could have sailed only under the United States flag. By taking the ships for title the United States was able to arrange their charter under a foreign flag so that they could be used in the North Atlantic and render maximum service to the allied cause.

After long negotiation, in 1946 settlement contracts were entered into by the War Shipping Administration and the owners of 35 of the Danish ships, and substantial payments were made under these contracts. In 1947 a decision by the Comptroller General that further payments on the contracts would not be in accord with the Merchant Marine Act of 1936 prevented full performance of the settlement contracts. Had the ships been requisitioned for use and had the settlement been based on the use compensation standards applicable to United States-flag vessels, such an adverse decision could have been avoided.

Suits were brought in the Court of Claims by the owners of the 35 ships for which settlement contracts had been entered into and, separately, by the owners of the five other ships. A reason given for filing the suits was to prevent the claims being voided by the statute of limitations. Stipulated judgments were rendered in both suits which, on the basis of information available to the committee, did not provide adequate compensation considering the general understanding at the time of requisitioning.

The difficulties which have prevented a satisfactory settlement arise from the fact that the courts do not look to equity and justice in international relations where a claim against the United States Government is concerned; rather they apply the provisions of domestic law.

The failure of the United States to provide satisfactory settlement for the Danish ships has reached the point where it interferes with maintaining good relations with Denmark. The Danish Ambassador in 1941 took courageous action which greatly aided the allied cause without insisting on a signed contract. An important factor in our relations with Denmark is the strategic significance of Greenland.

It is important to our future relations with Denmark that we pass this bill and end controversy in regard to this matter.

Mr. VORYS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this is either a very simple bill or a very complicated bill.

On a simple basis, it is that we compensate the Government of Denmark for our failure to carry out an oral agreement made when these Danish ships were taken over prior to our entry into World War II. We made an agreement at that time for compensation for these ships. We agreed to compensate them on a charter-hire basis.

There has been prolonged argument between our Government and the Government of Denmark as to what is the correct amount. The matter has gone to court. Under our law one result comes out, but the Danes claim that under international law another result would come out. When it becomes complicated is, if you try to follow the admiralty law, the maritime law, the international law, that would apply to this sort of calculation.

Part of this is shown on page 4, appendix A, and on page 17 of the hearings. If you go through it, you find that the way the Danes figure it we still owe them a good bit more money than we are offering here. If you follow the way it was adjudicated in the Court of Claims, these shipowners have already been paid in full.

I think it should be borne in mind that our relations with the Government of Denmark have been most intimate and friendly through the years, going back to the time when this heroic ambassador, with possibly doubtful authority, technically, turned these ships over to our country. Our relations are close, involving the safety of what we consider the Free World down to the present time. It will be remembered that Denmark not only occupies a key place in the Baltic in our collective naval arrangements under NATO but it owns the island of Greenland, where we have bases that are of vast importance.

Therefore, because of our longtime friendly relations and the necessity for close and informal as well as formal cooperation which exists now, just as it did some years ago, our committee has reported this bill to the House. It has already been passed by the other body and we recommend that it do pass.

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

Mr. VORYS. I yield.

Mr. JUDD. Is not the essence of it this—that if we take a strictly legal look at the matter, under our domestic law, they cannot collect this $5,200,000. But under international law, they can claim it and could probably get a larger judgment than this bill provides as a sort of settlement out of court? And when we consider the moral obligation and the total situation that existed then and the total situation that exists in the world now, then this is not only the right and proper thing for us to do—and our duty—it is also the wise thing to do. They cannot collect under our law, but they probably can under international law. Our officials agree that they are entitled to this amount as a matter of equity. It is only by act of Congress that we can discharge this obligation which in every sense except a strict legal sense is valid.

Mr. VORYS. I would agree with the gentleman except on the matter of the legal basis. Legally, the owners of these ships can collect no more in the United States Court of Claims under our domestic law. Legally, if these shipowners or the Government of Denmark put forth their claim based upon their method of computation in the International Court of Justice, it might be they could collect an amount substantially above this.

Mr. HAYS of Arkansas. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman I wish to speak in general terms of the validity of this claim. I happened to be in Copenhagen for 2 hours last month on my way to Moscow for a 4-day trip. Our Ambassador there impressed on me the necessity for the House to give earnest consideration to this claim. I make that reference because delicate international factors are involved, and while it would certainly not be incumbent upon us to honor a claim which was not valid and we would not be induced merely by friendship for another country to do something which in good conscience we should not be expected to do, nevertheless, there is great pressure upon our Government from the standpoint of friendship and the long relationship with a country that has been our friend and is our friend to do what they regard as justice; and nothing less than perfect justice should be done in this situation. As the gentleman from Ohio pointed out, Greenland is an integral part of Denmark. There are considerations of defense that should be weighed in determining a course which would satisfy the claims of an old and trusted friend.

Now to the merits of the case. As the gentleman from Ohio pointed out, this claim has been considered not only by the other body and passed by them, but by our Committee on Foreign Affairs. The committee was virtually unanimous in support of these claims. There were 40 ships involved, 24 of them were sunk. This represents a claim of approximately $5 million growing out of the fact that in determining the basis for settlement, we originally took into account the fact that this was a seizure for title and not a seizure for use, although there was an informal agreement with the then Danish Minister to the United States that compensation for the use of the ships would be paid on the same basis as the compensation to which Americans would be entitled for vessels taken for use. And may I make this point very clear because I think it is the nub of the whole question. If the shipowners of Denmark receive an award for their property that is on the same basis as the shipowners of the United States received during the war period, there could be no question about the validity of this claim. In other words, this is an effort to award to the Danish shipowners an amount that would be exactly the equivalent of the award for American shipowners, since actually it was a seizure for use, though technically a seizure for title. Since the United States intended to fly other flags over these vessels, the United States not

being a participant in the war, there was a technical reason for seizure for title, but actually it was a seizure for use. I submit in all good conscience that the claim of the shipowners should be recognized.

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

Mr. HAYS of Arkansas. I yield.

Mr. NICHOLSON. The gentleman from Minnesota said this was illegal. Do you think it is illegal?

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

Mr. HAYS of Arkansas. I yield.

Mr. JUDD. I did not intend to give any impression that it is illegal. I said that if we interpret our domestic law strictly, they cannot collect more in our own courts. But there is plenty of expert opinion that they could in an international court.

We must remember that the Danish Ambassador at that time, acting without the instructions of his own Nazi-controlled government, because he was anti-Nazi, indicated his understanding that the Danish Government should be compensated on the basis of hire, or use, that is, as if we had chartered them. There is also in the record evidence that there was an understanding that we would treat the Danish owners of the ships exactly as we treated the owners of privately owned American ships which were requisitioned. Whether these admitted understandings are legal claims or not, I do not know, but the fact is that we did reimburse the American owners of ships that were requisitioned, not on the basis of title, but on the basis of charter hire. I think the real point is the one just made by the gentleman from Arkansas, that we should compensate the Danish owners of these ships on exactly the same basis as we compensated American owners of ships taken later. Then no one can feel he has been treated inequitably.

There is no question but that under the dangers then facing our Government, we were glad that this Danish Ambassador acted without the orders of his Nazi-dominated Government and cooperated in our requisitioning of the Danish ships so that they would be available to us with the details to be worked out later. Actually, the United States was not at war at the time that the vessels were taken over. Here it is 20 years later and we have not cleared the matter up. I think we ought to do so at once by voting for this bill which authorizes a compromise sum, less than half the amount claimed.

Mr. HAYS of Arkansas. I yielded to the gentleman from Minnesota because he indicated that perhaps the gentleman from Massachusetts [Mr. NICHOLSON] had not fully understood his comment about the legality of it.

I would like to supplement what the gentleman from Minnesota has just said, to this extent: I believe this is a legal claim in international law. I further believe that if it went to the international court there would be a possibility of an adverse judgment against the United States by the world court. I feel that strict legal principles would bring a verdict in favor of the Danish Government. But to me it would be unthinkable that we would permit any kind of legal technicalities to force the Danish Government into a court of law. There is an old maxim, and the gentleman knows it well, that while equity follows the law, there are equitable considerations lying outside the technical construction of the law. So I have referred to these equitable principles for the reason that we are dealing not on a strictly technical basis with these friends of ours who came to our assistance in a grave crisis. Then the gentleman from Minnesota makes this point: "Mr. Chairman, this is part of the cost of the war."

Just as we pay pensions to widows and other victims of even the Spanish-American War or earlier wars, and certainly the veterans of World War I receive sizeable sums of money for a war fought long ago, so we will be paying in direct or indirect ways for years to come the cost of a great war in which we were able to survive; and we survived partly because we had as allies friends like Denmark whose ambassador in this case did a brave thing and a friendly thing when he went to the offices of high officials here to make available forty ships which we desperately needed in our naval war with the German Government, even though strictly speaking, at that time we were not at war.

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

Mr. HAYS of Arkansas. I yield to the gentleman from Michigan.

Mr. BENTLEY. The gentleman from Arkansas just made the statement that he regards this as a legal claim or legal obligation. I have read these hearings very quickly, very briefly, because the 1 day of hearings that were held was over a year ago, and my memory was not too good on them, but it seems to me Mr. Hurley representing the State Department spokesman said that our Government does not recognize this as a legal obligation and that the only obligation the State department could recognize for payment would be the existence of a moral obligation. Is that correct?

Mr. HAYS of Arkansas. That might be a more precise way of putting it if we looked at it solely from the point of view of domestic law. I hope I was not guilty of a loose use of the word "legal." I would not want to make too much of the point, but what I am trying to say is that this is the kind of claim that this country should not seek to avoid payment of, although it might have a legal defense, even in international law.

I had a claim presented to me personally one time that was ruled out in the courts by a technicality in the statute because I was not consulted, but I was nominally obligated. When the claimant heard about it, he said: "Mr. HAYS, I presume you do not expect to pay this." I said, "Well, I certainly do intend to pay it."

He said, "But, I could not sue you." I said, "You could not sue me, but I am going to pay this claim."

Every now and then such things happen.

If this claim were not upheld in an international tribunal, it would be only for a technical reason. What I am trying to say is that we are not simply behaving as a good neighbor or good scout when we recognize a moral claim.

I think that since the Danish Government is now a party to this claim and would not be bound by considerations that bound the shipowners in their Court of Claims request, the Danish Government would not be technically bound by those considerations, that the claim does not come within the classification of res judicata, even though the Danish Government as claimant occupies this position for the benefit of the shipowners. I think we are legally bound to consider international law because the Court of Claims judgment was only one step in a series of steps that were necessary to get the matter before the international courts or before the Congress of the United States.

May I repeat, the sole question for the Congress to determine is this: If we wish to award compensation to the owners of the Danish ships whose vessels were taken and used by us and award the claims on the same basis that we awarded American owners, then this claim should be paid and that is all there is to it. If not, if we feel we should for one reason or another not award them the amount based on the same factors and on the same formula, then, of course, the matter should stand as it is.

Mrs. KELLY of New York. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Arkansas. I yield to the gentlewoman from New York.

Mrs. KELLY of New York. I should like to ask the gentleman one question: Will the gentleman tell us if this final adjustment will be the final claim on this entire matter? Will the Danish Government repay the Danish shipowners for this?

Mr. HAYS of Arkansas. Yes. The answer is that this is the final determination.

Mrs. KELLY of New York. I would like to add that the only basis on which I will vote for it is on the moral basis, because I frankly believe that it is not a question of cost of war or what would have happened to the ships had we not taken them and used them. I am sure there would not have been any ships, and therefore the Danish Government would not have received any compensation.

Mr. HAYS of Arkansas. Now, I am aware that courts can come up with different decisions, but what I am trying to say is that, in arguing for an equitable settlement, I am not conceding that the legal basis is lacking. That is all I intended to say. I am simply trying to be precise from the standpoint of legal reasoning. I think there is good argument on a legal basis in international law, but quite aside from that I am sure there is good argument on an equitable basis.

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

Mr. HAYS of Arkansas. I yield to the gentleman from Georgia.

Mr. PILCHER. Was not this claim about $12 million when it first came to the committee?

Mr. HAYS of Arkansas. Yes; that is correct.

Mr. PILCHER. Now we are talking about the balance due. As far as the legal part of it is concerned, we do not owe them a dime based on all the testimony that I have heard. We paid the Danish shipowners on the basis that we pay American ships, which was much higher than the Danish rate. And, if you will notice, the Danish ambassador pleaded this case himself before our committee, but it is not the Danish Government, it is the Danish shipowners that are involved. They reworked these figures half a dozen times in order to get a balance of $5 million. The first bill was $12 million. It is just a matter of whether or not we think Denmark is a good enough friend that we owe it as a moral obligation. But, legally the Court of Claims has held and all the evidence we have is to the effect that we do not owe them a dime.

Mr. HAYS of Arkansas. I appreciate what the gentleman is saying. The gentleman from Georgia does feel that there is a moral basis for the claim, as I understand.

Mr. PILCHER. Well, we are buying friends all over the world, if you want to put it on a moral basis. From a cold-blooded business standpoint, I do not think we owe them a dime. I think we paid more than if the ships had been operated under the Danish flag, being paid American rates. We fed them the same as we feed the men on our ships.

Mr. JUDD. Mr. Chairman, will the gentleman yield further?

Mr. HAYS of Arkansas. I yield to the gentleman from Minnesota.

Mr. JUDD. There is one point that ought not to be forgotten in connection with the remarks of the gentlewoman from New York. If the Danish ambassador had not offered these 40 vessels to us, or consented to our seizure of them, we would have been in a position of seizing them illegally or of having them fighting later under the Nazi-dominated Government of Denmark against the United States. We may not be able to say that this bill is a part of the cost of the war, because we took them over before we were at war. But people could see that war was possibly coming. So our act was what might be called preemptive requisitioning, in order to keep them out of the hands of what was in fact our enemy, though not yet our legal enemy.

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Chairman, I have only been in this House for 6 years, but if I ever saw legislation coming up with so little notice either to the Members of the House or to the members of the committee handling it, it completely escapes my memory. The single day of hearings held on this bill was on May 21, 1957, over a year ago. The bill was reported out by the Committee on Foreign Affairs on July 30, 1957. To the best of my knowledge, not a single word has been said since that time to the members of the committee, at least not to this particular member, about this bill. I did not have any idea that this bill was going to be brought up today until I heard some remark this noon to the effect that it might come up sometime this week. And then with so little notice that there were no documents concerning the bill on the floor, and so little notice that the chairman of the subcommittee was not even on the floor when it was called up, all of a sudden, we get this bill thrust into our laps. I protest against such procedure as far as the House is concerned. I do not think this is the way to handle legislation and if for no other reason, that would adequately justify my opposition to this bill.

Mr. Chairman, basically what do we have here? We have a request from the Department of State in legislative form to make a payment to the Danish Government in the form of a gift. It is not anything else but a gift of $5,296,302 to the Government of Denmark for full satisfaction and settlement in connection with the requisitioning of 40 vessels in 1941.

I call attention of the committee to the fact that there has already been paid to the Danish owners in this connection the sum of $35.5 million. The question has arisen whether this is a legal obligation or whether it is a moral obligation. The point has been made, I believe by the gentleman from Arkansas [Mr. HAYS] that if we refuse to make this settlement, the Danes might then take this to an international court and get a higher award. The point that I am making is that if this is a legal claim on the part of the Government of Denmark on behalf of its citizens, the shipowners in question, against our Government, I think the matter should go to a higher court. But to try and evade international jurisdiction by making, as I see it, nothing other than an outright gratuity to the Danish Government I do not think is the proper procedure.

Mr. Chairman, I should like to call attention to one further thing. As I said earlier we had 1 single day of hearings on this very important and rather controversial piece of legislation. At that time there were a great many requests made for further information. There were a great many comments by individual members of the committee concerning whether the legislation should be rewritten, should be changed, and to the effect that the matter should be given further consideration and that we should have further hearings. And yet, as I have said, so far as I know, no action was taken until about 2 months later when the committee reported the bill out.

Mr. Chairman, I think this bill should have further study by the Committee on Foreign Affairs. I think it should be more carefully considered, and above all, I think when it is brought again to the floor of the House—and I have no objection to seeing it brought to the floor of the House again, provided adequate notice is given to the membership, and to the committee, I might add—there are several points that were not covered in the hearings, that were not explained by representatives of the administration at the hearings, that should be explained. So I just object to this idea of rushing this through here with so little notice, when there are still a great many unanswered questions about the bill and even the supporters of the bill have to rely upon a year's memory in order to explain it.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman.

Mr. O'KONSKI. If this bill passes in its usual form, with only 40 Members present, is it not a fact that more than 90 percent of the Members of the House will not know what this bill is all about, authorizing an expenditure of more than $6 million?

Mr. BENTLEY. That is quite true.

Mr. O'KONSKI. Is it not also the fact that if we make this gratuity it will open the avenue for all countries of the world who were involved in the war to ask us for more money on the ground that we have some moral obligation to pay it?

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

The CHAIRMAN. The Chair will count. [After counting.] Fifty-six Members are present, not a quorum.

The Clerk will call the roll.

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

[Roll No. 77]

Andersen, H. Carl	Durham	Marshall
Andrews	Engle	Merrow
Ashley	Evins	Miller, Calif.
Auchincloss	Fascell	Morris
Bailey	Fogarty	Morrison
Baker	Forand	Neal
Barden	Gordon	O'Hara, Minn.
Barrett	Granahan	O'Neill
Bass, Tenn.	Grant	Passman
Boggs	Green, Pa.	Philbin
Boland	Gregory	Powell
Bosch	Gross	Radwan
Breeding	Gubser	Reece, Tenn.
Brooks, La.	Gwinn	Riley
Buckley	Harden	Robeson, Va.
Burdick	Hays, Ohio	Saund
Byrd	Healey	Schwengel
Carnahan	Hemphill	Scott, N. C.
Celler	Hillings	Shelley
Chamberlain	Hoffman	Shepherd
Chelf	Holifield	Shuford
Christopher	Holt	Sieminski
Clark	Holtzman	Siler
Clevenger	Hull	Spence
Colmer	Jackson	Taylor
Coudert	James	Teague, Tex.
Davis, Tenn.	Jenkins	Thompson, La.
Dawson, Ill.	Kearney	Thompson, Tex.
Dies	Kilburn	Trimble
Diggs	Kirwan	Vinson
Dingell	Latham	Watts
Donohue	LeCompte	Wier
Dowdy	Lennon	Wilson, Calif.
Doyle	McCarthy	Withrow
	Mack, Wash.	Zelenko

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROGERS of Texas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill S. 2448, and finding itself without a quorum, he had directed the roll to be called, when 325 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. VORYS. Mr. Chairman, I yield the gentleman from Michigan [Mr. BENTLEY] 5 additional minutes.

Mr. BENTLEY. Mr. Chairman, I appreciate the courtesy of my friend from Ohio in yielding me an additional 5 minutes.

Mr. Chairman, I think it is unfortunate that we did not have more Members on the floor when the bill was being very ably explained by the gentleman from Ohio, the gentleman from Minnesota, and by the gentleman from Arkansas, the chairman of the subcommittee handling the bill. I will try very briefly to tell the committee what is involved.

This goes back to 1941, at which time the United States Government seized and took title to, with the concurrence of the Danish ambassador, 40 Danish ships which were in United States ports at that time, to keep them out of the hands of the Germans who controlled Denmark. During the course of the war 24 of those ships were sunk. I believe 16 were returned to their owners in varying stages of seaworthiness. Of course, the Danish Government then requested compensation on behalf of the shipowners for the 24 ships that were lost. We have paid about $35.5 million in claims to the Danish Government for those ships that were sunk.

The Government of Denmark then made an additional claim of approximately $12 million and indicated that if that claim were not met it would take the matter to the World Court. Following negotiations between the Danish representatives and our own people, a compromise settlement of $5,296,302 was arrived at, which is the sum authorized in this bill which has already passed the Senate.

Mr. Chairman, very briefly, as I indicated earlier, I object to the way this has been handled. In the first place, I do object strongly to having the bill brought up on the minimum notice, almost absolutely without any notice to the membership or to the members of the committee. In the second place, the State Department has stated that there is no legal obligation under domestic law for this Government to make this payment. The State Department requested, in a single day of hearings which we had, that the payment be made merely on the ground that a moral obligation existed and with the idea that if the case went to an international court, the eventual award in favor of the Danish Government might be considerably higher.

I think that if the Danish Government is due $12 million and an international court, acting under international law found it so, in accordance with the idea that we should remunerate the owners of these vessels equally with our own people whose ships might have been used, I think we should pay it. But, very frankly, this legislation is nothing more than a gift in the nature of a compromise with the idea of avoiding the jurisdiction of international law and trying to settle the case, as I say, by way of making an outright gratuity to the Government of Denmark.

It is exactly on that principle that I object to the way it has been brought up at this time with so little notice, which rather explains why those of us on the committee find it difficult to remember all the technical details involved. And there are a great many technical features brought out in the hearings that, so far as I can see from briefly reading the hearings, were never fully covered to the satisfaction of the committee.

Mr. Chairman, I think the bill deserves further consideration by the committee, and I should hope that it will be recommitted to the committee for further study and observation.

Mr. Chairman, if any Members have any questions, although I am not a lawyer, I shall try to answer them. If there are no questions, I am glad to yield back the balance of my time to other members of the committee.

Mr. VORYS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I regret that some of our brethren were not here for the earlier discussion of this bill by the chairman of the committee and the very erudite and forceful discussion by the gentleman from Arkansas [Mr. HAYS]. I think for the present it might be desirable to comment on a couple of points that the gentleman from Michigan [Mr. BENTLEY] has just made. I believe the gentleman is not an attorney, and therefore he might not approach the legal part of this as some of us do. He says that this is a gratuity and that the agreement is entered into to avoid the consequences of a decision of an international court. I want to point out that this is not considered a gratuity. I read from a letter of June 11, 1957, from Under Secretary of State Christian Herter, our former colleague, to our chairman, in which he says:

> I would like to emphasize that the Department does not consider the proposed payment to be a gift or gratuity but rather as an out-of-court settlement of potential international litigation.

Again, responding to questions submitted at the hearings, the State Department came back and in answer to the question, "Do we consider the proposed payment a gratuity payment?" the answer was, "We do not consider the proposed payment a gratuity payment. We consider that it is in effect an out-of-court settlement of potential international litigation."

Why should we settle? Why should we not go to court? On page 17 of the hearings, which are available at the committee desk, will be found a statement of the claims of the Government of Denmark, and a calculation by Price, Waterhouse & Co., accountants, on behalf of the Danish Embassy, setting forth the claim of Denmark in the amount of $11,958,763. The proposed legislation would dispose of this claim for $5,296,302.

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

Mr. VORYS. I yield to the gentleman from New York.

Mr. SANTANGELO. The gentleman has talked about whether this is a legal as opposed to a moral claim. The gentleman is a lawyer and I am a lawyer. Is it not a fact that the Danish owners started a lawsuit in the Court of Claims and entered into stipulations of agreement for X dollars, and have received payment in connection with that lawsuit?

Mr. VORYS. That is correct. It is all set forth in the hearings.

Mr. SANTANGELO. After they have agreed in a stipulation to receive so many dollars for their claim and have received their money, they come back through their Government, not through themselves, and say, "You owe us another $5 million." Is that a legal claim?

Mr. VORYS. Yes, it is a legal claim in that the Danes say that under international law they are entitled to more interest and to an allowance instead of a deduction for what is known as the burden, that is, the risk involved. That is set forth in the hearings and again in the report. So that you have a situation where the shipowners tried their case in the Court of Claims, and were confronted with decisions based on our domestic law, which they say should not apply in this international situation. And remember, this was an international action, a seizure of ships by our Government while Denmark was at war. They say, "We are entitled to this under international law and are denied it under your domestic law." Therefore, this makes an international issue.

There are three reasons why we make a compromise settlement rather than submit it to an international court:

First, an international lawsuit might cost us a great deal more money than the proposed compromise settlement.

Second, the United States reputation for fair dealing might suffer if we were placed in the position of having to assert all of our possible defenses in an international lawsuit, particularly as the Danes might be able to portray our actions in this case in a light that would be very unfavorable to the United States in the eyes of world opinion.

I want to bring to the attention of the Committee the third reason why a settlement would be better than prolonging this matter by international litigation. Listen to this. This is a statement from the Department of State:

> The unfortunate effect which this matter has had on United States-Danish relations over the past several years would continue and might even be magnified in the long process of international litigation.

We not only had close although somewhat informal relations with the little country of Denmark 17 years ago when this matter first arose, but those close relations involving matters of mutual security still continue and are involved in NATO, and they are involved in the strategic location of Denmark and of its possession, Greenland. Therefore, it is thought that we ought not to say, "Well, go ahead and sue us in every court." But that we ought to say, "We think what we are offering now ought to satisfy you and we hope you will take this, and if you take it that will settle it." That was the viewpoint of the position taken in the other body.

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

Mr. VORYS. I yield.

Mr. BONNER. There is this language in the report:

> After long negotiation, in 1946 settlement contracts were entered into by the War Shipping Administration and the owners of 35

of the Danish ships, and substantial payments were made under these contracts.

The War Shipping Administration was the one to settle this matter. Then you go further in your report and say:

In 1947 a decision by the Comptroller General that further payments on the contracts would not be in accord with the Merchant Marine Act of 1936 * * *

So you are disregarding the War Shipping Administration settlement of war claims on vessels and you are disregarding the 1936 act, and you are just bringing out a bill from your committee to grant this much money to a claimant.

Mr. VORYS. The gentleman did not read the next sentence which is of some interest. It is as follows:

The difficulties which have prevented a satisfactory settlement arise from the fact that the courts do not look to equity and justice in international relations where a claim against the United States Government is concerned; rather they apply the provisions of domestic law.

That is the controversy that still exists between us and Denmark. Every lawyer knows there is a whole body of law known as the Conflict of Laws where one nation has domestic laws that apply to a situation which are different from those of another nation applying to the same situation. You have in this area of conflict of laws matters where international law would come in. In this case the Danes say that under our domestic law they have not received just compensation, according to their domestic law, and that in this situation international law would apply their standards, not ours.

Mr. HAYS of Arkansas. Mr. Chairman, I yield myself 5 minutes.

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

Mr. HAYS of Arkansas. I yield.

Mr. BONNER. I do not notice in your report anywhere that you give any information that you may have received from the Maritime Administration or the former War Shipping Administration or the Department of Defense. You are going into these matters one after the other of claims that might have arisen where ships were used in the war effort but were not requested by any authorized authority, is that correct?

Mr. HAYS of Arkansas. Perhaps I can add to what the gentleman from Ohio said about the difference between domestic law and international law. It hangs on the difference between the rule applying to seizure for use and seizure for title. The gentleman from North Carolina is entirely correct in raising the question about payment under domestic law, but as the report says and I am quoting from the report:

There was no precedent for such action by the United States when we were not at war or for the action by the Danish Ambassador without the approval of his Government.

Thus the action taken had to be under seizure for title and not for use. So the gentleman raises a pertinent point only as to the domestic law and that is the reason the Court of Claims ruling has been construed as a sound judgment when it was not a sound judgment in the usual sense of the term at all. The shipowners never at any time agreed completely that they would be fully compensated for $35 million. They were always claiming at least the additional $5 million. I believe that if the gentleman will read the entire report, he will find that what we are doing here is pursuing what we believe will be a legal pronouncement in an international court, and in any event and aside from what we are bound by under domestic law, we are convinced of the moral character of this claim. I should stress this as distinguished from the legal provision, for while I think it is not a strained position at all nor a faint and artificial claim that on a sound legal basis the claim might be made, I do agree it is a matter that people can argue about. But on the question of the moral basis of the claim, in my judgment there is no doubt.

Mr. BONNER. I do not mind giving the Danish Government $5 million, if the Congress wants to give it to them and they need it, but I do not think that after this matter was taken before the War Shipping Administration and they paid for 35 of the vessels——

Mr. HAYS of Arkansas. Which is all they could pay for, until a final settlement was made for the other five ships.

Mr. BONNER. No. They were all in the same category.

Mr. HAYS of Arkansas. I believe the gentleman will find the Government was ultimately paying for all 40 vessels to the extent of the domestic law, including the settlement contracts and 2 Court of Claims judgments. There were 2 different claims, 1 for 35 ships and 1 for 5 ships.

Mr. BONNER. You paid for 40 of the ships instead of 35, and now you are making an additional payment on 5 additional ships.

Mr. HAYS of Arkansas. No. It is not the difference between 35 and 40. It is the difference in payment under seizure for title and seizure for use for all 40 ships. The Danish Government at one time filed a claim for the additional compensation due the owners that would run to $12 million. It could run as high as $12 million if it became subject to a suit in an international court. So, as a matter of fact, while we feel that $5 million is all that should be charged, if we face a case in an international court we would probably be confronted with a claim that would be $12 million.

Mr. BONNER. What attention was paid to the Comptroller General's statement that they would be fully paid under the Merchant Marine Act of 1935?

Mr. HAYS of Arkansas. That is all that it undertook to apply—the domestic law. The Danish Government was paid all that they could be paid, but the Danish Government contends, and the State Department agrees, and the other body agreed and the House Foreign Affairs Committee agreed that that would not be the basis of the settlement; that in the light of the history of this particular claim, other principles should be applied and that the additional $5,296,000 should be awarded.

Mr. BONNER. These ships were never requisitioned.

The CHAIRMAN. The time of the gentleman from Arkansas [Mr. HAYS] has expired.

Mr. HAYS of Arkansas. Mr. Chairman, I yield myself 5 additional minutes.

Mr. BONNER. These ships were never requisitioned by the War Administration.

Mr. HAYS of Arkansas. These ships were taken for title, not for use.

Mr. BONNER. Well, you say in your report:

Had the ships been requisitioned, the War Administration would have settled the claims for the ships.

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

Mr. HAYS of Arkansas. I yield.

Mr. JUDD. May I say to the committee that this point was covered earlier when all the Members now present were not here. The essence of it is in the next sentence in the report which the gentleman from North Carolina [Mr. BONNER] did not read in its entirety. It reads:

Had the ships been requisitioned for use and had the settlement been based on the use compensation standards applicable to United States-flag vessels, such an adverse decision could have been avoided.

This is the heart of the matter, as was pointed out earlier. Those ships were not seized originally for use, but for title, although there was an understanding with the Danish ambassador here in Washington, that compensation would be on a charter hire or use basis. Unfortunately no formal agreements were made at the time. Actually they could not be made with the Danish Government which had been taken over by the Nazis. The ambassador was acting without precedent or legal authority. So were we because we were not at war; it was after the Nazis had invaded Denmark but before Pearl Harbor. But it certainly was an act highly beneficial to ourselves and our officials agreed that there was an understanding that compensation would be on the basis of use rather than title. If there could have been a formal agreement at the time of requisitioning, the Comptroller General could have completed payments and this bill would not be necessary. The bill carries out what Senator Bailey of North Carolina urged in 1943 in discussing this matter:

It is extraordinary in the history of nations—it is, I think, without precedent in the history of this Nation—that being at peace, we should undertake to requisition or take title to ships of other nations with which we are at peace, lying in our ports (87 CONGRESSIONAL RECORD, p. 4025).

I do not think we would be expected to pay more to others than we pay to our own citizens, but I do think that we would be expected to pay to others what we pay to our own citizens.

I am not a lawyer and Senator Vandenberg was not a lawyer, but this is what he said on the matter in 1943:

When I received a personal letter from Assistant Secretary of State Berle setting down categorically the fact that this amendment does nothing more than validate the promise made by the Government of the United States to the utterly brave Danish

Minister who dared to stand out from under his home government and take the responsibility in his own hands to deliver us these 40 ships we needed, plus the delivery agreement—when I discovered that this is nothing more than a validation of our promise to the Danish Minister under those circumstances, I have no interest in what the amendment may cost. The Danish Minister is entitled to 100 percent reciprocity and good faith, in the presence of the courageous stand which he took, not only to his jeopardy, but to our everlasting advantage (80 CONGRESSIONAL RECORD, p. 1467).

Assistant Secretary of State Berle, who had handled the matter in 1941 wrote to Senator WILEY in 1953 as follows:

It was then, and is now, my opinion that this was the least that the United States should have offered under the circumstances. It was, in fact, no more than the United States would be obligated to pay under international law, since the United States was then neutral and Denmark was a friendly country, and there was no absolute right of requisition * * *

* * * * *

It was not considered necessary and should not have been considered necessary by the Danish Minister to exact a written agreement that the Government of the United States would abide by international law in this matter.

It is in the light of this history and these considerations that we believe this bill should be passed.

Mr. BONNER. I see it is a decision for the House to make.

Mr. HAYS of Arkansas. I hope the distinguished gentleman from North Carolina will let me insert this. The gentleman from Minnesota [Mr. JUDD] did not read item 4 on page 5. It is as follows:

June 6, 1941: Public Law 101, 77th Congress, was enacted authorizing requisitioning of foreign vessels.

June to September 1941, 40 Danish vessels were requisitioned for title.

So that answers the gentleman's question, as to whether the ships were requisitioned or not.

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

Mr. HAYS of Arkansas. I yield to our distinguished Speaker.

Mr. RAYBURN. Mr. Chairman, I have had a great deal of contact with the people from Denmark on this matter. They feel as deeply about this as anything about which I have ever talked to them.

I agree with the gentleman from Arkansas and the gentleman from Minnesota that this is a moral obligation; and I do trust that we will treat this great, free, and friendly people in a way that will not make them unhappy; that the House will pass this bill and let us have done with it, and please these people, because I think not only from an international standpoint but also from the standpoint of justice, right, and morals that we should pass this bill and pay this Government this money.

Mr. HAYS of Arkansas. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized to pay to the Government of Denmark the sum of $5,296,302. The payment of such sum shall constitute full satisfaction and settlement in connection with the requisition in 1941 and the use and/or loss of 40 Danish vessels during World War II by the United States.

SEC. 2. There is hereby authorized to be appropriated the sum of $5,296,302 to carry out the purpose of this act.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROGERS of Texas, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 2448) to authorize a payment to the Government of Denmark, pursuant to House Resolution 493, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. BENTLEY. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BENTLEY. I am.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion.

The Clerk read as follows:

Mr. BENTLEY moves that the bill be recommitted to the Committee on Foreign Affairs for further study and revision.

The question was taken, and on a division (demanded by Mr. BENTLEY) there were—ayes 12, noes 83.

Mr. O'KONSKI. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that further consideration of the bill be postponed until tomorrow.

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

There was no objection.

Mr. O'KONSKI. Mr. Speaker, I withdraw my point of no quorum.

AMENDING AGRICULTURAL ADJUSTMENT ACT OF 1938 RE 1958 COTTON ACREAGE ALLOTMENTS

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 12602) to amend the Agricultural Adjustment Act of 1938, as amended, to permit the transfer of 1958 farm acreage allotments for cotton in the case of natural disasters and for other purposes.

The Clerk read the title of the bill.

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

Mr. HAGEN. Mr. Speaker, I object.

Mr. GATHINGS. Mr. Speaker, will the gentleman withhold his objection? I wish the gentleman would not object to this legislation; it is urgent; it is necessary that this cotton be planted. Cotton ordinarily is planted in the month of April.

The gentleman is on the Cotton Committee of the Committee on Agriculture, and I wish he would permit us to pass this bill today. It will take some little time to get the reports of the Department of Agriculture down into the field in the affected areas.

Mr. HAGEN. I have never seen the bill or the report and there is one aspect to it that I am very much interested in.

Mr. GATHINGS. The report is available on the floor today.

Mr. HAGEN. This bill was taken up in committee very hurriedly, and I never saw it myself.

Mr. GATHINGS. We did take it up in the Cotton Subcommittee, and the gentleman was present that day.

Mr. HAGEN. The bill was not present at that time.

Mr. GATHINGS. That is true. Will the gentleman withhold the objection?

Mr. HAGEN. Not at this time.

The SPEAKER. Does the gentleman from California object?

Mr. HAGEN. That is correct, Mr. Speaker, and I wish to enlarge on my reasons for objecting.

This legislation, H. R. 12602, by the gentleman from Arkansas [Mr. GATHINGS], has been handled in a very extraordinary, high-handed, and unauthorized manner which I will describe. It was first presented in the form of a general proposition at a meeting of the Cotton Subcommittee of the House Agriculture Committee on Wednesday, May 21. I say "general proposition" advisedly because copies of a specific draft of language were not available to all members of the subcommittee. In addition there was no report from the Department of Agriculture. For these reasons I unsuccessfully objected to final action on what was, at best, a very abstract proposition not embodied in legislation. Following this meeting, on the same date, the bill, H. R. 12602, was introduced—a bill which I would describe as having been illegally approved in advance of introduction.

The day following, on May 22 at 2 p. m., H. R. 12602 was acted upon favorably by a nonquorum rump group of the House Committee on Agriculture under very special circumstances.

No meeting of the whole committee for final action on this or any other bills was brought to the attention of the committee membership. It was taken up at a meeting, the notice of which read:

A meeting of the full committee has been scheduled for Thursday, May 22, 1958, at 2 p. m. in room 1310, NHOB, for consideration of the bills to extend Public Law 480. This will be an open session.

I should note that none of the House Agriculture Committee action sessions are open sessions and this is a fact which I cannot justify.

These points of disability existed against any valid action on H. R. 12602:

First. It is my understanding that the committee had been given no authority to meet during a session of the House.

Second. The notice of committee meeting was no notice with respect to action on H. R. 12602 or anything else except public consideration of bills dealing with extension of Public Law 480. In spite of this fact action was taken to approve H. R. 12602 and five other bills.

Third. Consideration of H. R. 12602 on May 22 otherwise violated House Agriculture Committee rules in that it had been irregularly approved in subcommittee and, moreover, action upon a day only 1 day following final subcommittee action violated a specific committee rule that bills from subcommittees shall lay over 3 days before final committee action.

Fourth. A quorum was not present by reason of the lack of proper notice and timing of notice and by reason of one further interesting circumstance. The action meeting on H. R. 12602 was had on the afternoon of that which could be described as a filibuster on Alaskan statehood. Five quorum calls and one recorded vote occurred shortly before and during the course of such unauthorized committee meeting. Should we suspect that a quorum was present. Most certainly not. Out of a total committee membership of 37 no more than 6 or 7 committee members were present during a decision making session.

One member noted the absence of a quorum in this combination of circumstances and raised objection to past and proposed final action on specific bills. He was informed by the committee chairman that an opportunity to reconsider these actions would be provided at a later date. This was an empty promise. No meetings of the full committee have been held since it was made; yet an effort is being made today to completely pass H. R. 12602 and a bill similarly approved passed the House last week.

In spite of the fact that I am a member of the Cotton Subcommittee and have expressed interest in this legislation, I have never been informed of an effort to pass it on the floor of the House by unanimous consent and under suspension of the rules. As a matter of fact, I have never had the bill or its report made available to me in spite of the fact that I told the committee counsel that I wanted a copy of his report when it was available. I was in a Cotton Subcommittee meeting less than an hour ago, and no mention was made of bringing this legislation to the floor in this fashion.

I submit this is a poor way to legislate.

I would also point out that no public hearings were had on this legislation and no departmental reports made available to committeemen before action. No estimates were given as to how many acres of cotton production it would add to the 1958 crop nor what the cost of those acres would be to the Federal taxpayers.

There are some doubtful instances of use of language in this bill which should be amended or clarified, and my constituents have a very personal interest in some of them.

Finally I would point out that there are those of us on and off the Committee on Agriculture who have an interest in agricultural legislation which we deem of extreme importance to our constituents and to the Nation. Yet we can get no action on our proposals except by waiting for, and paying the price of voting for some misbegotten omnibus bill. To do equity, if any agricultural legislation is to be considered singly and on its individual merit by the House Agriculture Committee and this House, all legislation should be so considered.

DANISH SHIP BILL

I . HAYS of Arkansas. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks in the RECORD on the Danish ship bill, S. 2448.

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

There was no objection.

Mr. O'HARA of Illinois. 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 Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I am supporting this bill because it is in conformance with the policy of the Government of the United States to give equal treatment in the way of recompense to the owners of vessels owned by nonnationals as we give to our own owners. In this case it appears that the Danish owners did not receive the same treatment in the way of readjustments as was accorded our American owners. Thus we are making this payment to Denmark, not as a gratuity, but as a settlement in equity that we have reached in all good conscience.

What I do object to, and most strenuously, is the argument that we are making a settlement with Denmark in order to avoid a judgment against us, possibly in a much larger amount, coming from an international tribunal. I do not like my country when in equity and in good conscience it does something to be put in the position of doing the right thing merely because it is a good horse trader.

When this bill was before the Committee on Foreign Affairs I said, as will be found on page 24 of the printed hearings:

> I think when we do something that is generous and gracious we should not hide our motivation behind the disguise of horse trading. that we are doing what we do because we might be sued and might lose some money. I did not agree with many of my collagues in regard to the Anglo-American settlement. I think we did the right thing, because we wanted to do the right thing, not to avoid an imaginary lawsuit. In this matter, as I understand it, suits were started and finally a settlement was reached and this settlement was accepted by both parties to the litigation and I assume that in accepting the settlement the owners waived any other claim they might have had when they accepted this money. In the absence of fraud and coercion, or any other factors that are not present here, I cannot conceive of any court, either in law or in equity, upsetting the arrangement. It was satisfactory to everyone. There was no coercion. There was no force. But parties agreed to it.

I then asked of the witness, the Honorable Christian A. Herter, Under Secretary of State, this question:

> You will agree with me on that?

Mr. Herter replied:

> Yes; the owners agreed.

I then said:

> That is the reason you say you are not presenting this as a settlement of a possible lawsuit in the International Court, because you cannot. * * * I think the idea of dealing fairly with the Danish owners is something the Congress should consider, but I suggest it be considered in a little different way, making this general legislation and applying it to all in a similar position, so we then might be in the happy position of giving the same fair treatment to the owners of foreign ships that we took during the war that we gave to the American owners.

To that Under Secretary Herter replied:

> I think that has been our general policy.

Mr. Speaker, no one can quarrel with policy. It is a policy that conforms to the rules of American fair play. Why we try to hide our face when we are doing something in strict conformance with the American rule of fair play by saying that we are doing it because we have to do it, because somewhere in the background is a great big boogie man with a great big imaginary lawsuit to knock us down, why we do this passeth understanding.

I read in the report of the committee on page 2 this statement:

> If the United States is not able to reach a satisfactory settlement with Denmark, there remains the possibility that Denmark may take the case to an international tribunal. This might ultimately require a substantially larger payment by the United States.

Mr. Speaker, I maintain there is nothing in the record to sustain this position. If my colleagues will turn to page 23 of the printed hearings they will find what was testified to on this score. Mr. VORYS had asked an opinion of the Counsel of the State Department, and this statement was given by William L. Griffin, Assistant to the Legal Adviser, Department of State. This is what Mr. Griffin said:

> We have not examined this case from a strictly legal point of view because it has been presented in terms of a compromise which we might be able to reach by domestic legislation. But we recognize that there is a possibility that if such a compromise settlement fails, we might then be placed in a position where we would have to examine it from the point of view that you raised.

Then Mr. VORYS said:

> Certainly you gentlemen were consulted when this matter was in the Court of Claims, were you not, under your predecessors?

And to this Mr. Griffin replied:

> No, sir.

Mr. Speaker, I am supporting this bill because it represents the proper exercise of conscience and of the principles of equity by the Congress of the United States. I wish the RECORD, however, to show that I am not accepting as valid the argument that by passing

this bill we are avoiding the evil consequences of a lawsuit in an international tribunal. That is just as much poppycock in this case as it was when it was advanced as a reason for the extension of the loans of the United Kingdom.

RECENT AIR TRAGEDIES

Mrs. GREEN of Oregon. 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 gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, recent air tragedies at Las Vegas and over West Virginia have focused the attention of the American people on the dangers of leaving uncontrolled the airspace above us. These dangers are now greatly multiplied with the advent of the newer jet planes used by the armed services. I am pleased, therefore, that the appropriate committees in the House and in the other body are making inquiries as to what controls should be imposed in the interests of safety without jeopardizing our national security.

On April 30, 1958, I addressed a letter to our distinguished colleague the gentleman from Georgia [Mr. PRESTON], concerning this matter. My interest was focused primarily on the Portland International Airport. This is the only airport in the Nation located near a city with a population over 250,000 where the Air Force insists on continuing its joint use with civilian planes.

Under unanimous consent, I insert at this point in my remarks a copy of my letter of April 30 to Congressman PRESTON, regarding this situation:

APRIL 30, 1958.

The Honorable PRINCE H. PRESTON,
Chairman, Subcommittee of Appropriations Committee, Department of Commerce, House of Representatives, Washington, D. C.

DEAR MR. PRESTON: In connection with your investigation of the tragic air crash at Las Vegas between a military jet plane and a civilian plane, it seemed to me appropriate to call to your attention specifically a situation existing at the Portland International Airport.

The Portland International Airport is located very close by the city of Portland, Oreg. Under a lease with the Department of the Air Force, part of it is occupied by that Department and is used for the activities of the Air National Guard, the Air Force Reserve, and by a unit of the Air Defense Command using manned interceptor aircraft. The Air Force intends shortly to replace the aircraft now there with the Century Series jet planes.

The joint civilian-military use of this airport presents not only a definite conflict in objectives but also a question of safety.

I would point out that the Air Defense Command fighter units are located at only four airfields in the United States located at cities having populations of 250,000 or more, namely: O'Hare International Airport in Chicago; the Greater Pittsburgh Airport at Pittsburgh, Pa.; the Minneapolis-St. Paul International Airport at Minneapolis, Minn.; and the International Airport at Portland, Oreg.

At all the other airfields other than Portland the Air Defense Command units are in the process of being moved elsewhere or, as in the case in Minneapolis, being deactivated.

This leaves Portland International Airport unique in the United States. It will be the only joint use civilian-military airport located near a large city at which an air defense command unit is located.

It is to be hoped that your committee will investigate this situation from the standpoint of the air safety factors involved.

In that connection, your attention is specifically called to the findings of the Civil Aeronautics Administration to the following effect:

"The CAA agreed that the pilot of a Century Series type aircraft on an active air defense mission is unable to see and avoid other aircraft during the climb phase of the scramble even under the best visual flight rule weather conditions because of his speed, climb altitude and preoccupation with cockpit duties. Therefore, some means had to be provided for ensuring a clear climb path for this aircraft."

This quotation is from a circular letter sent to all Regional Administrators of the Civil Aeronautics Administration under date of March 21, 1958.

Your attention is also directed to the following statement by the Regional Director of the Civil Aeronautics Administration as follows:

"Our review of this problem merely reaffirms the previous stand taken by the Civil Aeronautics Administration that the mixture of high activity military traffic, particularly ADC interceptors, with relatively high density civil operations at major terminals such as Portland, certainly is not desirable if it is at all feasible to avoid such situations. This is particularly true where weather is a prominent factor, as at Portland, where lengthy delays to both civil and military operations will inevitably result because of the scramble and recovery of these interceptors. This situation is not conducive to the normal growth or safe operation of a civil airport."

And finally I would refer you to an editorial from the February issue of the AOPA Pilot which reads in part as follows:

"This is why AOPA now says that this type of airplane can no longer 'live' safely on joint-use airports—or, for that matter, in joint-use airspace. As we see it, the only thing that will prevent catastrophe is the sharp quick eyes of the military ground-control radar operators who talk these aircraft out on their missions—and around conflicting traffic, which the fighter pilots themselves probably never use.

"First such joint-use problem in which AOPA has participated is at the Portland, Oreg., International Airport. The Air Force proposes replacing the present fighters based there with Century Series fighters. After studying the characteristics of these aircraft, and listening to detailed descriptions of how they must be handled, it is AOPA's conviction that such aircraft must be barred from any joint-use civil airport. Because these are no longer airplanes in the common definition of the term. They're manned missiles.

"And they must be treated exactly like missiles, rockets, or bullets, and confined to a restricted 'firing range.' The Department of Defense must do this now, in the interest of general public safety."

If there is any further information you desire on this matter, please do not hesitate to call upon me.

Sincerely,

EDITH GREEN.

The dangers inherent in the joint use of an airport by both civilian and military planes was ably pointed out in an editorial in the Aircraft Owners and Pilots Association publication Pilot for February. That editorial took note of the fact that the Century series planes should be treated as the manned missiles they are and banned from the use of airports utilized by civilian planes. Under unanimous consent, I ask that the editorial be printed in full at this point in my remarks:

IS JOINT USE SAFE?

For many years AOPA has frequently and vigorously taken the position that large public airports should be open for the use of all who fly, civil and military. We now must modify that position, specifically in the case of jet fighter aircraft on the order of the Air Force's Century series fighters. This name comes from the official Air Force designation: F-100 and up. The Navy also has similar fighters.

AOPA has come to this decision with reluctance, but with an acute awareness of the hazards these aircraft create whenever they fly in airspace used by any other aircraft. It's not much of an oversimplification to say that this class of fighter becomes an unwarranted hazard in the airspace from the moment its wheels leave the runway until it rolls to a stop after landing.

Military security prevents us from discussing in detail the performance characteristics of such contemporary jet fighters as the Lockheed F-104, Convair F-102, McDonnell F-101, Chance Vought F8U, and so on. Let's just estimate that such aircraft climb at rates like 50,000 feet per minute (about 570 miles per hour straight up), and cruise as high as 1,000 miles per hour (about 16.7 miles per minute). Descent rates and maneuvering speeds are on the same order.

Just those figures alone leave no doubt in our minds but that these aircraft are physically unable to abide by the minimum standards of safety spelled out in the Civil Air Regulations. Consider: from the instant his wheels leave the ground, the pilot of such an aircraft can neither see nor avoid other aircraft. He's climbing almost straight up, so he can't see the more conventional types of aircraft flying all around him. And he's going straight up at a rate that makes it impossible for him to even see the underside of, say, a large transport airplane before flying right through it.

If this seems fantastic, consider further. The Department of Defense, speaking for all the Armed Forces, has stated publicly that the common system of air traffic control and navigation must, by 1964, serve military aircraft with a level-flight speed of 3,200 miles per hour (53.5 miles per minute, or a mile in every 1.12 seconds). By 1964, we're told, these aircraft will be changing altitude at rates as high as 100,000 feet per minute. That's about 19 miles per minute or 1,140 miles per hour straight up. They've also told us that these aircraft will operate at altitudes as high as 100,000 feet, and at landing approach speeds as high as 230 miles per hour.

These are not guided missiles, they're manned aircraft. Present-day fighters are well along toward achieving the performance goals the military say they'll have reached 6 years from now.

This is why AOPA now says that this type of airplane can no longer live safely on joint-use airports—or, for that matter, in joint-use airspace. As we see it, the only thing that will prevent catastrophe is the sharp quick eyes of the military ground-control radar operators who talk these aircraft out on their missions—and around conflicting traffic, which the fighter pilots themselves probably never see.

First such joint-use problem in which AOPA has participated is at the Portland, Oreg., International Airport. The Air Force proposes replacing the present fighters based there with Century series fighters. After studying the characteristics of these aircraft, and listening to detailed descriptions of how they must be handled, it is AOPA's conviction that such aircraft must be barred from any joint-use civil airport. Because these

are no longer airplanes in the common definition of the term. They're manned missiles.

And they must be treated exactly like missiles, rockets, or bullets, and confined to a restricted firing range. The Department of Defense must do this now, in the interest of general public safety.

Last Friday, May 23, that same association issued a statement in which it "demanded that high-performance military jets, including the Century series of fighter planes, be banned from airways altitudes and landing facilities used by civil aircraft."

The statement specifically pointed to the dangers inherent in the continued joint use of the Portland International Airport:

The first joint-use problem in which AOPA participated was in connection with the Portland, Oreg., International Airport—where the Air Force proposed replacing present fighter aircraft with Century series fighters—planes capable of cruising up to 1,000 miles, or more, per hour. Civil aviation combined in opposing this move, but the Government did nothing to prevent it.

Under unanimous consent I ask that the entire release of the AOPA be printed at this point in my remarks:

The Aircraft Owners and Pilots Association (AOPA) today demanded that high-performance military jets, including the Century series of fighter planes, be banned from airways altitudes and landing facilities used by civil aircraft.

J. B. Hartranft, Jr., president of the 70,000-member association, in a formal statement said immediate steps must be taken to halt the needless bloodshed resulting from the operation of extra-hazardous military aircraft alongside civil airplanes.

"AOPA has warned repeatedly that this tragic loss of life will continue until effective action is taken to isolate these manned missiles from civil flying," Hartranft said. "These warnings have fallen on deaf official ears. Little action has been taken to alleviate the situation, other than the attempts to restrict further the activities of general aviation which has not been involved in the situations needing correction."

Hartranft emphasized that AOPA was not taking an antimilitary attitude. He expressed the belief that the important military segment of aviation could better perform its national defense mission if its high-speed jet aircraft were not hamstrung by civil traffic on the airways and at landing places.

"Recent military developments that have been made public have made it abundantly clear that the gap between aircraft and missiles is rapidly diminishing to the point where some advanced types of aircraft are more comparable to missiles than they are to other types of air traffic," he said. "We have no qualms about mixing military traffic with civil traffic, so long as the military traffic can be controlled and can operate under the same rules as the civil traffic."

Hartranft predicted that the situation on the airways would steadily worsen until steps were taken to keep high-performance military jets away from civil aircraft.

"The surprising thing is that there have not been more mid-air collisions," he said. "Speed of jet aircraft is constantly increasing and hazardous flying practices are continuing. Hardly a day passes but that AOPA receives one or more complaints from its members reporting they have been endangered by military aircraft—mainly jets—while flying their utility aircraft.

"The fact that three major mid-air collisions have occurred within the last 16 months should be ample warning of what is in store for civil aviation unless remedial action is taken.

"When a fatal collision does occur, such as the recent one at Las Vegas, Nev., in which 49 persons lost their lives, the military aircraft are invariably the aggressors, primarily because they are so much faster," the AOPA president continue. "The death toll already has been terrible, and it's going to get much worse unless something is done to get these military manned missiles under control.

"AOPA's warnings and suggestions for alleviating the situation have been received with apathy. For more than a year the association has attempted to get a speed limit of 180 miles per hour written into the Civil Air Regulations for aircraft operating within an airport control zone. Thus far, any aircraft unable to get down to 180 miles per hour is not required to observe the only speed regulation on the books—and this rule applies only to high-density control zones.

"AOPA also has strongly urged that the supersonic Century series of jet fighter planes be barred from joint-use civil airports (those used by both civil and military aircraft) but this suggestion, too, failed to receive official support.

"The first joint-use problem in which AOPA participated was in connection with the Portland, Oreg., International Airport, where the Air Force proposed replacing present fighter aircraft with Century series fighters—planes capable of cruising up to 1,000 miles, or more, per hour. Civil aviation combined in opposing this move, but the Government did nothing to prevent it."

AOPA's warnings on the danger faced by civil aircraft flying in the same airspace with jets started in earnest in 1956 after a single-engine aircraft piloted by an AOPA member was rammed in midair near Midland, Tex., by an overtaking jet trainer, Hartranft said.

In a letter to the then Secretary of the Air Force, Donald A. Quarles, AOPA pointed out that the association was seriously concerned with the jet trainer collision hazard, he added.

Hartranft said, "Our letter to Mr. Quarles said in part:

"'As you and your operation personnel have known for some time, AOPA has been seriously concerned with collisions and near-collisions involving Air Force and civil aircraft. We have spoken out vigorously and repeatedly about this hazard. It is AOPA's contention that most or all of these incidents are due primarily to simple carelessness. If we are to believe the newspaper accounts of this fatal collision, the very same problem is again indicated.'"

As an example of other protests made by AOPA, Hartranft cited an official AOPA statement issued after the midair collision of a military F-89 jet and a DC-7 airliner over California's populous San Fernando Valley early in 1957.

That statement said in part:

"The collision over the Los Angeles area once again tragically points up an aviation safety problem of serious concern to the entire aviation industry. * * * We understand only too well the shock and horror with which the people of the Los Angeles area contemplate this terrible accident. The tragedy is no less real to those of us thousands of miles from the scene; those children might have been our own. But terrible as this accident is, it appears to be just another recurrence of something all of us in civil aviation have been trying to combat for years. Military jet aircraft, by their very nature, are extra hazardous when compared with the average civil aircraft. Their performance characteristics are such as to make them a major threat to everything else in the air, unless they are rigidly restrained so that their maximum military capabilities—particularly speed—are not being used when they are being flown in airspace being used by others."

A SEPARATE IMMIGRATION QUOTA WOULD BE A GESTURE OF RECOGNITION OF ARMENIAN NATIONAL LONGINGS

Mr. PRICE. 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 Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, among the peoples held in the clutches of Moscow, unwillingly subject to the rule of the Kremlin, are the proud Armenians. There are some things, though admittedly not enough, that we might do to help them.

Armenia as an independent nation is one of the hapless victims of the great convulsion we know as the First World War, when empires crashed to be replaced in some instances by different empires. There are other such small nations and peoples, caught between contending powers, and the Armenians have earned a place among those who have fought for freedom even though they are deprived of the struggle's fruits.

During the years of World War I, the Armenians revolted more than once, even after a massacre of 1915, against the decadent Ottoman Empire which the Turkish people themselves later drove into the dustbin of history. The Armenians held a stronghold until on May 28, 1918, they were able to declare themselves an independent republic.

Their republic, covering areas previously controlled by Turkey and Czarist Russia, was warmly welcomed by President Woodrow Wilson and American recognition was given on April 23, 1920. The Allied Supreme Council extended recognition in the signing of the Treaty of Sevres in August of 1920. Yet in that same year the Soviet Russians came, conquered the land and proclaimed the country a republic tied to the Soviet system.

The Armenians revolted once more—in 1921—and the revolt was a success until Soviet forces were reinforced and once again established the Kremlin's mastery.

What can we in America do for these people who this year will be celebrating a day of independence but do not possess the reality of liberty?

For one thing, we can express our sympathy and interest with Armenian aspirations. There are many Americans of Armenian ancestry or birth who detest the enslavement of the land of their forefathers and are strongly anti-Communist; they would like our Government to indicate its interest in the reestablishment of an independent, democratic Armenian Republic.

For another, a simple and surely not fatal change in our domestic laws would provide for the Armenians still in their homeland a separate quota for immigration purposes. To deny them a separate quota, and incorporate their allowable migration pricipally in a quota designed for Turkey, is of little value to Turkey and is a deprivation for

Armenians. A separate quota would be a gesture of recognition of Armenian national longings.

TAX REDUCTION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to extend my remarks at this pont in the RECORD and to include a letter to the President of the United States.

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

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, it is my understanding the President of the United States announced yesterday his decision not to reduce any Federal taxes as a means of improving the general economic situation now existing in this country. I disagree with this decision. For quite some time now I have been making a very serious study of this economic recession and its resulting unemployment. From the viewpoint of trying to be helpful, I sent a letter to the President of the United States last Thursday stating my conclusions on this important matter. My general conclusion was a Federal tax reduction covering income, excise and corporate taxes was necessary to check this recession and to stimulate recovery action. Following is a copy of the letter I sent to the President:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 22, 1958.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: My purpose in writing to you is to let you know I believe an immediate reduction in Federal taxes is necessary at this time to immediately halt national recessive economic conditions and to accelerate general recovery.

It is my conclusion a reduction in personal income taxes, certain areas of excise and corporate taxes would stimulate a general economic recovery. Through this medium certain key industries and small business throughout the whole country would be greatly benefited.

Moreover, it is my conclusion that any tax reduction now should be limited as to time, in order to measure its effect upon the Nation's economy and the total national income, and to permit other long-range programs already started to have a chance to effectively set a higher and more prosperous national economy. Furthermore, a limit as to time would prevent any possibility of inflation and would discourage any marked increase in prices.

Based upon my own research as well as that of professional analyses, key indices of the national economy disclose a continuing downward trend. Although action already taken by the Federal Government to improve conditions has caused this trend to slow up and in some cases to level off, there is still lacking sufficient economic force throughout the Nation to completely halt the downward trend, and bring about immediate improvement.

All of the steps taken by the Federal Government in this crisis are sound, however, the major impact of their economic force will take effect too far in the future to bring about immediate relief so greatly necessary now for those fine citizens most urgently in need. It is for this reason I believe there should be a total $12 billion decrease in income taxes, excise taxes and corporate taxes, for a period extending over 2 years.

This decrease in taxes amounting to $12 billion of purchasing power, over a period of 2 years, in the hands of the people would constitute a very effective force in correcting the immediate situation and would represent an effective intermediary force in strengthening our economy until such time as the economic impact of other longer range programs already underway or contemplated, commence to take effect.

It is to be observed that this recommended $12-billion cut in taxes will not represent a $12-billion decrease in the Federal income. Such a sum, constituting purchasing power in the hands of the people, will be expended for needed necessities and other goods, causing a faster absorption of inventories and thereby stimulating a demand for replenishment and new products. Because of this increase in the Nation's production processes, there will be more jobs for the people, greatly reducing unemployment. There will result an effective increase in transactions as well as in money velocity. The total national result could constitute sufficient general economic impact to cause a net increase in the national income.

In the past, during times when key economic indices disclosed evidence of economic recession, I have advocated an overall reduction in Federal taxes as the quickest method of halting such a trend. During such times I have introduced legislation into the Congress calling for the reduction of individual income and excise taxes. I believe this method of halting a recession and preventing a depression is the most immediately effective means that can be quickly employed. In addition to its economic effect, it possesses the psychological advantage of strengthening the confidence of the people and removing their fear of economic tragedy. This psychological reaction is one to be seriously considered.

It has been our experience in the United States that in time of prosperity the people do not object to paying their individual share of the Government's expenses. In a period of recession or depression, however, many of the people cannot afford the high cost of Government as well as the high cost of the necessities of life. It is during such a time the people oppose unnecessary Government expenditures and feel they should be temporarily relieved of some of their tax burdens through the process of a reduction in the costs of the Government and a direct reduction in Federal taxes covering individual income taxes, excise, and corporate taxes.

Facts indicate our Nation is now in a period of economic recession and that an immediate positive step must be taken to head off this recession and begin the processes of improvement. I believe this major step should be a reduction in the Federal individual income taxes, excise, and corporate taxes amounting to $12 billion over the immediate 2-year period.

Assuring you such a tax reduction would have my vigorous support, I hereby recommend to you the initiation of this action. I am confident such recommended action would receive the support of the Congress.

Very sincerely yours,
EDITH NOURSE ROGERS,
Member of Congress.

The Federal tax burden in the United States has been a very heavy one for a number of years. The American people have been told this great tax burden is necessary because of crisis after crisis after crisis. Now there is a limit to the people's endurance, to patience, and to ability to pay these heavy taxes.

Many families in America today are only able to have meat once a week on their dining tables because of the high prices and the lack of money to meet these prices. Even when they do purchase this meat for a meal once a week, it is third- or fourth-class meat. This is only one example of a necessity of life. There are many other examples, such as eggs, vegetables, and other necessary foods. I say that many people in this country today are eating substandard foods, are living in substandard shelters called houses, and are wearing substandard clothing because of the lack of personal funds to do otherwise. It is a very difficult thing to be hungry and poorly clothed and poorly sheltered and to have money in your pocket and that money must be paid to the Federal Government in the form of taxes. I say this is an equity. I say it is unjust. And I say it should be corrected.

It is a very difficult thing to be unemployed and have no source of income to pay for the necessities of life. It is my view that in this great country of ours there should be enough jobs for everyone to earn their living. Unemployment is tragedy and a tragedy which should be and can be prevented. A tax reduction is needed now and would greatly stimulate economic recovery seriously necessary to this country and the economy of the Free World.

DEMOCRAT DEMAGOGUERY ON UNEMPLOYMENT

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. SHEEHAN] is recognized for 30 minutes.

Mr. SHEEHAN. Mr. Speaker, when I first ran for Congress, I started campaigning in November of 1949, and was elected 1 year later in November of 1950. I do not recall that unemployment was an issue during my campaign, nor was it widely discussed by Democrat spokesmen in the newspapers, nor on radio and television. Percentagewise, unemployment for the first 4 months of 1950 was practically the same as during the first 4 months of 1958. In contrast, the conduct of my Democrat opponent and the Democrat Party in 1950 was totally different than Democrat action during the first 4 months of 1958, although the circumstances regarding unemployment were very similar.

Every legislator must have concern for the unemployed. If at all possible, we should strive for an economy which will enable any person to find a job who wants to work. It greatly distresses me to know that the miseries and heartaches caused by unemployment are a source of political advantage to those persons who so desire to make capital of human want, and willingly or unwillingly lend themselves to demogoguery.

President Eisenhower, on January 31, 1958, defined a demagog as "a person who rocks the boat himself so as to persuade everybody that there's a terrible storm on the water."

The President also defined political cassandras as persons who regularly "suggest that deep depression is just around the corner, and only panicky governmental intervention on a massive scale can stem disaster."

A search of the CONGRESSIONAL RECORD from January 8 through April 30, 1958, reveals that many of the Democrat spokesmen in the House and Senate seem to fit his descriptions. In these 4 months, the House and Senate Democrats have joined their voices in a loud and incessant chorus of almost daily speeches on the Republican depression, on recession, unemployment, slumps, bankruptcy, high cost of living, and the so-called hard-money policy as it influences the country's economic situation.

During the first 4 months of 1958, a total of 71 Democrats in the Congress—46 in the House of Representatives and 25 in the Senate—have participated in a seemingly well-organized attack on the Republican administration's responsibility for the economic downturn.

From January 8 through April 30, 1958, there were 214 instances of Democrat speeches or extensions of remarks in the CONGRESSIONAL RECORD on the "gloom and doom" theme, many of them presented with an obvious lip-smacking relish for talk of disaster and decline. Certainly, the Democrats in Congress have worked hard in the last 4 months to "persuade everybody that there's a terrible storm on the water."

Here are the official figures on unemployment for the first 4 months of 1958, and for the same period of 1950, during the Democrat administration. As a means of further comparison, I am also including figures on employment and percentages of unemployed as against the total civilian labor force.

	Civilian labor force	Employment	Unemployment	Unadjusted percentage
OLD DEFIN.				
Republican:				
Jan. 1958	66,732,000	62,485,000	4,256,000	6.4
Feb. 1958	67,160,000	62,283,000	4,888,000	7.3
Mar. 1958	67,510,000	62,576,000	4,493,000	7.3
Apr. 1958	68,027,000	63,202,000	4,835,000	7.1
Democratic:				
Jan. 1950	61,427,000	56,947,000	4,480,000	7.3
Feb. 1950	61,637,000	56,953,000	4,684,000	7.6
Mar. 1950	61,675,000	57,551,000	4,123,000	6.7
Apr. 1950	62,788,000	58,668,000	3,515,000	5.7
NEW DEFIN.				
Republican:				
Jan. 1958	66,732,000	62,238,000	4,494,000	6.7
Feb. 1958	67,160,000	61,988,000	5,173,000	7.7
Mar. 1958	67,510,000	62,311,000	5,198,000	7.7
Apr. 1958	68,027,000	62,907,000	5,120,000	7.5
Democratic:				
Jan. 1950	61,427,000	56,728,000	4,699,000	7.7
Feb. 1950	61,637,000	56,809,000	4,828,000	7.8
Mar. 1950	61,675,000	57,332,000	4,342,000	7.0
Apr. 1950	62,183,000	58,476,000	3,707,000	6.0

These figures are from the economic reports of the President, 1950, 1951, 1958, and from the Commerce Department.

In light of this, one wonders where the vociferous Democrats of 1958 were and what was occupying their attention in 1950. Just as they have been stirred to wailing and moaning over the "Republican depression" this year, so were they lulled into a complacent, do-not-worry silence regarding the economic situation in 1950.

In February 1950 when 4,684,000 persons were unemployed, with 7.6 percent of the civilian labor force out of work, President Truman, in an interview with Arthur Krock of the New York Times, let the country know he thought that:

> A certain amount of unemployment, say from three to five millions, is supportable. It is a good thing that job seeking should go on at all times; this is healthy for the economic body.

By startling contrast, in February 1958, when 4,888,000 were unemployed, with 7.3 percent of the civilian labor force out of work, Truman rushed to Washington to exhort his Democrat followers to jump on his bandwagon of wild charges, distortions, and panicky predictions of economic chaos under Republican leadership.

It is very interesting to note that very, very little was heard from Democrats in Congress on unemployment in January, February, March, or April of 1950. As a matter of fact, in those 4 months, with the percentage of unemployment almost equal to that of the same period in 1958, only nine Democrats in Congress—seven in the House of Representatives and two in the Senate—took enough interest to even mention the subject in no more than 15 separate speeches or extensions of remarks.

Research of the CONGRESSIONAL RECORD reveals that only six of the fifteen were wholly the speakers' thoughts, six were merely a few words of the speakers to introduce a newspaper or magazine article on the subject, and the other three were short remarks on unemployment as related to displaced persons, imports, and discussion of the appropriations bills.

The 15 Democrat speeches and extensions on unemployment and the economy from January through April 1950 are as follows:

Date	Speaker	CONGRESSIONAL RECORD page
Jan. 18, 1950	Senator Francis J. Myers (Pennsylvania)	A379.
Jan. 31, 1950	Representative Thomas J. Lane (Massachusetts)	A690–A691.
Feb. 28, 1950	Representative Helen G. Douglas (California)	A1457–A1458.
Mar. 3, 1950	Representative Thomas J. Lane (Massachusetts)	A1620.
Mar. 7, 1950	Representative George D. O'Brien (Michigan)	A1746–A1747.
Mar. 15, 1950	Representative Thomas J. Lane (Massachusetts)	3431–3432.
Mar. 23, 1950	Representative John Kennedy (Massachusetts)	3990–3991.
Mar. 27, 1950	Representative George D. O'Brien (Michigan)	A2233.
Apr. 4, 1950	Representative Thomas J. Lane (Massachusetts)	4716–4718.
Do	Representative Henry M. Jackson (Washington)	A2550–A2551.
Apr. 5, 1950	Senator Pat McCarran (Nevada)	4735–4736.
Do	Representative George Sadowski (Michigan)	A2757.
Apr. 6, 1950	Representative Henry M. Jackson (Washington)	4923–4924.
Do	Representative Daniel Flood (Pennsylvania)	4924–4925.
Apr. 25, 1950	Representative Henry M. Jackson (Washington)	A2999–A3001.

Compare this record of 9 Members in 15 speeches and insertions in 1950 with 71 Democrat Members in 214 speeches and insertions in 1958. There have been almost 8 times as many Democrats remarking on recession and depression in 1958—62 more, or an increase in speakers of 688.9 percent—over 1950. This year, the Democrats managed, in 4 months, to make 1,326.7 percent more noise in 14¼ times as many speeches and extensions—199 more—than in 1950.

The rising hysteria, as the Democrat spokesmen charm themselves and alarm the country with their own words, so far this year, is indicated by a monthly breakdown of the number of speeches delivered. There were 12 speeches or insertions in January, 50 in February, 89 in March, and 63 in April 1958.

The 214 Democrat speeches and extensions in the CONGRESSIONAL RECORD during the months of January, February, March, and April 1958 are as follows:

Democrat remarks on unemployment, recession, etc., 1958

Date	Number a day	Speaker	CONGRESSIONAL RECORD page
Jan. 8, 1958		Representative Cleveland M. Bailey (West Virginia).	A50.[1]
Jan. 15, 1958		Representative Ray J. Madden (Indiana)	480.
Jan. 16, 1958	3	Senator Hubert Humphrey (Minnesota)	550–552.
Do		Senator John Sparkman (Alabama)	A334.
Do		Representative Thos. G. Abernethy (Mississippi).	661.
Jan. 20, 1958		Representative John D. Dingell (Michigan).	A416–A417.
Jan. 21, 1958		Representative Abraham J. Multer (New York).	A464.
Jan. 23, 1958		*Senator Paul Douglas (Illinois)	A511.
Jan. 27, 1958	2	Senator Wayne Morse (Oregon)	1037.
Do		Representative Elizabeth Kee (West Virginia).	1124.
Jan. 29, 1958		Senator Richard L. Neuberger (Oregon)	1306–1308.
Jan. 31, 1958		Senator John Sparkman (Alabama)	1433–1435.
Do		Senator Mike Mansfield (Montana)	1435.
Feb. 3, 1958	2	*Senator Paul Douglas (Illinois)	1509.
Do		Representative Lester Holtzman (New York).	A980.
Feb. 4, 1958		Representative Merwin Coad (Iowa)	A1003.
Feb. 5, 1958		Senator Albert Gore (Tennessee)	1721.
Feb. 6, 1958	4	Senator John Kennedy (Massachusetts)	1809–1810.

[1] Page numbers preceeded by letter "A" refer to the daily CONGRESSIONAL RECORD.

Democrat remarks on unemployment, recession, etc., 1958—Continued

Date	Number a day	Speaker	Congressional Record page
Feb. 6, 1958		Senator Hubert Humphrey (Minnesota)	1822-1823.
Do		Senator Pat McNamara (Michigan)	1827.
Feb. 10, 1958		Representative Charles O. Porter (Oregon)	A1230.
Do		Representative George M. Rhodes (Pennsylvania).	A1247.
Do	6	Senator Mike Mansfield (Montana)	1926.
Do		*Senator Paul Douglas (Illinois)	1949.
Do		Representative Roy W. Wier (Minnesota)	1961.
Do		Representative Daniel J. Flood (Pennsylvania).	1962.
Do		Representative Lester Holtzman (New York).	1987.
Do		Representative James Roosevelt (California).	A1212.
Feb. 13, 1958	7	Senator Joseph C. O'Mahoney (Wyoming)	2060.
Do		Senator Russell B. Long (Louisiana)	2065.
Do		Representative LeRoy A. Anderson (Montana).	2082.
Do		Representative John McCormick (Massachusetts).	A1258-A1259.
Do		Senator Estes Kefauver (Tennessee)	A1280.
Do		Representative Louis Rabaut (Michigan)	A1304.
Do		Representative William H. Natcher (Kentucky).	A1320.
Feb. 17, 1958	2	Senator Dennis Chavez (New Mexico)	2226-2234.
Do		Representative John D. Dingell (Michigan).	2280-2281.
Do		Representative Abraham J. Multer (New York).	2283.
Feb. 18, 1958	4	Representative George H. Christopher (Missouri).	2320-2322.
Do		Representative Elizabeth Kee (West Virginia).	2332.
Do		Representative Emanuel Celler (New York).	A1459-A1460.
Feb. 19, 1958	4	*Senator Paul Douglas (Illinois)	A1489-A1490.
Do		Representative Elmer J. Holland (Pennsylvania).	2464-2465.
Do		Representative Thomas J. Lane (Massachusetts).	A1545-A1546.
Do		Representative George M. Rhodes (Pennsylvania).	A1548-A1549.
Feb. 20, 1958	2	Senator Hubert Humphrey (Minnesota)	2496.
Do		Senator Albert Gore (Tennessee)	A1574-A1575.
Feb. 21, 1958	3	Senator Mike Mansfield (Montana)	2529.
Do		Representative Coya Knutson (Minnesota).	A1610-A1611.
Do		Representative Melvin Price (Illinois)	A1613-A1614.
Feb. 24, 1958	2	Representative John D. Dingell (Michigan).	2636.
Do		Representative Barratt O'Hara (Illinois)	2636-2637.
Do		Representative John Lesinski (Michigan)	2675-2676.
Feb. 25, 1958	4	Representative Philip J. Philbin (Massachusetts).	2780-2781.
Do		Senator John Sparkman (Alabama)	A1716.
Do		Representative Peter Rodino (New Jersey).	2806.
Do		Representative Abraham Multer (New York).	A1756-A1758.
Feb. 26, 1958	4	Senator Hubert Humphrey (Minnesota)	2835.
Do		Senator Wayne Morse (Oregon)	2879-2880.
Do		Senator John Sparkman	A1782-A1783.
Do		Senator William E. Proxmire (Wisconsin)	A1782.
Feb. 27, 1958	2	Representative Harley Staggers (West Virginia).	3069.
Mar. 3, 1958		Representative Melvin Price (Illinois)	A1914-A1915.
Mar. 5, 1958	3	Representative Abraham Multer (New York).	3498.
Do		Representative Coya Knutson (Minnesota).	A2062-A2063.
Do		Representative John D. Dingell (Michigan).	A2063-A2064.
Mar. 6, 1958	13	Senator Lyndon Johnson (Texas)	3509-3511.
Do		Senator Mike Mansfield (Montana)	3510.
Do		Senator Ralph Yarborough (Texas)	3517-3518.
Do		Senator John Kennedy (Massachusetts)	3543.
Do		Senator Hubert Humphrey (Minnesota)	3564.
Do		Senator James E. Murray (Montana)	3564.
Do		Senator Lyndon Johnson (Texas)	3569.
Do		Senator Hubert Humphrey (Minnesota)	3578.
Do		Senator Wayne Morse (Oregon)	3582.
Do		do	3590.
Do		Senator Paul Douglas (Illinois)	3596.
Do		Representative Carl Perkins (Kentucky)	3638.
Do		Representative Peter Mack (Illinois)	A2108.
Mar. 10, 1958	7	Representative John E. Fogarty (Rhode Island).	3822.
Do		Senator Lyndon Johnson (Texas)	3664.
Do		Senator Richard Neuberger (Oregon)	3689.
Do		Senator Estes Kefauver (Tennessee)	3710.
Do		Senator Joseph O'Mahoney (Wyoming)	3713.
Do		*Senator Paul Douglas (Illinois)	3774.
Do		Senator John Sparkman (Alabama)	A2163.
Mar. 11, 1958	12	Representative William A. Barrett (Pennsylvania).	4035.
Do		Representative John McCormack (Massachusetts).	4038.
Do		Representative Wilbur D. Mills (Arkansas).	4039.
Do		Representative Carl Albert (Oklahoma)	4039.
Do		*Senator Paul Douglas (Illinois)	3895-3901.
Do		Senator Pat McNamara (Michigan)	3895-3901.
Do		Senator John Sparkman (Alabama)	3895-3901.
Do		Senator Estes Kefauver (Tennessee)	3911.
Do		Senator Hubert Humphrey (Minnesota)	3962.
Do		do	3962.
Mar. 11, 1958		Representative Melvin Price (Illinois)	A2234.
Do		Senator Mike Mansfield (Montana)	A2240.
Do		Representative Abraham Multer (New York).	A2282-A2283.
Mar. 12, 1958	3	Senator Lyndon Johnson (Texas)	4108.
Do		do	4128.
Do		*Senator Paul Douglas (Illinois)	A2289-A2290.
Mar. 13, 1958	15	Representative John McCormack (Massachusetts).	4356-4360.
Do		Representative Abraham Multer (New York).	4356-4360.
Do		Representative Morgan Moulder (Missouri).	4360-4362.
Do		Representative Wright Patman (Texas)	4362.
Do		Representative Lester Holtzman (New York).	4365.
Do		Representative John Dingell (Michigan)	4365-4366.
Do		Representative Coya Knutson (Minnesota).	4366-4367.
Do		Representative Peter Rodino (New Jersey).	4367.
Do		Senator William Proxmire (Wisconsin)	4195.
Do		Senator Alan Bible (Nevada)	4197.
Do		Senator Joseph Clark (Pennsylvania)	4201.
Do		Senator Hubert Humphrey	4209.
Do		Senator Paul Douglas	4274.
Do		Senator John Pastore (Rhode Island)	4297.
Do		Representative Melvin Price (Illinois)	A2366-A2367.
Mar. 14, 1958	6	Senator William Fulbright (Arkansas)	4418.
Do		do	4426.
Do		Senator Paul Douglas	4430.
Do		Representative Charles Vanik (Ohio)	A2384-A2385.
Do		Representative Abraham Multer (New York).	A2418-A2419.
Mar. 17, 1958	6	Senator William Proxmire (Wisconsin)	4511.
Do		Senator William Fulbright	4532.
Do		Senator Mike Mansfield	4538.
Do		Representative George Christopher (Missouri).	4578.
Do		Senator Ralph Yarborough	A2435.
Do		Representative Melvin Price	A2482-A2483.
Mar. 18, 1958	3	Representative Joe Evins (Tennessee)	A2544-A2545.
Do		Representative Coya Knutson (Minnesota).	A2554-A2555.
Do		Representative Abraham Multer (New York).	4704.
Mar. 19, 1958	6	Senator William Proxmire	4719.
Do		Senator Hubert Humphrey	4722.
Do		Senator Lyndon Johnson	4739.
Do		Representative Philip Philbin (Massachusetts).	4795.
Do		Representative Peter Rodino (New York)	4816.
Do		Representative John Shelley (California)	A2583-A2584.
Mar. 20, 1958	1	Representative Thomas J. Lane (Massachusetts).	4946.
Mar. 21, 1958	1	Senator Lyndon Johnson	4972.
Mar. 24, 1958	6	Senator Joseph O'Mahoney (Wyoming)	5075.
Do		Senator Ralph Yarborough	5086.
Do		Senator Harry Byrd (Virginia)	5089.
Do		Senator William Proxmire	5092.
Do		Senator Hubert Humphrey	5112.
Mar. 25, 1958	3	Senator William Proxmire	5189.
Do		Representative Robert Sikes (Florida)	5258.
Do		Representative Abraham Multer	A2794-A2797.
Mar. 27, 1958	4	Senator Olin Johnston (South Carolina)	5584.
Do		Senator John Kennedy	5595.
Do		Representative Hugh Addonizio (New Jersey).	5656.
Do		Representative Peter Rodino	5658.
Apr. 1, 1958	6	Senator Mike Mansfield	5887.
Do		Senator William Proxmire	5892.
Do		do	A3075.
Do		Representative Abraham Multer	A3111.
Do		Representative Thomas Lane	A3126-A3127.
Do		Representative J. Floyd Breeding (Kansas).	A3127.
Apr. 2, 1958	5	Senator William Proxmire	6065.
Do		Senator Hubert Humphrey	6070.
Do		Senator Wayne Morse	6093.
Do		Representative John Flynt (Georgia)	6152.
Do		Senator John Sparkman	A3178-A3179.
Apr. 3, 1958	3	Senator William Proxmire	6199.
Do		Representative Ray Madden	6258.
Do		Representative Harold Donohue (Massachusetts).	6273.
Apr. 14, 1958	6	*Senator Paul Douglas	A3284.
Do		Representative Elmer Holland (Pennsylvania).	A3296.
Do		*Senator Paul Douglas	A3296-A3297.
Do		Representative George Rhodes	A3299-A3300.
Do		Representative Daniel Flood	A3301-A3302.
Apr. 15, 1958	12	Senator William Proxmire	6359.
Do		do	6362.
Do		Senator Hubert Humphrey	6381.
Do		Senator Wayne Morse	6432.
Do		Representative Wright Patman	6449.
Do		Representative Ed Edmondson (Oklahoma).	6454.
Do		Senator Estes Kefauver	6464.
Do		Representative Eugene McCarthy (Minnesota).	6456.
Do		Representative John Dingell	6473.
Do		do	A3367-A3368.
Do		Representative J. Floyd Breeding	A3370.
Apr. 16, 1958	7	Senator Stuart Symington (Missouri)	6489.
Do		Senator William Proxmire	6489.

Democrat remarks on unemployment, recession, etc., 1958—Continued

Date	Number a day	Speaker	Congressional Record page
Apr. 16, 1958		*Senator Paul Douglas	6497.
Do		Representative Thomas Ashley (Ohio)	6578.
Do		Representative John Dingell	6578.
Do		Senator Proxmire	A3391.
Do		Representative Thomas Lane	A3405-A3406.
Apr. 17, 1958	1	Representative Peter Mack (Illinois)	A3495.
Apr. 21, 1958	5	Senator Mike Mansfield	6739.
Do		Senator William Proxmire	6761.
Do		Senator Lyndon Johnson	6761.
Do		*Senator Paul Douglas	6774.
Do		*do	A3511.
Apr. 22, 1958	7	Senator Hubert Humphrey	6875.
Do		Senator Ralph Yarborough	6878.
Do		Senator Hubert Humphrey	6906.
Do		Senator William Proxmire	A3590-A3591.
Do		Representative Merwin Coad	A3620.
Apr. 22, 1956		Representative Coya Knutson	6965.
Apr. 23, 1958	7	*Senator Paul Douglas	7003.
Do		Senator William Proxmire	7008.
Do		Senator Joseph Clark	7007.
Do		Senator Ralph Yarborough	7020.
Do		Senator James Murray	A3655.
Do		Representative Thomas Lane	A3673.
Do		Representative Robert Sikes	A3700-A3701.
Apr. 24, 1958	3	Senator John Sparkman	7229.
Apr. 26, 1958		*Senator Paul Douglas	7400.
Do		Senator William Proxmire	A3791.
Apr. 28, 1958	3	do	7445.
Do		Senator John Kennedy	A3801.
Do		Senator George Smathers (Florida)	A3807.
Apr. 29, 1958	1	Senator Hubert Humphrey	7597.
Apr. 30, 1958	1	Representative Ray Madden	7744.

On April 6, 1950, after 3 months of high unemployment, President Truman presented to the Congress his remedy for the situation—a message recommending that the unemployment insurance benefits be extended to 6 million workers not already covered, including workers in small firms and Federal Government civilian employees. However, the Democrat-controlled 81st Congress took no action on Truman's recommendations.

In fact, it is the Republican 83d Congress who should be given credit for enlarging coverage of the much needed unemployment insurance legislation. The Republicans extended benefits to Federal Government civilian employees. The Republicans brought thousands of additional small firms under this coverage, reducing the eligibility requirement in the number of employees from 8 or more to 4 or more. The Republicans also set up an $8 billion reserve fund of unemployment compensation benefits on which the States could draw.

In contrast to the halfhearted attempts of the Democrats to relieve unemployment in 1950, let me review the Republican record in 1957 and 1958—a record of specific actions and recommendations designed to stimulate the economy. Proof of this is shown in 50 separate moves on the part of the Republicans up to March 30, 1958. It has not taken 3 months of staring at high unemployment figures for the Republicans to get started as was the case in 1950 when President Truman faced the same situation.

The Republican actions and program to stimulate the economy and help employment through March 30, 1958, are:

ADMINISTRATIVE ACTIONS

First. Defense contracts accelerated to $13.4 billion in first half of 1958 as against $7.9 billion in last half of 1957. Calendar year totals: 1958—$23.6 billion; 1957—$17.8 billion.

Second. Spending increased in Federal highway programs by $800 million over last fiscal year and plans call for additional increase of $600 million in fiscal 1959.

Third. Acceleration of authorized civil works by $200 million in current fiscal year.

Fourth. Federal Reserve discount rate reduced from 3½ to 3 percent on November 14.

Fifth. Reserve requirement of Federal Reserve banks reduced one-half of 1 percent on February 20, thereby freeing additional $3 billion for lending.

Sixth. Release of $107 million for additional purchase of military Capehart housing loans by Federal National Mortgage Association.

Seventh. Additional $50 milllion in capital grant funds for urban renewal projects issued.

Eighth. FNMA received additional $20 million for purchase of FHA insured loans for cooperative housing.

Ninth. FHA-insured mortgage downpayments reduced.

Tenth. Release of additional $200 million for use in FNMA's special assistance mortgage-buying program.

Eleventh. About 60 Federal buildings programed for lease-purchase construction, requiring $105 million financing. If ordered by Congress for financing by direct appropriations $177 million would be appropriated.

Twelfth. Federal Reserve discount rate cut from 3 to 2¾ percent on January 21.

Thirteenth. Rule requiring cash payment of FHA closing costs eliminated, in effect a further reduction of down payment requirement.

Fourteenth. More funds attracted to VA-insured mortgages by permitting increase in maximum yields allowed on VA loans traded in secondary markets.

Fifteenth. Defense Department directed to funnel contracts to distressed labor areas and to small business generally. In February, $102 million in Federal contracts set aside for small business, twice the amount in February 1957.

Sixteenth. Federal Home Loan Bank Board arranged longer term financing with home loan banks.

Seventeenth. Army schedules award of $100 million in motor vehicle contracts in areas hit by automobile unemployment.

Eighteenth. Speedup ordered in $1 billion worth of urban renewal loans and grants handled by Housing and Home Finance Agency.

Nineteenth. Federal Reserve discount rate dropped from 2¾ to 2¼ percent on March 6.

Twentieth. Acceleration ordered in placement of $740 million in Rural Electrification Administration loans for electric facilities and telephones.

Twenty-first. Federal Reserve again reduces reserve requirement by one-half of 1 percent on March 18, freeing another $3 billion for lending.

Twenty-second. President orders speedup in $300 million in HHFA loans for college housing.

Twenty-third. Urban renewal program speeded to 100 new projects in fiscal 1958 and 120 additional in fiscal 1959, compared to 56 started in fiscal 1957.

Twenty-fourth. Military departments accelerate construction programed before June 30 to total of more than $2 billion and expect to arrange financing for $500 million in Capehart housing loans. All Federal agencies directed to plan immediately for as many fiscal 1958 supply and equipment orders as possible.

Twenty-fifth. Interior Department steps up general construction program by $25 million.

Twenty-sixth. Acceleration ordered on $140 million in HHFA public housing loans.

Twenty-seventh. General Services Administration given extra $8 million for general repair and improvement work.

Twenty-eighth. REA given additional $12.5 million for loans.

Twenty-ninth. Speedup ordered on $75 million in HHFA loans for public facilities.

LEGISLATIVE RECOMMENDATIONS

Thirtieth. Permit Federal Government to assist States in 50 percent extension of unemployment benefits.

Thirty-first. General supplemental appropriations of $1.2 billion, mostly for defense, requested.

Thirty-second. Congress asked to authorize $2 billion, 3-year program of post office modernization and construction.

Thirty-third. Area assistance program recommended for Federal aid to sections of the country experiencing persistent unemployment.

Thirty-fourth. Additional $200 million requested for accelerated urban renewal program in year beginning July 1.

Thirty-fifth. Army Engineers' fiscal 1959 budget for civil works boosted by $125 million.

Thirty-sixth. Congress asked to remove limit on life of Small Business Administration.

Thirty-seventh. A $2 billion increase in lending authority of Export-Import Bank requested. Bank to finance $625 million in shipments abroad in first half of 1958 with larger program due in last half of this year.

Thirty-eighth. Congress requested to authorize $840 million speedup in general Government purchasing by June.

Thirty-ninth. Congress asked to suspend expenditure limitations in Highway Act, so that additional $2.2 billion can be allocated for highway aid in calendar years 1958–1961.

Fortieth. Reclamation Bureau's 1959 budget increased by $46 million to maintain faster construction pace.

Forty-first. Congress asked to increase size of FHA loan insurance and to increase FHA total loan authorization by $3 billion per year for next 5 fiscal years.

Forty-second. Tax relief for small business proposed.

Forty-third. Acceleration of VA home loan program proposed through elimination of interest rate limitation.

Forty-fourth. Congress asked for additional $15 million for Agriculture Department watershed program in fiscal 1959.

Forty-fifth. Supplemental appropriation of $46 million for Federal hospital aid proposed.

Forty-sixth. Congress asked for $2 million supplemental appropriation for FHA to use in speeding processing of loan applications.

Forty-seventh. District of Columbia authorized to propose $100 million public works program, to be financed with Treasury borrowings.

Forty-eighth. Elimination asked of interest-rate limitation on FHA-insured loans for rental projects, cooperative housing and Capehart military housing.

Forty-ninth. Interior Department budget amended to permit early start on small reclamation projects.

Fiftieth. Additional lending authority proposed for Small Business Administration.

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

Mr. SHEEHAN. I yield to the gentleman from New York.

Mr. BECKER. I want to compliment the gentleman from Illinois on his very fine and factual statement. Certainly no one can refute the figures that have been taken from the record. The statements are clear and concise, and prove the fact that the Democratic Party whether it is in the House or outside the Congress always wants to take the part of gloom and doom and place the blame anywhere except on their own shoulders.

Let me call attention to something that has a little relation to the present situation about which the gentleman is speaking. In the Herald-Tribune of Sunday there was an article on the front page with this heading:

FRENCH CRISIS MAY CANCEL TRUMAN TRIP

The situation in France may keep former President Harry S Truman and Mrs. Truman from sailing tomorrow on the liner *Independence* for a month's vacation in Europe. On his arrival from Kansas City yesterday, he said:

"I hope the disastrous situation in France doesn't get any worse, because if it does, we may have to change our plans. Sometimes I think France is about to fall to pieces."

Certainly, Mr. Speaker, this has a great deal of bearing on what happens to our foreign policy, when people who are in high places in our country make statements of that kind. Just how can our administration keep a firm footing with people abroad when a former President of the United States makes a statement of that kind.

Mr. Speaker, I say now to the gentleman from Illinois, this is an example of just what happens with the Democratic Party when they open their mouths on this type of relation.

Mr. SHEEHAN. I thank the gentleman for his observation.

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

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

Mr. HIESTAND. I compliment the gentleman from Illinois most highly on the way he has expressed this situation and how he has documented it. It reveals considerable and sound thinking.

As a response to the quotation from the distinguished ex-President, the answer to his remark at that time is that today he says this:

There are those who have been saying that a little recession is a good thing for the health of our economy. They would like you to believe that a temporary curb of prosperity is the way to halt runaway inflation. This kind of thinking is like believing a little bit of war might be beneficial.

Also, in 1949, the Americans for Democratic action said:

We are now in no immediate economic emergency which would make it necessary for us to rush pellmell into an improvised program of action that discarded longer range consideration.

What do they say today?

If this recession were allowed to run its natural course, this would cause further needless human suffering and cost the whole country additional billions.

This was on February 12 in a statement urging a crash program of 10 New Dealish spending plans. I think that might supplement the gentleman's very able statement and I thank him for yielding to me.

Mr. SHEEHAN. I thank the gentleman from California. That is, as he so well put it, the point I tried to make here. We all, Democrats and Republicans, must be concerned with unemployment and do everything we can to help people who are unemployed. Yet it often strikes me as very peculiar that too much politics is played with unemployment. In other words, if we do have unemployment, which we do at the present time, all of us should lend our shoulder to the wheel and not cover up and refuse to face the facts. That is one of the reasons I tried to bring these facts to the attention of the Congress; because in the same 4-month period, comparably speaking in 1950 and 1958, the only difference in my estimation is the fact that the Republicans are in now and the Democrats were in 1950; and the Democrats, if they were realistic and really wanted to take care of the unemployed, should have been just as much concerned and should have made as many speeches in 1950 as they are making in 1958.

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

Mr. SHEEHAN. I yield.

Mr. McVEY. I want to join my colleagues in expressing our appreciation for this very fine statement on the part of our colleague, the gentleman from Illinois. His statement gives us complete statistics on a most important subject. I am sure we all appreciate it and commend the gentleman on his excellent presentation.

Mr. SHEEHAN. I thank the gentleman from Illinois. Like my colleague, the gentleman from Illinois [Mr. McVEY], I feel always that many of us in the well of the House stand up here and make charges, and I do not mind making charges when I can support them with facts whenever I attempt to say anything about any of my Democratic friends, and I try not specifically to single out an individual, but I try to back up the record with such statistics and facts as we are able to get and present in a really effectual manner.

COMBAT STRENGTH AND EFFECTIVENESS OF THE UNITED STATES ARMY

The SPEAKER. Under previous order of the House, the gentleman from Florida [Mr. SIKES] is recognized for 20 minutes.

Mr. SIKES. Mr. Speaker, I am deeply concerned with the progresive dilution of the combat strength and combat effectiveness of the United States Army. I am deeply concerned because I believe we see before us, for fiscal year 1959, a simple continuation of a trend which started after the Korean war. Reductions in our Armed Forces at that time were understandable. However, we have reached a point where the cumulative effects of these reductions in the Army strength and effectiveness, continued year after year, now constitute a vital deficiency in our national defense posture.

The proposed strength of only 870,000 men for our Army is not adequate to meet minimum requirements for world conditions today. The calculated risk is too great to accept. This proposed strength of 870,000 was not concurred in by the Joint Chiefs of Staff; it is a strength figure which was dictated by purely fiscal considerations, over-riding the professional convictions and objections of the Joint Chiefs of Staff, the Secretary of the Army, and the Army Chief of Staff. The strength which the Army must have to meet its responsibilities in the world today is at least 900,000 men and the necessary funds to support them.

Now, why is this so?

Today the Soviet threat remains as great, if not greater than ever before. We need only to look at last week's headlines, the present international tensions, the Soviet missile successes, the insidious Communist penetration in the Middle East, and South and Central America, and the modernization and improvement of the Soviet Army since World War II. The Soviet Union has a military strength in excess of 4 million men, including an

army of the strength of 2½ million. The Soviet Army has greatly increased its mobility and firepower, having received a new family of army missiles, new artillery and small arms, new combat vehicles, including armored personnel carriers, medium tanks, amphibious vehicles, and helicopters. Add to these the capability for both large and small nuclear weapons, which from all indications the Soviets have, and we indeed are confronted with a formidable threat—I am sure there is none among you who would contend that the Russian pattern is one for peace. Also, we must not overlook either, the combined strength of the North Korean and Chinese Communist Armies of 2½ million men. Even though the Chinese Communists have announced their intention to withdraw their forces from North Korea, they retain the capability of rapidly reentering Korea, or of being committed in other possible areas of Asia.

I regard it as particularly significant that the Russians and their satellites, while developing their nuclear and missile capabilities for a general war, have assigned a very high priority to developing the means to pursue their objective of world domination by means and methods short of a general nuclear war. It thus now is generally accepted that while a general war with massive nuclear blows and counterblows constitutes the greater risk, of course, to our Nation's survival if it should occur, it is the least likely threat, as the ability to deliver blows and counterblows on both sides is approaching a state of balance. The most probable course the Russians and the satellites will pursue is one to infiltrate, subvert, and, where necessary to avoid delays in their timetable for world domination, initiate local aggression.

The principal responsibilities of the Army may be summarized as: First, the maintenance of overseas forces for deterrence of aggression or for the effective resistance to aggression if deterrence fails; second, the maintenance of a mobile combat-ready strategic force at home for the rapid reinforcement of forward deployed forces or for the prompt suppression of other local aggressions; and third, the contribution of Army forces as required for the defense of the United States against air attack.

Of these responsibilties, it is the progressive impairment of the Army ability to stop local aggressions which causes me genuine concern. Our growing inability to move swiftly and decisively to stop local aggressions may well prove to be the Achilles heel of our United States defense effort. Our constantly declining capability to respond to calls for help from small allied nations or small neutral nations will have a tremendous psychological impact upon other straddle-the-fence nations. Such failure on our part will weaken political, military, and cultural ties between the United States and existing and potential allies. The distinctive feature of this type of limited war is that its outcome does not involve, or seem to involve, our national survival directly. It is for this reason, perhaps, that we have failed to appreciate the significance of remaining prepared to counter such local aggressions.

While stopping local aggressions is a responsibility of all three services, this responsibility falls most heavily upon the Army—and this is the reason for my concern, and the reason for my speaking on this subject today. Continued reduction in Army forces, both in the Ready Forces in the United States, as well as in our overseas forces, invites expansion, coups, and renewed aggression, on the part of the Communist bloc.

The Army has been reduced from an active strength of over 1.4 million men at the beginning of fiscal year 1955 to a proposed 870,000 by the end of fiscal year 1959, and the number of active divisions has decreased from 20 to 14 during that time. The reduction in strength to 870,000 as proposed in the fiscal year 1959 Army budget will curtail during the next year, the combat capability of our forces in Europe and in Korea, and will reduce the number of divisions in the United States that are ready for combat. Of the 6 divisions then remaining in the United States, only 3 would be available for early deployment. The other three divisions will be heavily involved in the training of replacements and of our Reserve component 6-month trainees.

The active Army cannot be considered alone. The Reserve Forces have always constituted a strength backup to our relatively small active Army. These Reserve Forces must be adequately trained and prepared for early entry into combat. The National Guard now has a strength of over 400,000 men. I have heard no sound reason advanced to justify reduction below that number. In 1955 the Congress passed the Reserve Forces Act to improve the readiness of the Reserves. The strength of the Army Reserves, in my opinion, should not be permitted to fall below the 300,000 paid drill strength planned for the end of fiscal year 1959. These Reserve units, as well as our active Army units, must be highly trained, fully equipped, and capable of winning on the battlefield of the future with no unnecessary casualties.

We must not lose sight of the fact that the National Guard and the Army Reserve depend upon the active Army for training support. Reduction of the active Army to 870,000 means a reduction in its capability to provide that training support to a Guard and Reserve force of 700,000. There would be a deficit of some 6,000–7,000 trainers which the active Army must, nevertheless, provide for the training support of a 700,000 Reserve Force. Many of these trainers would have to be drawn from active Army divisions. It is not difficult to see that this would further reduce the combat effectiveness of our Ready Forces.

Army overseas forces constitute our first line of defense—a shield—with the mission of deterring aggression in the important strategic areas where they stand guard. The effectiveness of this deterrent has been shown by the lack of any act of aggression on the part of Soviet bloc nations in areas where United States Army forces have been deployed. These forces must be strong enough to convince our allies of our will and ability to resist aggressions, and to convince our enemies that a forward movement in these strategic areas will be blocked on the ground long enough to allow time for reinforcement and for the application of our full military power, if necessary. Any reduction in the personnel strength of these overseas deployments will weaken our ability to counter local aggression or to carry out the initial tasks of general war, and it may result in the sacrifice of the few United States Army troops remaining.

In some cases, our overseas units are being maintained on paper by borrowing local soldiers. For example, in the United States Army forces in Korea, about 15,000 Korean troops must be used to fill up United States combat units which could not otherwise be kept at full strength.

I sincerely believe we must have an active Army of at least 900,000 including 15 divisions, which are well equipped with modern weapons and the latest equipment, and a 700,000 paid drill Reserve Force structure with units equipped and organized exactly the same as our active units. A portion of this 30,000-man active Army increase over the budget strength of 870,000 would allow the Army some flexibility to make required adjustments in overseas forces. Specifically, Army forces in the Pacific area would be augmented by an increased number of combat and logistical support units. United States personnel would replace some of the 15,000 Korean troops now assigned to United States divisions, thereby improving the combat capability of these divisions. Army forces in Europe would be augmented to increase our combat capability.

A major portion of the additional 30,000 personnel would be allocated to the Ready Forces in the United States and eliminate the need to inactivate another Army division.

Some of the additional personnel would be utilized to accommodate an increase in training, including an increase in active Army personnel available to train a 700,000 paid drill force of the Reserve components.

The additional cost of retaining an active Army of 900,000 rather than the reduction proposed in the budget will be $99 million—rather than the $84 million previously mentioned—$45 million for military personnel, Army, $39 million for operations and maintenance, and approximately $15 million for procurement of equipment and missiles, Army—to replace consumption and wear-out during fiscal year 1959 by these additional 30,000 troops. I am not unmindful of our national debt, and the effect of $99 million upon the economy of the country. However, I believe that this additional security is something which we cannot afford to be without.

This increase in strength is only part of having a most effective ground force; these troops should be equipped with the most modern items of warfare which our scientific and industrial know-how can make available. The above cost

does not include funds for this modernization; however, I am primarily interested, at this time, in arresting the continuous reductions in our Army strength. An authorized strength of 900,000 and an additional $99 million will halt this reduction.

I would like to summarize the salient points which deeply concern me and should be of concern to all who have the responsibility for the security of this Nation:

First. International tension is increasing: the Soviet's Army of 2½ million men is being modernized at an unprecedented rate, and the Soviet threat is as great, if not greater, than in the past.

Second. A strength of 870,000 for our Army is not adequate. The assigned missions and commitments of our Army have not changed, nor have the Joint Chiefs of Staff approved an 870,000 Army force structure.

Third. The gradual erosion of the Free World position through piecemeal local aggression around the periphery of the West has become the most probable immediate threat to the security of the Nation.

Fourth. The Army has been cut from 20 divisions to 14 divisions since 1955, and is now on such an austere basis that it is doubtful that our deployed forces could effectively operate in sustained combat, or that our reinforcing units could rapidly and decisively move to and contain Communist local aggressions such as Korea.

Fifth. The minimum acceptable means to stop these trends is, in my opinion, a 900,000-man Army of 15 divisions and a 700,000 paid-drill Reserve Force structure with all active and reserve units well equipped with modern weapons and the latest equipment.

Sixth. The additional cost of maintaining the strength of the active Army at 900,000 for fiscal year 1959 is about $99 million, a small price to pay for the greatly improved effectiveness of our military organization, which already is spread too thin in view of our worldwide commitments.

ONE THING IS CERTAIN

The SPEAKER. Under previous order of the House, the gentleman from Oregon [Mr. PORTER] is recognized for 60 minutes.

Mr. PORTER. Mr. Speaker, everyone except Mr. Dulles seems agreed that we need to reappraise and to alter our policies toward Latin America.

Senator SMATHERS, who has long had an informed and sympathetic interest in Latin America, has said this for at least 4 years. On May 14, 1958, he said in the other body:

> One thing is certain, Mr. President, namely, that the demonstrations show the urgent need for a reappraisal of our policies toward Latin America. To dismiss as merely the handiwork of the Communists the bitter reception accorded the Vice President at various places which he has visited in the course of his trip is to ignore the realities of the day.

Another experienced and able observer of the Latin American scene is Serafino Romualdi, AFL-CIO Inter-American Representative who joined Vice President NIXON as a member of the United States delegation to the recent inauguration of Argentina's new president, Arturo Frondizi. In the AFL-CIO News, May 24, 1958, he wrote:

> One thing is certain—all are now agreed that a thoroughgoing review of the relationship of the United States with Latin America is needed. This must be undertaken promptly with a determination to explore the sources of the grievances and misunderstandings of our neighbors to the south and with an equal determination on both sides to take deep-rooted, lasting corrective measures.

It is clear that one thing is certain: a reappraisal is needed and changes are bound to result. What is not certain, Mr. Speaker, is whether Mr. NIXON will be of much help. Senator MORSE's committee in the other body will soon begin its study. It is likely that our own Foreign Affairs Committee will presently launch its own review and that delegations from both Houses of Congress will visit Latin America this fall.

But how do we change administration policy in accordance with the urgencies of the situation? There is only one way. Mr. NIXON, who could also help persuade his party affiliates in the House to support the Reciprocal Trade Agreements bill, can persuade the President and the Secretary of State. Our capable colleague, the gentleman from Louisiana [Mr. BOGGS], said May 13, 1958:

> Developments in Latin America point up the necessity for passing this bill better than any arguments that I can advance.

Will our Vice President prevail over Mr. Dulles? Will he try to convince his Republican friends in the House to heed the lessons he learned in Latin America? He has said he would. I hope he will, but I can see reasons why there may be doubts that he will. I set them forth here so that he may, if he should see fit, reassure the many persons in this hemisphere whose hopes are high that he will follow through.

Of course I am prejudiced about Mr. NIXON. I am among those who were not satisfied with his explanation of his fund. I am among those who deeply resented his campaigns against Jerry Voorhees and Helen Gahagan Douglas and his use of the same smear techniques in national campaigns. The use of disloyalty implications in political discussions has been privately, so we are told, dismissed by the Vice President as a sin of his youth. Many of us would feel better if the repentance had been public. But today I shall confine my remarks to Latin America and actions of the Vice President during and after his Latin American good-will tour.

Mr. NIXON has returned from his sorry experiences in South America with some decisive recommendation regarding our Latin American policy.

On the first leg of his trip, in Uruguay and Argentina, he met the wave of criticism of United States policy toward hemisphere dictators by echoing the old State Department line. Mr. NIXON told his critical audiences that any expression of opinion by us regarding dictatorships in Latin America would constitute intervention.

By the time Mr. NIXON reached Peru he seems to have wavered from that conviction, despite the battery of high-powered advisers at his elbow. Since his arrival back home, his parting of the way with the State Department has been outspoken and unequivocal.

MR. NIXON'S DISCOVERIES

Mr. NIXON seems to have discovered the real South America. He found a continent in ferment and a people yearning for freedom. He found the Communists on hand ready to identify themselves with the burning aspirations of the populace. Where are we in the picture? Ironically, the Vice President found the United States, supposed leader of the Free World and defender of human rights, identified in the popular mind with brutal dictatorships and old-style dollar diplomacy.

I cannot, of course, speak for Mr. NIXON. His own statements, however, are on record. At the National Press Club luncheon last week, he cautioned against a comfortable dismissal of the violence he encountered as solely the work of the Communists. In Mr. NIXON's own words: "While it is true that Communists spearheaded the attacks, they had a lot of willing spear carriers with them."

MR. NIXON'S RECOMMENDATIONS

As a necessary step to recuperate our lost prestige throughout Latin America, Mr. NIXON described his new policy this way:

> For dictators, a formal handshake; for officials of free countries, an embrace.

A report by a leading Latin American news magazine, Vision, recites the bill of particulars against the United States:

> It is also hard to overestimate the complaint that the United States appears to support dictatorial governments. This is particularly serious today while a wave of political liberalism is sweeping Latin America. Most political leaders south of the border will agree that the United States must not interfere in the internal affairs of Latin-American countries. But they believe that more often than not, Washington has seemed to smile upon dictatorial regimes. They cannot forget that Milton Eisenhower was chummy with Juan Perón in his South American tour, or that Marcos Pérez Jiménez, who as dictator kept the jails of Venezuela well filled, seemed to be especially friendly with a former Assistant Secretary of State for Inter-American Affairs who presumably approved the award of the Legion of Merit to Pérez Jiménez. The sorest point is that Pérez Jiménez and Pedro Estrada, his secret police chief, both received visas for the United States. As one Venezuelan editor put it: "Washington keeps out Charlie Chaplin the clown, but accepts Pérez Jiménez and Estrada, the butchers."

He further called for personnel changes in several spots to strengthen the administration's new policy of giving Latin America top priority. In addition, he advocated that personnel should be instructed to meet with people at all levels and not confine their contacts to the so-called elite.

THE JULY REPORT TO CONGRESS

Last year it was my privilege to visit with, among other distinguished Latin Americans, Gov. Muñoz-Marín of Puerto Rico; in Colombia with Dr. Eduardo Santos, the great former president and publisher of El Tiempo, and with Dr. Lleras Camargo, former Secretary-General of the OAS and recently elected President of Colombia; in Costa Rica with President Figueres and members of the Costa Rican Government; and finally in Panama with members of the Panamanian Press Association. On July 15, 10 months ago, I submitted to the House a record of my findings.

At that time I said:

It is with much sadness that I must inform you that these distinguished men, the real friends of the United States, are truly apprehensive of the path United States foreign policy seems to have taken in Latin America.

And later in the same report:

Latin Americans ask whether the liberty and justice under law which we are defending today means only liberty and justice under law for United States citizens. They want to know what liberties they are being asked to defend, when it is quite obvious that the people living under home-grown dictatorships are not enjoying even the most basic freedoms.

Ten months ago I tried to alert the House as follows:

The United States is becoming identified among the suffering in Latin America as a friend of the oppressor, with the result that United States moral prestige among the people who are suffering the rape of their human rights plunges to rock bottom. When the chips are down, we will want and need the help of the people, not of the single man who temporarily manipulates their government.

As for Pérez Jiménez, then riding high as the bloody dictator of Venezuela, I wrote:

In Costa Rica, Colombia, Panama and Puerto Rico I met many young Venezuelans from all walks of life—lawyers, engineers, farmers, architects—who are forced into a life of exile for the single crime of urging free elections, the basic tenet we proclaim so proudly in Europe, Asia, and the Far East. These Venezuelans are the minutemen of Venezuelan liberties, or if you prefer, the freedom fighters. Does it make sense for the United States to decorate the man for whom they are sacrificing family and comfort in the battle for liberty?

The incredible asylum granted Pérez Jiménez in these United States after his overthrow caused Vice President NIXON some trying moments in Caracas, we are told. Can we now wonder wide-eyed why the Venezuelan people are suspicious of our motives?

Ten months ago, I wrote in the report to Congress:

The strongest defense against communism in the Americas is a people determined to defend a democratic way of life. If dictatorships prevail and hold back the clamor for freedom south of the Rio Grande, we will find one day we have not only a soft but an infected underbelly.

To get our foreign policy back on keel, I recommended, among other things:

First. Instruct our Ambassadors in dictatorially governed countries to avoid all unnecessary identification with the dictator. Instruct our Ambassadors to maintain proper, but cool, diplomatic relations, as they do in Iron Curtain countries.

Second. Encourage democratic nations to send their chiefs of state and other high officials to the United States. Honor them publicly—let them know the American people are on their side in the tough business of governing by democratic process. We should have an annual conference of democratic leaders.

Third. No medals to dictators.

Fourth. Curb all statements by official representatives of the United States Government which show approval of dictators.

When I arrived in Congress, Latin America was not consciously or even unconsciously on my mind. The disappearance of my constituent, Gerry Murphy, in another brutal hemisphere dictatorship plunged me into an examination of our Latin American policy. As I proceeded with the Gerry Murphy investigation, the glaring deficiencies in our Latin American policy became so apparent that they cried out for rectification.

MR. DULLES' BLIND SPOT

I am indeed sorry that it took the dismaying spectacle of riots against the second highest official of the United States to jar us into action. Even now we are by no means assured that the State Department is prepared to recognize its past errors and to rectify them. The Secretary of State has already given public notice of his intention to do nothing.

One day before the Vice President's appearance at the Press Club, Mr. Dulles, in his press conference, gave evidence of a stubborn reluctance to concede any past errors on the part of his Department. Unlike Vice President NIXON, he minimizes the extent of the demonstrations. To listen to Mr. Dulles, the Caracas riots would never have occurred if only the Venezuelan Government had supplied an adequate and efficient police force.

If my information is correct, and I believe it is, Mr. NIXON had a duty to correct Mr. Dulles and so far as I have been able to learn he has not. A high Venezuelan official, who was present at the airport when Mr. NIXON arrived, told me that it was Mr. NIXON himself, the same man who had previously requested an open car for the ride into Caracas, who insisted that the guard for his party be reduced to practically nothing.

It is my understanding that Mr. NIXON went against expert and responsible advice in both Peru and Venezuela. Certainly Mr. NIXON should set the record straight publicly. In any case, to foist the blame upon the Venezuelan Government, as Mr. Dulles has, is inaccurate and most unfair to a government that deserves and needs our support.

As for the Vice President's recommendations regarding our apparently friendly support for dictators, Mr. Dulles clings to his moribund definition of intervention. The fact that the vast majority of Latin Americans, all of whom favor nonintervention, disagree with him seems to make no impression on the Secretary of State.

Early this year I thought I detected a slight but significant change in the official policies of the State Department toward dictatorships and democracies in Latin America. The Department wrote me a letter, which has since been quoted approvingly, by both the New York Times editorially and by Assistant Secretary Rubottom, and in which this sentence appeared:

While we are not in a position to intervene in the internal developments of the countries of Latin America, we are in a position to feel—and we do feel—satisfaction and pleasure when the people of any country determinedly choose the road of democracy and freedom.

Apparently the official feeling and the general feeling are identical. An unequivocal and public expression of this feeling, however, is still forbidden, as are, apparently, actions which indicate we recognize the difference between a police state and a democracy.

In fairness to Mr. Dulles, we must recognize his deep preoccupation with other vital areas of the world. In the same week as the South American debacles, Mr. Dulles had to ponder the effects of the French crisis and of the Lebanese civil war. For years he has turned his attention across the Atlantic and across the Pacific. Latin America never has occupied a preeminent place in his thinking. By his remarks, it is evident that Mr. Dulles views the 20th century Latin American struggle for liberty as a 19th century battle for power between the "ins" and the "outs."

How he manages to separate the Latin Americans from similar revolutionary forces abroad in the Middle East and Asia is a mystery to me. Perhaps, in his preoccupation with other areas of the world, Latin American affairs have overtaken Mr. Dulles.

Let there be no illusions—the Communists recognize the burning aspirations of the Latin American people, even if Mr. Dulles does not. And as long as he conducts the personal diplomacy for which he is noted, it is to be expected that the State Department will base its policies in Latin America on Mr. Dulles' antiquated premises.

Mr. NIXON himself has stated that the true measure of the success of his journey will be in the policies the United States Government and the people practice in the future in relation to Latin American countries. Having won some acclaim at home for his determination to continue with his good-will tour in Peru and Venezuela, we now shall see whether Mr. NIXON will be as determined to push his reforms upon the reluctant Secretary of State.

In the meantime, it appears that the Vice President will need some coaching in order to live up to his own recommendations. At a time when the Inter-American Press Association and the Newspaper Guild of Managua denounced Generalissimo Somoza's heirs for their incredibly cruel tortures inflicted on a Nicaraguan newsman, Mr. NIXON allowed himself to be photographed wreathed in smiles and exuding good

will with Somoza's Ambassador to the United States. This was, by his own formula, an occasion for a formal handshake, not an embrace. It is likely that the picture will appear in Latin America—and, I ask you, with what effect on their feelings toward Mr. NIXON and the United States? I grant you, the representatives of the dictators here in the United States are smooth operators. They have had much practice in ingratiating themselves. It is up to us to put an end to their cynical game.

PUBLISH WHITE PAPER

How can we do so? We can begin by putting into practice Mr. NIXON's recommendations regarding treatment of hemisphere dictators. As a first step, the Department of State should publish a white paper to acquaint the American people with the tyrannical governments with which we have to deal in Latin America. Such exposure might have a salutary effect upon the current savage police state governments in the Dominican Republic, Nicaragua, Paraguay, and Cuba. Unable to conduct their brutalities behind a smokescreen of cordiality, ignorance and universal acquiescence, the dictators would be served notice that their criminal acts do not go unnoticed beyond their shores. The readily obtainable facts about Pérez Jiménez, former Venezuelan dictator, should be published and given to General Swing, the Immigration and Naturalization Commissioner, who then could easily and quickly boot him out of the country on an exclusion proceeding.

INSTRUCT UNITED STATES DIPLOMATS

Secondly, our Ambassadors to the Latin American countries should be recalled for instructions in the New Look, with respect to when to handshake and when to embrace. It should be made clear to one and all that United States interest lies in promoting democratic ideals throughout the hemisphere, and not in alliance with vicious dictatorships whose collapse is inevitable. It should be made crystal clear that the American people want their representatives abroad to show our favor for and faith in the forces that are striving for democratic ideals. Sympathetic unity of the democratic forces throughout the Western Hemisphere is, clearly, the only true defense against Communist subversion in the New World.

CUT OFF MUTUAL ASSISTANCE TO DICTATORSHIPS

Thirdly, we should cut off mutual-assistance funds and military missions to hemisphere dictators, something which was furthered by the Senate Foreign Relations Committee the other day when it adopted an amendment by Senator MORSE. Throughout his South American trip, Mr. NIXON heard criticism that our military and economic aid was being used by the dictators to perpetuate their power. The question is not one of correcting a wrong impression, as Mr. Dulles would want us to believe. Unfortunately, the Latin American interpretation is correct. Let us put an end to the criticism at its source—the misguided and misrepresentative policy here at home.

The recent case of the $600,000 that goes through Generalissimo Trujillo to his wayward boy of 29 is a pathetic, but apt, example. Those who argue that our aid to Trujillo is necessary in the fight against Communist domination also argue that Trujillo is our great ally in the fight against communism. If Trujillo were sincere in his anticommunism, he would be our ally with or without our aid. As for the mutual-assistance funds which are supposedly devoted to raising the standards of the Dominican people, the recent incident has made it obvious that the Trujillos have plenty of money squeezed from slave labor on their island paradise to provide their own needed reforms. But what happens to the United States in such a deal? Our money goes down the drain, while at the same time Latin American people read us off as fools, or, worse still, as intent on buying the tyrant's worthless and degrading friendship.

If we learned anything from the Caracas incident, it is that in the world struggle in which we are engaged, the cooperation of a dictator will avail us nothing if he sits upon the powder keg of his own people's fury. Above all, then, let us divorce ourselves from identification with the few remaining hemisphere despots. Let us show all the Latin American people that we understand and sympathize with their aspirations for freedom with justice.

This hemisphere, which produced men of the caliber of Bolivar, Marti, Jefferson, and San Martin, may yet see the day when we are united in our devotion to democratic processes. We need only to keep working at it, through every possible avenue and always with the goal in sight. We can get back on the track. All it takes is an honest recognition that autocratic governments are not reliable allies against communism, but that our true allies lie in the Latin American people themselves.

One thing, then, is certain: We must apply ourselves to find the facts necessary for a new, better relationship with Latin America. Another thing, which could be crucial, is uncertain, and that is whether Mr. NIXON will follow through. The Vice President has been a force for good in many instances. He has supported the mutual security and reciprocal trade programs with resourcefulness and energy in the face of strong opposition in his own party. His conduct has in many other ways been praiseworthy. There may in fact be a new NIXON. Whether he would backslide to the old NIXON were he elected President is a question for the 1960 campaign, when, I can assure you, it will be amply discussed from all viewpoints.

The question today is with respect to Latin America. Mr. NIXON should correct Mr. Dulles about the adequacy of the police protection and apologize to the Venezuelan Government for the delay in setting the record straight. He will also make it clear that he believes the present State Department policy, as reaffirmed by Mr. Dulles the other day, must be changed and at once. Finally, he will acknowledge that the picture of himself and the Nicaraguan Ambassador will have unfortunate effects in Latin America and was an error of exactly the kind he is seeking to eradicate from our official policies.

Mr. NIXON has shown to the United States and the world the gaping wound in our relationships with Latin America. The question is now, will he follow through to use his considerable talents to treat the wound? It is too soon to answer that question but not too soon to call attention to the disquieting signs that lead many to believe we may again be disappointed.

MISSOURI'S MAGNIFICENT CAPITOL BUILDING

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. MOULDER] is recognized for 15 minutes.

Mr. MOULDER. Mr. Speaker, Missouri has one of the best and most imposing capitol buildings in the United States, and the following article printed in the St. Louis Review reveals the interesting and informative historical events in connection with the location and construction of Missouri's magnificent capitol building:

SOLONS IN SCHOOL—CATHOLIC PARISH BUILDING WAS NINTH MISSOURI CAPITOL, HELPED KEEP STATE GOVERNMENT IN JEFFERSON CITY

(By the Reverend Peter J. Rahll)

A parochial school building in Jefferson City played a vital part in the capitol of Missouri remaining in the central Missouri city. And the fulfillment of its role entitled St. Peter's school hall to be known as the ninth capitol of the State. What was the stirring drama of which this was the climax?

During the last quarter of the 19th century agitation persisted for the removal of the headquarters of the State from Jefferson City. The chief aspirant for the honor was Sedalia, some distance to the west but still in central Missouri. A century and a quarter has long since accustomed Missourians to the Jefferson City locale. But on into the 20th century it was pointed out that the capitals of many other States had been changed. Moreover, Missouri itself had 3 cities as the seat of government and after 1887 was occupying its 8th capitol structure.

The first State Legislature, however, had anchored the capitol to a site within 40 miles of the mouth of the Osage River and on the banks of the Missouri itself. Yet this initial general assembly of the State was meeting in the second in the list of State capitol buildings. The first—like the second, long since demolished—was the Mansion House, a hotel then at the northeast corner of Third and Vine Streets in St. Louis. The constitutional convention of the State deliberated for 5 weeks in the early summer of 1820, using the main dining room of that hotel for its sessions.

A second hostelry gained the distinction of state capitol the following fall. Built the previous year, the Missouri Hotel was on the southwest corner of Main and Morgan (new Delmar Boulevard). Among the many enactments by the 57 members of this first assembly was the selection of two capitol sites, one temporary and the other permanent.

ON THE BANK OF THE MISSOURI

In the considerations of the legislature the permanent site was not limited to the present Jefferson City. In fact, the commissioners chosen to make the selection came to favor the village of Cote san Dessein, on the north side of the Missouri River opposite the mouth of the Osage. That would have conformed perfectly to the specification "on the bank of the Missouri River, and within

forty miles of the mouth of the river Osage." Fortunately for the State of Missouri, on the last day of 1821 Governor Alexander McNear affixed his signature to the bill selecting Jefferson City. Had Cote san Dessein been chosen, certainly at least one more site would have entered and disappeared from the list of capitals of Missouri. Shortly thereafter that town was to suffer the fate of New Franklin in being obliterated from the map by the turbulent waters of the Missouri.

Though Cote san Dessein claimed to be no more than a village, its size could not have been the deciding factor against its selection. When the Governor penned his signature on December 31, 1821, the future City of Jefferson had exactly two families. In that condition it was at most a hazy future site for the capitol, and meanwhile the legislative and executive headquarters had been transferred to Saint Charles. The unpretentious brick structure which served as capitol until 1826, still stands on Main Street today. Its plain two stories are distinguished from its neighbors solely by a plaque near the entrance. Better than anything written, the little building offers striking testimony to the growth in population and prosperity of Missouri in the succeeding century and a quarter.

A townsite for the projected permanent capitol was laid out in the spring of 1822. On the very hill where the Governor's mansion now overlooks the turgid Missouri a two-story edifice was erected. Though no picture presently is available of the structure, it was about twice the size of the third state capitol in St. Charles. Besides the two chambers for the separate houses of the assembly, the new building was also the residence of the Governor.

FLAMES DESTROY EVERYTHING

The primeval bluffs of Cole County delayed but did not prohibit execution of the plans. On October 1, 1826, the fourth capitol was occupied in the city of Jefferson. Unfortunately all of the historical records from three predecessors were gathered in the new structure. Unfortunately is the proper term, for like King James dropping the Great Seal of England in the Thames, it meant their complete disappearance. In 1837 a fire destroyed the building entirely, together with the precious records. The flames obliterated any clear memory of this capitol, for, as mentioned apparently no picture of it exists.

The Cole County courthouse served as temporary headquarters. No precipitate planning was forced upon the administration of Gov. Lilburn W. Boggs, for a certain prescience had pervaded the legislature the previous term. More than 9 months before the conflagration of November 17, 1837, plans for a new capitol had been approved. When the new home was entered in 1840 Governor Boggs proclaimed that it was fireproof throughout.

This sixth capitol was hailed as the best example of classical design in the United States. And it endured during the railroad building era, the Civil War, and on into the first administration of a Democratic President since the secession of the South. Nor did it then pass out of existence. However, the remodeling of 1887 and the following year was so extensive that the renovated structure was termed the seventh capitol.

If there had been no disaster to impel this addition to the number of State houses, a very real attempt had been made to force its removal. And the site proposed was much farther west than the transfer of the 1830's from the location of the present mansion. During the post-Civil War period clamor commenced for a complete change. This movement did not subside until St. Peter's hall became the ninth capitol of the State.

SELF-NOMINATED SUCCESSOR

The contention that the seat of government should be moved not a few feet or yards but out of Cole County altogether came principally from a self-nominated successor, Sedalia. Though admittedly 2 generations younger than Jefferson City, the county seat of Pettis County had grown surprisingly in both population and aspirations. With no aspersions on the verdant soil of central Missouri, the rising town was not long content to "waste its sweetness on the desert air." In February of 1881, for instance, the city fathers offered to donate 100 acres of land and deposit $200,000 in the State treasury, all for the purpose of becoming the capital of Missouri. Though a committee of the State legislative body received the invitation, the proposition never reached the point of being submitted to the people of Missouri.

The expense of the 1887 remodeling, which was almost half of the original cost of the capitol, argued that the issue had been settled. Such a decision was not accepted by the leading residents of Pettis County. After a quarter-century of propaganda, the supporters of Sedalia succeeded in bringing the matter out of the legislative chambers to the popular ballot box. In 1894 John Bothwell introduced a measure in the House of Representatives and Charles Yeater in the Senate, providing for submission of the question of removal of the electorate. In February of 1895 the State assembly authorized the vote at the next general election. Thus a year and a half were allowed for electioneering.

With Jefferson City in the entrenched position of possession, the burden of appeal to the populace had to be borne by the Sedalians. Nor was there any reluctance in the assumption of the office. From the booklets and leaflets surviving it is evident that considerable money as well as advertising skill were expanded by the protagonists of the Pettis County site. The personal profit motive was not lacking, judging by the part taken by a real estate firm which offered lots to give "Sedalia's friends a quick opportunity to make lightning profits."

NO EXPENSE TO STATE

As in the 1881 proposal, so in the last decade of the 19th century Sedalia was to furnish the capitol site, erect new buildings, and move equipment and records without any expense to the State. Bonds totaling $615,000 were filed to guarantee payment of these costs, and in accepting them Gov. William J. Stone was quoted as saying: "I do not see how better bonds could have been presented." Though they would not necessarily all have been supporters of the removal, an imposing list of bankers from most sections of the State allowed their names to be enumerated among the endorsers of the bonds.

When the campaign commenced the remodeling of the capitol in Cole County was finished but 7 years. But it is understandable that Sedalians contended expensive rebuilding would be needed in any event because of the inadequate and decaying public edifices at Jefferson City. The original part of the capitol was then more than a half-century old.

Rebuilt or not, advocates of the proposed constitutional amendment could see no comparison with the intrinsic advantages of the site being in Sedalia. First of all, the capitol would be more imposing because the exact site proposed for the buildings had an elevation of 1,000 feet, almost twice that of Jefferson City. Then they pointed out the location would be more central in the State. From maps emphasizing this advantage, Sedalia appeared to be the railroad hub of the country. Some of the lines have since been abandonded or consolidated, such as the Kansas City & St. Louis Railroad, while others never materialized, as the Kansas City to St. Louis route via Sedalia of the Sante Fe system.

More eloquent were the advocates when referring to relative population growth of the two cities. According to the analysis, the existing capital had gained barely more than 100 people annually since it was founded in 1826. In contrast to Jefferson City's population of 7,000, Sedalia in 3 decades had more than 20,000 residents. The concluding statement was this wicked barb: "To call Jefferson City a city is equal to calling a nickel a dollar."

Radio and television awaiting the next century, this information—and much more—was broadcast through pamphlets and booklets. In some places school children distributed the literature. The popular appeal of the measure was demonstrated by widespread participation in a raffle, in which the grand prize was a reproduction of the Eifel Tower. The profit realized was used to finance the campaign for removal.

ARCHBISHOP IS QUOTED

Those favoring the retention of Jefferson City were more optimistic, for the law of inertia applies outside of the field of physics. Notwithstanding, every favorable incident or statement was widely publicized. For instance, St. Peter's parish in Jefferson City celebrated its golden jubilee in 1896. As part of the festivities a reception was held for Archbishop John J. Kain of St. Louis about a month before the election. The local German-language Post featured a statement by the archbishop that Jefferson City was the capital of the State and should so remain.

Interest abounded in the election of 1896. The multiplicity of issues and personalities may have cooled the ardor of the advocates of changing capitol sites or lessened the attention accorded to their arguments. The majority party in Missouri, the Democrats, was split over Free Silver and Sound Money into Bryanites and Clevelandites. Late in August delegates to a St. Louis gathering of Democrats repudiated the platform adopted in Chicago the previous month by the national convention. Though a rival ticket of Palmer and Buckner was placed on the ballot, not enough votes were attracted to prevent William Jennings Bryan from carrying the State.

The vote on capitol removal to Sedalia was made on the same November day. About 20 percent of those who marked ballots for President omitted any decision on the amendment to the State constitution. And the outcome was no photo finish, for the opponents of the transfer to Pettis County numbered 334,819, compared with 181,258 favoring removal. Sedalia had lost—but hope was not abandoned.

For almost a generation the aspiration reposed in an uneasy sleep. The clap of thunder which awakened Sedalia—and all other candidates for the capitol site—followed close upon a lightning flash. This bolt ricocheted across the clouds early Sunday evening, February 5, 1911, and struck the flagstaff atop the capitol dome. Some say the electric sliver caused the lantern hanging in the dome to burst into flame. In any event the fingers of fire whisked down the wooden arches to the roof of the building. In less than 3 hours the seventh capitol had suffered the same fiery fate as the fourth. The happy exception was that the State records were preserved by fireproof vaults.

ONE-HUNDRED-AND-EIGHTY-FIVE-FOOT DOME COLLAPSES

Additional papers and records had been saved because Gov. Herbert S. Hadley and other State executives had dared to enter the blazing furnace of the capitol and carry them to safety. The local Daily Post (by then printed in English) declared that a metropolitan fire department could not have coped with the mad flames. Sedalia, longtime aspirant for the capitol site, hastily sent its own fire fighting equipment on railroad flatcars to save the Cole County edifice. The train arrived just as the 185-foot

dome collapsed over the chamber of the house of representatives.

The legislature convened the next afternoon, as had been provided for by the adjournment motion of the preceding Friday. But place and atmosphere had been radically altered. Within the walls of the Jefferson Theater, in Jefferson City, the representatives heard offers of quarters for the State government which had been telegraphed from places as widely separated in Missouri as Palmyra, Springfield, St. Joseph, St. Louis, and Macon. In returning thanks the house voted approval of a motion that the assembly "would be doing business in Jefferson City" the next day. Since none of the members had been inside the capitol when the lightning bolt struck, the following resolution was not ambiguous:

"*Resolved*, That each and every member who succeeded in getting his seat out of the old capitol building be allowed the same without cost."

If the old seats were to be retained, no such certainty existed about the site of the capitol itself. The second morning after the fire, the St. Louis Globe-Democrat strongly advocated that the city of its publication become the official headquarters of Missouri. While the Governor promptly opposed removal to St. Louis or any other point, it was unthinkable that any final decision be reached then.

A special committee had been appointed to seek quarters for the house of representatives. When the assembly convened in the opera house on Wednesday this group reported that "we have secured St. Peter's hall in Jefferson City, Mo., to be used for said purpose, free of cost to the State." Legislators were leaving that night for St. Louis to obtain the needed furniture. It was also mentioned that the pastor of St. Peter's parish, the Reverend Joseph Selinger, had gone to obtain the approval of Archbishop John J. Glennon of his offer to the State.

PAROCHIAL BUILDING ACCEPTED

The senate completed arrangements for using the Missouri Supreme Court Building. Accordingly, James H. Hull, of Platte County, moved, on February 13, that the choice of the upper house be approved. At the same time the representatives accepted his resolution that "the house meet in St. Peter's hall of the Catholic parochial school building." And with the official convening of the assembly the following day St. Peter's hall became the ninth capitol of the State of Missouri. Aside from such incidental decisions as providing camp stools for visitors, the school hall retained its distinction for the remainder of the 46th general assembly.

The momentary impulse to move the seat of government elsewhere had thus been check-mated. But a capital without a capitol was at best insecure in its status. An attempt to commit the house to remaining in the Cole County city was made during the initial session in St. Peter's Hall, but was referred to committee. More than a month elapsed after the fire before it was agreed to investigate the purchase of additional lots in Jefferson City "for use of the permanent seat of government." Whether it was facetious or not, the vulnerability of the incumbent's position was demonstrated by the adoption of a resolution on February 20 which read: "If Jefferson City desires the new capitol they clean the snow off the sidewalks." As the Kansas City Star said of the city, "Its right to go ahead in security of investment was menaced every time some legislator had dyspepsia or some lawyer lost a case in the supreme court."

THANKS FOR CONSIDERATION

As indicated by the resolutions of the assembly, the pastor of St. Peter's parish, Father Selinger, had made the hall available without charge. Certainly considerable inconvenience and expense were thereby incurred. Official notice was taken of this generosity before the reconstruction of the capitol on any site was decided. On March 18 the house adopted a resolution of C. P. Hawkins of Dunklin County that the State pay the expenses which had accrued to Father Selinger from the representatives using the hall. At the same time the assembly expressed its thanks "for the consideration shown to it and the people of Missouri."

No plan for a new capitol was in readiness, as had been true after the fire of 1837. A design for a building to be erected in Jefferson City was finally approved by this assembly. However, the expenditure needed the approval of the people, and a special election for this purpose was fixed for August 1. The issuance of the bonds could be opposed on several scores, one of which was the desire to transfer Missouri's headquarters to another city. And a two-third majority being required for the $3\frac{1}{2}$ million bond issue, a minority could defeat the proposal.

The actual vote was not very close. Though the expectation had been that the bonds would be approved, the inward, concealed fear which beset the proponents is proved by the reaction to the victory. Especially in Jefferson City was the jubilation uncontrolled. Torchlight processions queued through the crowded streets, horsemen rode their steeds into bars for another drink—at least for the rider, and the hills of Calloway County across the river had been etched by the dawn before the rollickers ceased their shouts. Older residents of the capital agree that it was by far the wildest celebration in the history of the city.

A couple of days after the February conflagration the Daily Post of Jefferson City published the following statement: "It can, then, be safely said that Sedalia is not in favor of capital removal." That was hardly borne out by the election tallies. Outside of the deep Ozarks, Pettis was the only county in the State which voted against the bonds. But if the residents there were expressing a faint in vain hope for becoming the legislative center of the State, the Kansas City Times phrased an apt question about the singularity of other voters: "Speaking of mule obstinacy and general darned cussedness, who were the 14 citizens of Cole County who voted against the bonds?"

Jefferson City, the site chosen by the legislature and approved by Governor McNair back in 1821, was to endure as the capital of Missouri. With the money available from the bonds a superb plan was executed in the majestic structure now paralleling the Missouri River. How many visitors who enter the building by the grand stairway—said to be the widest in the world—realize that a block down High Street there still stands the reason for its commanding location? St. Peter's Hall had its glory as the ninth capitol numbered almost by moments. That summer of 1911 a temporary structure was erected, its stuccoed walls costing three times as much as the first capitol in Cole County. And with its occupancy St. Peter's Hall and the Supreme Court Building reverted to their original status. But as Horatio at the bridge, the parish auditorium had stemmed further loss to the city of Jefferson after the flame of February 5 had simmered to ashes.

INSURING THAT THE AGRICULTURE APPROPRIATION BILL CONTINUES 80 PERCENT FEDERAL PARTICIPATION IN WILDLIFE-CONSERVING PRACTICES UNDER THE CONSERVATION RESERVE

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. REUSS] is recognized for 15 minutes.

Mr. REUSS. Mr. Speaker, conservationists and sportsmen vigorously supported the adding of wildlife-conserving practices to the conservation reserve when the Soil Bank was adopted 2 years ago. For the first time, we recognized that the farmer who followed sound wildlife conservation practices should be adequately compensated for doing on his land what benefited the entire country. Under the conservation reserve, the Department of Agriculture has approved paying farmers up to 80 percent of the cost of such wildlife-conserving practices as planting food and cover—multiflora roses, trees, and shrubs, for instance—for wild game, and creating or restoring marshy areas for waterfowl and muskrats.

Throughout the Nation, the wildlife practices provision has fostered the most healthy cooperation between farmers and city conservationists. In Wisconsin, for example, conservaitonists are finding that the 80 percent cost-sharing by the Federal Government is beginning to interest farmers in adopting good wildlife-conserving practices. Throughout America such organizations as the National Wildlife Federation have succeeded in obtaining ever-greater participation by farmers in the wildlife aspects of the conservation reserve. The Federation has set up an entire division to prosecute this program, led by H. R. Morgan, the very able former Game and Fish Commissioner of North Dakota.

Mr. Morgan tells me that more than 10 State conservation agencies have in the last year participated actively in the carrying out of wildlife practices under the conservation reserve. With continued Federal interest in the program, we can soon look for the cooperation of conservation commissions in each of the 48 States.

Earlier today the conference report—House Report No. 1776—on the disagreeing votes of the two Houses on the amendments of the Senate to H. R. 11767, the 1959 agriculture appropriations bill, came before the House. Further consideration of a motion by the gentleman from Mississippi [Mr. WHITTEN] concerning amendment No. 17 in disagrement, having to do with the conservation reserve program, was put over until tomorrow.

In order that the legislative history of H. R. 11767 may be entirely clear, I insert an exchange of leters between myself and the gentleman from Mississippi [Mr. WHITTEN] which took place this afternoon, following the action on H. R. 11767 just referred to. The letters follow:

MAY 27, 1958.

The Honorable JAMIE L. WHITTEN,
House of Representatives,
Washington, D. C.

DEAR JAMIE: Earlier today, during the consideration of the conference report (H. Rept. 1776) on the disagreeing votes of the two Houses on the amendments of the Senate to H. R. 11767, the 1959 agriculture appropriation bill, I asked leave to speak in opposition to, and for an automatic rollcall vote on, a motion made by you on amendment No. 17 (conservation reserve program), which had been reported in disagreement. Your motion asked that in lieu of the matter

stricken and inserted by amendment No. 17, there should be inserted the following:

"Provided further, That hereafter no conservation reserve contract shall be entered into which provides for (1) payments for conservation practices in excess of the average rate for comparable practices under the agricultural conservation program, or (2) annual rental payments in excess of 20 percent of the value of the land placed under contract, such value to be determined without regard to physical improvements thereon or geographic location thereof. In determining the value of the land for this purpose, the county committee shall take into consideration the estimate of the landowner or operator as to the value of such land as well as his certificate as to the production history and productivity of such lands."

I did so solely because I feared that the first portion of this quoted language—"Provided further, that hereafter no conservation reserve contract shall be entered into which provides for (1) payments for conservation practices in excess of the average rate for comparable practices under the agricultural conservation program,"—might conceivably be construed to require a departure from the present practice under the conservation reserve of the Soil Bank whereby the Department of Agriculture pays farmers up to 80 percent of the cost of such wildlife-conserving practices as planting food and cover for wild game, and creating and restoring marshy areas for wild game. Specifically, I feared that these wildlife-conserving practices might be held to be comparable to practices under the agricultural conservation program, and thus the payments reduced to 50 percent.

Such a construction, of course, would be disastrous to the wildlife-conserving program. To the extent that conservation practices under the conservation reserve and under the agricultural conservation program are substantially comparable, and are in large part for the benefit of the participating farmer, such as payments for liming and terracing, I would respect the judgment that a 50-percent contribution by the Department of Agriculture is adequate. For wildlife-conserving practices, however, where the benefit accrues more largely to the whole community than to the participating farmer, an 80-percent contribution by the Agriculture Department is necessary in order to make participation attractive.

From our discussion of this point on the floor today following the action taken to postpone further consideration of the conference report on H. R. 11767 until tomorrow, I understand that the intention of the language above cited is that "comparable practices" do not include wildlife-conserving practices, since such practices are not included under the agricultural conservation program. In other words, your amendment will not preclude the Department of Agriculture's paying, as it now does, up to 80 percent for wildlife-conserving practices under the conservation reserve.

I have obtained a special order for later this afternoon in order to discuss this question, and I should deeply appreciate your confirming to me the correctness of my understanding of your views, as the author of the above language. As I indicated to you on the floor, I believe a construction of the language along the lines I have here set forth would not give rise to the fears I have here expressed.

Sincerely,

HENRY S. REUSS,
Member of Congress.

MAY 27, 1958.

Hon. HENRY S. REUSS,
House of Representatives,
Washington, D. C.

DEAR HENRY: With regard to your letter asking our construction of the language offered by motion on amendment No. 17, I would state the following:

The language intends that there shall be comparable payments for comparable practices under each the conservation reserve program and the agricultural conservation program. There is nothing in the agricultural conservation program which requires any lower rate of payment than that allowed by the Department in the conservation reserve program. In other words, comparable payments could be made by bringing one up to the other as well as by scaling down.

Now as to practices for conservation of wildlife, I know of no comparable practices in the agricultural conservation program; however, should there be, I believe there should be a comparable rate of payment. I believe this to be the intent of the conferees.

Sincerely,

JAMIE L. WHITTEN,
Member of Congress.

This exchange of letters makes it abundantly clear that the 1959 agriculture appropriation bill permits payments by the Department of Agriculture, as at present, of up to 80 percent for wildlife-conserving practices under the conservation reserve.

FIFTH ANNUAL GOOD GOVERNMENT DINNER OF CROSSCUP-PISHON POST NO. 281, AMERICAN LEGION

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 10 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I shall divide the time allotted me in two speeches.

Mr. Speaker, on Tuesday, April 8, the fifth annual good government dinner of the Crosscup-Pishon Post, No. 281, the American Legion, took place at the Sheraton Plaza Hotel, in Boston, Mass. This distinguished post of the American Legion selected me as their honor guest and presented me with their annual good-government award. This constitutes a very high honor, and I shall treasure the memory for the rest of my life.

On this important occasion, I was invited to make the principal address of the evening. Following herewith is my address:

Commander Talberth, veterans of the Crosscup-Pishon Post of the American Legion, distinguished guests, ladies and gentlemen, my first words to you this evening I hope will convey the sincerity and depth of my feeling and appreciation on this memorable occasion. I am grateful, so deeply grateful to have been selected by the Crosscup-Pishon Post, this very distinguished post of the American Legion, to be honored and presented with its award of good government. Also, I am honored by all of you here this evening who have taken these precious moments of your busy lives and from your friendly homes to come here for this particular occasion. My heart is warmed by this knowledge and touched with this evidence of your friendliness and respect.

My second words are those of thanks—my thanks to this very distinguished post of the American Legion for selecting me to be their honored guest this evening. To the officers and members of the Crosscup-Pishon Post I give my thanks for this exceptional good-government award. To all of you who have presented me with the honor of your presence here this evening I extend my thanks. At this moment, all I have to offer all of you is my heartfelt thanks. Please know that my appreciation is deeply embedded in my heart and life.

This evening and on other occasions, I have been mentioned very respectfully as "The No. 1 friend of the veteran." To be thought of in this way, even though I feel I do not qualify, is a tribute of the highest order. To be thought of in this way is a distinguished honor, for I consider our men and women veterans not only the largest but the finest group of deeply loyal and dedicated Americans to be found anywhere in the Nation. Through the processes of good government their purpose is to protect the country and our way of life from enemies within and without.

The people of the United States of America, as well as the people of the Free World, will never know and will never be able to fully measure the tremendous contributions given to our country and to the cause of freedom by our veterans, not only on the field of battle, but also in the daily molding of the greatness of America and the strength of the cause of freemen everywhere. The veterans know so well the necessity for good government, dependable government and a government of intergrity and respect. Unless our Government is honorable and respected, and dependable, our country and free way of life is doomed to treachery, selfishness, exploitation, and chaos. This good-government award of the Crosscup-Pishon Post is representative of this high purpose of the American Legion.

As we think of government and all that it means to us in our lives, I think you will agree with me that one of the principal mileposts in all history was the formation and establishment of the American system of government. Our Constitution has been the pattern for the government of many nations. It has provided the way of orderly conduct for old countries which have won new freedom and independence.

Minus a few years, it has been my honor to be associated with the operation of our Government for almost half of a century. This is a long time. It has been an eventful period in our history. There have been times of joy and times of heartache. I shall speak briefly of these great events during this half century.

Much has happened since the early days of 1913 when my late husband and I arrived in Washington to commence our representation of the people of Massachusetts in the Congress of the United States. Woodrow Wilson was about to be inaugurated President. The horse and carriage was still competing with the automobile as a means of transportation. Europe and the rest of the world seemed as far away as the moon does today. In population, our Nation was half the size it is now. Arizona and New Mexico had only recently become members of the Union, completing the forty-eight States, and their newly elected representatives were on hand to take their seats in Congress. In 1913, radio and television were unknown. There were no electric refrigerators, laundry or garbage disposal machines, and many other of the conveniences so common to all of us today were unknown then. The great oceans isolated our country, and that was the way we preferred to be. We went along our own way. We were still engaged in the development of our country. We were just reaching national maturity.

Then came 1914 and war in Europe. Little did any of us realize then, that 3 years later, on April 6, 1917, our own country would become a part of this great conflict. Some of you here tonight were among the Yanks who went over there to do the job. It was in the trenches and on the fields of battle of World War I, where men became friends while fighting together in a gigantic struggle for freedom against oppression. This was

the war to make the world safe for democracy. This was where the American Legion was born. This was where this distinguished Post had its beginning.

After World War I came reconstruction and the dreams of a great future. Out of the war, however, came a reality which was to change our lives here in America. The airplane had proved itself and the air age with its great development of air power was thrust upon us. No one knew its full meaning but everyone knew the whole world was changed.

In these early days after the war, I used to fly whenever I had the opportunity. Always I flew back and forth between Lowell and Washington. The planes were small and very fragile compared to the enormous airliners of today. Many of them were open cockpit and one had to dress in heavy clothing to protect themselves from the weather and the rigors of flying. In addition to getting pleasure from air travel, I engaged in it for the purpose of creating public confidence in the airplane as a means of travel and in this way to assist this young industry in our country to get firmly started. I knew its military potential was very great. Having no usable airplanes of our own in the war, I knew it was time our country was busy. The airplane was soon to be a vital weapon in our national defense.

A few years after the war, in 1927, the intrepid Lindbergh flew his Spirit of St. Louis in a nonstop flight across the wide Atlantic from New York to Paris. Now we knew the ocean could be crossed by an airplane. This fact all of a sudden eliminated distance between the nations of the world. This fact was to change our whole concept of foreign policy.

After those early flights across the ocean, and from continent to continent, the leadership of America knew that a policy of isolation was no longer feasible. We knew that in this air age that had suddenly come upon us, the whole world had been brought very close together in the sense of time and distance. This fact also disclosed very clearly the necessity for understanding and cooperation between nations for the great oceans no longer constituted protection and isolation was no longer possible.

Then the age of the 1930's was upon us. This was the decade of national struggle everywhere and economic adjustment. These were the days when we were told by President Roosevelt that we had nothing to fear but fear itself. These were the days when we were testing our ability as a Nation to plan and manage our own economy. These were the days of new laws and regulations which seemingly placed limitations upon our cherished freedom. We never succeeded, however, in testing completely our ability to control our national economy and our national economic life because of a sudden and great catastrophe.

It was now 1939 and in the late summer. Germany marched into Poland. War again darkened the sky. Then came that Sunday morning dawn and Pearl Harbor. World War II in all its fury was upon us and once again we were fighting for survival and this precious free way of life.

This gigantic conflict is still so close to all of us that I am not going to recount here the great deeds of heroism and sacrifice or any of the great events that took place. Many of you know them from personal experience so much better than I do. Like World War I, however, World War II also changed the way of living for everyone—everywhere. As this enormous tragic struggle was drawing to a close, one day in the late summer of 1945, a great bomb burst over Hiroshima, and with its bursting the whole world was catapulted into the atomic age.

In this atomic age, developments have taken place so rapidly that mankind now seems only a few steps away from the threshold over which he is certain to step, into a vastly wider comprehension of space and the universe. Explosive power, destructive power, is now measured in units known as megatons. It is now possible as we all so clearly realize, for man to destroy completely his own civilization. Within a matter of hours one nation can completely destroy another. Here again, the existence of this new power has changed our entire foreign policy.

Out of this situation has been born the necessity of collective security. Our foreign policy must be directed toward associating and joining together the free nations of the world for defense and security purposes, while at the same time our foreign policy must be directed toward the prevention of a catastrophic nuclear war. On the one hand, we must do everything we can to provide strength for defense, while on the other hand, we must do everything we can to prevent the necessity for using that strength. There is no substitute for survival.

Here we are, then, ladies and gentlemen, in the daily living of the present. All of us are so busy with our daily responsibilities it is difficult to comprehend the forces that are gradually changing the way in which we live during these swiftly passing days. The closer great forces are to us, the more difficult it is for us to see them and comprehend them. The obvious, however, is most important. As a nation, we must recognize these forces in time so that we might control them and channel them into positive benefits rather than allowing them to disintegrate into tragedy. Now the practical meaning of this statement is this. We need collective security and we need wide and genuine cooperation among the free nations of the world, which look to our United States of America not only for leadership but for most of the military power that gives the collective security any strength. Leadership in our country must know how far the United States can go in the giving away of our capital, resources, and substance. In this collective cooperative effort, if world peace is to be maintained, the economy of the United States must be healthy and strong at all times. If our American economy ever breaks from overextension of the enormous burdens our Nation is carrying throughout the world, communism and the Soviet bloc of nations will have achieved their greatest victory.

Our world today is made up of many nations, and more and more these nations must work together. Cooperation, however, is based upon mutual requirements and benefits. Most nations will not cooperate unless it is to that nation's advantage to do so. No nation can afford great sacrifices over a long period of time without balancing benefits and advantages. In international life, it avails nothing to the giver if nothing is received in return for the giving. If the economy of the United States becomes weakened or jeopardized, the organizations of free nations will disintegrate. If the United States fails to keep her economy sound and strong as well as our military power, the free way of life will perish from this earth.

There are many issues which I could discuss at length with you this evening which in my view directly affects the soundness and strength of our national economy. In some cases the recommendations relating to the solution of these problems are in direct conflict in principle. This is a weakness in our Government, its processes and operations, which of course must be averted. I shall not take up these issues at this time because I do not believe this is a fitting place or time to discuss them. I will leave only this thought with you. In the consistency of policy, whether it be national or international, there is strength, while in conflicting policy, there is chaos and ruin.

Now, after this nearly half-century of service in Government, this half-century of crisis and turmoil, this half-century of experience, this half-century of service to the people of Massachusetts and our country, we stand together at the doorway to the future. All of you, I believe, will agree that the steps we take, the actions we initiate today should not be controlled from the viewpoint of the present but considered for the effect and value they would bring to the future. It is not our lives we are concerned with. It is the lives of our children and grandchildren, and of the new generations yet to come, that we hope the actions we take today will bring to them a better and a secure world tomorrow.

Truly, this is the age of science. This age will extend for a long time as the future merges into the ever-progressing present. Life and living in tomorrow's world will be dependent upon science and the men and women trained to constantly push away the frontiers and discover unknown revelations for the benefit of humanity which is ever flowing onward. Science, and all that it is possible for it to develop, is not something apart from living. It is made up of men and women dedicated to the improvement of mankind. The objective of science is the improvement of life and living in this world. All of us here this evening would like to hope that every step forward of science in the future is for the benefit of mankind's life on this earth rather than for the destruction of man's civilization. This is the challenge—the challenge of science, the challenge of government, and the challenge of politics. We must marshal our talents in these great areas of knowledge so that man and his civilization can live and progress in a peaceful world and possibly, I should say, in a peaceful universe.

I am confident we can marshal our talents, because already we are doing so in a very large measure. Medical science has conquered polio, and momentarily stands near the solution of cure for the dreaded disease of cancer. The hidden mysteries of heart failure are gradually being uncovered and ways found to prevent their development. All through the field of medicine and surgery great strides are under way which will bring more life and longer life to the generations yet to come.

New industrial methods are being developed that are constantly reducing hazards of labor and making the manufacturing process a safer and enjoyable occupation. New types of houses incorporating many new advances for the comfort of living are being developed. Soon heat will either be produced in our homes by atomic processes or by the rays of the sun. New and safer methods of public transportation are already under way. These new developments and many, many more illustrate there is no limitation to the mind and invention of man.

The world of 25 years from now, or 50 years, or 100 years, can be almost a fantasy world if man is permitted to employ his limitless talents for benefits rather than destruction. Would it not be thrilling and wonderful if we could look in about 100 years from now upon the world of that tomorrow which is so dependent upon our decisions today? The more daring people might be rocketing to Mars for their vacation pleasures.

At this time there are over 20 million American veterans. There is no group of men and women anywhere for whom I have greater respect. Because of these veterans, and I am repeating my earlier thoughts, among whom are the members of this distinguished Crosscup-Pishon Post, our Nation is able to progress and function in freedom. Because of them, the people of other nations enjoy more or less of the free way of life. Because of them, the great United States of America is still progressing on the pathways

of its destiny. But regardless of the priceless deeds of accomplishment of these veterans, in all candor, I say to you, I hope there never again will be a necessity that will cause their number to increase. In other words, I hope that international forces will cease to be employed as a means of concluding international controversy. All of you, I am sure, join with me in our hopes and dreams that catastrophic warfare will never again be a reality in our world.

In talking about the future, it seems to me only fitting that I should devote a thought or two to those of us here this evening. As for EDITH NOURSE ROGERS, the Member of Congress from the Fifth District of Massachusetts, I will say this. My Congressional district is both beautiful and inspiring. It is historic. It is where freedom was born. I know every square foot of it and cherish it, for in it are my roots and life. I know its friendly, charming people, and I love them. I enjoy serving them to the best of my ability in the Congress of the United States. I intend to continue to represent them as long as God wills and as long as they honor me with their selection. Now, as for all of you who are here this evening. I hope your future, every day of it, will be as full of happiness as my evening has been with you on this memorable occasion.

Almost half a century, I said in the beginning of my remarks, is a long time. During this time, I have reached some conclusions about life and living, a few of which I will leave with you. The good people in every country in the world greatly outnumber the bad. Selfishness never blooms but always withers in the bud. Happiness is in proportion to the giving of one's talents for the benefit of others. Right must never be compromised with wrong. The strength of man's mind controls the power of his humanity. I could go on with these observations that I have made over these many years. I shall conclude, however, with just one. When wealth is lost, nothing is lost; when health is lost, much is lost; when friendship is lost, part of one's self is lost; when character is lost, all is lost; when faith is lost, all meaning of life is lost.

During this almost half century of public service, there have been some very high peaks that have extended high above the hills and valleys of my life. One of these high peaks represents the award to me of the distinguished service medal of the American Legion. Another of these high peaks has pushed its way into the sky this evening. This good-government award of the Cross-cup-Pishon Post for which I am so deeply grateful, will always be cherished. Thank you again. I bid you all good luck, good evening, and a beautiful tomorrow.

ACCIDENTS AND DEATHS FROM ACCIDENTS OF THE HIGHWAYS

Mrs. ROGERS of Massachusetts. Mr. Speaker, on yesterday I introduced House Concurrent Resolution 337, which reads:

Whereas millions of motor vehicle traffic accidents occur in the United States every year; and

Whereas there are millions of persons injured and permanently crippled as a result of these accidents; and

Whereas there are many thousands of persons killed as a result of these accidents; and

Whereas many of these accidents occur over long weekends due to a holiday; and

Whereas many drivers of motor vehicles over these holiday weekends are inexperienced; and

Whereas many of the motor vehicles in operation on the highways over these weekends are mechanically defective; and

Whereas speed is very largely the cause of these accidents; and

Whereas it is the desire of the Congress of the United States to prevent as many motor vehicle accidents as possible over holiday weekends and prevent death and injury on the highways; and

Whereas, it is the desire of Congress to take whatever steps that are possible to limit these accidents: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That (a) it is the sense of the Congress that the speed of all motor vehicles on the highways over holiday weekends, with the exception of emergency vehicles, should be limited to 50 miles an hour, and that no vehicle should be permitted to operate on the highways over such weekend if it has not been inspected and certified to be in safe operating condition.

(b) The President of the United States is requested to notify the Governors of the several States of this resolution, and to request their cooperation in its implementation.

Mr. Speaker, when I was at home over this last week end I was besieged and implored by anxious fathers and mothers that something be done to limit, particularly over holiday weekends, the toll of death and injury by accident to young people of the United States and in fact to those of all ages.

Mr. Speaker, it is time we took some action, whatever action is possible, to stop these unnecessary and most cruel accidents. Do we feel that life is so cheap in the United States that we are not willing to try to protect the youth of our country and to protect older people, to protect those of all ages?

The President recently acted, as did our committees, to prevent some of the terrible accidents by air. That was a long time in coming. Mr. Speaker, I think we should take appropriate action, if possible, to prevent death by accident on the highways. Those accidents run into the millions and millions. The number of deaths is tremendous and they are mounting all the time. Not enough attention is paid to this very horrible situation.

Mr. Speaker, I would like if possible that this come up under unanimous consent, although it has not yet been referred to a committee for action, before the long week end over Memorial Day. I shall beg and try to see if by chance some action can be taken. I would like to remind the House that the 4th of July comes on a Friday. That means a long holiday weekend. I remind the House that Labor Day comes on Monday, and that is going to mean a long weekend. We have coming in the immediate future several long holiday weekends. I am sure every Member, if he puts his mind to it, will help. I trust the President of the United States will issue a very strong plea and take some action, as he did to limit air traffic accidents. The passage of this resolution should help.

That is my wish and my prayer, Mr. Speaker.

THE TOWNSEND PLAN

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] may extend his remarks at this point in the RECORD and to include extraneous matter.

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

There was no objection.

Mr. FLOOD. Mr. Speaker, today I introduced a bill often referred to as the Townsend plan bill—but this bill is a change in the Social Security Act. I now give a brief analysis of the bill.

The Townsend plan bill will amend title II of the Social Security Act providing uniform benefit payments to all eligible beneficiaries financed by a tax on gross income—gross receipts—beginning with 1 percent and progressing to a maximum of 2 percent.

Eligibility for benefits: Primary beneficiaries—persons in the United States who are 60 years of age and over, totally and permanently disabled persons 18 to 60, female heads of families with dependent children under 18, subject to requirements outlined below.

(a) Secondary beneficiaries—children in the United States under 18 dependent upon an adult beneficiary—and children under 18 orphaned or otherwise deprived of parental support.

(b) Any person except a child—secondary—beneficiary must have resided in the United States at least 10 years.

Earnings provisions: Adult beneficiaries—including mothers under 18 with dependent children—may earn up to $75 per month without reduction in benefits, with benefits reduced $1 for each full $2 earned in employment or self-employment over $75 per month.

(a) Child beneficiaries reduce benefits $1 for each full $2 earned over $50 in any month.

These provisions are designed to encourage beneficiaries to take part in productive life without facing frustrating penalties, but set up sufficient loss of benefits to discourage them from underbidding for jobs. This will aid greatly in the rehabilitation of the disabled; in easing our youth into gainful occupation; and in easing workers into retirement.

Benefits: All primary beneficiaries will be entitled to the same benefit, unless penalized for some violation of the law or unless they voluntarily apply for less than the full benefit. All child beneficiaries will be entitled to one-third of the prevailing primary benefit.

(a) Benefits will vary somewhat from month to month because of changes in prices and economic conditions, all of which will be directly reflected in the revenue from the gross income tax. As living standards advance in general, the benefits of the program will advance accordingly, since the volume of business necessary to such advanced standards will result in increased revenue from the gross income tax. However, this will not mean the beneficiaries need not know how much they are to receive each month—necessary administrative procedure will make known the amount of revenue collected for any given month long before the time of its actual distribution as benefits.

(b) Statistical information on business and population indicates that primary benefits at the present time would average between $130 and $140 a month. However, to guard against the possibility that in the early stages of the

program—as has been the case with most new programs—many people would not qualify themselves promptly for benefits, resulting in a relatively few beneficiaries dividing the revenue into unjustifiably high benefits—a limit of $150 a month is placed on all benefits for the first 24 months of the program. After 2 years, presumably, all possible beneficiaries will be participating. Thereafter, the total number of beneficiaries will vary but very slightly, apart from increasing normally as time goes on. After 24 months, no limit on the size of benefits will exist, and beneficiaries will divide the revenue at a substantially constant rate. As economic expansion continues and general living standards rise, Townsend plan benefits will also rise. Only in the initial phase of the program will a statutory limit on benefits serve any justifiable purpose.

The amount of benefits is designed to add to the income of the aged the amount necessary to enable them, generally, to participate fully in prevailing national standards of living. Despite all social-security programs and efforts so far—public and private—the comparative income-position of the average aged American has been declining since the end of World War II.

Only benefits of the amount provided for in this program can serve the ends of social justice. Only by being variable, as provided for in this program, can benefits be adequate at all times.

Death benefits will be provided by continuing deceased beneficiaries' benefits for 3 months after death.

Financing: A Federal gross income tax of 2 percent on all personal incomes above $250 monthly and on all company incomes—gross receipts—will be levied. Tax returns will be made monthly and taxes paid monthly.

An account will be established in the United States Treasury to which the revenue will be credited. Administrative costs will be deducted, month by month, and the total balance of each month's collections will be distributed in the form of benefits. Benefits received in any month will have been raised in the sixth month preceding.

Principle administrative and miscellaneous provisions: Beginning with the seventh month after its effective date, the system will be in operation and paying benefits. It took title II of the Social Security Act—old-age and survivors insurance—5 years to pay out its first few benefits.

The gross income tax will start at 1 percent for 6 months, increase one-fourth percent each calendar quarter until it reaches 2 percent—thereby instituting and fully maturing the system within a year and a half of its effective date.

Beneficiaries of present programs of old-age and survivors insurance, Federal disability insurance, and the various public-assistance programs will lose no benefits with the enactment of the Townsend plan. The Townsend bill provides that in cases where, at the start, its benefits might be less than some social-security benefits, the difference will be made up from social-security funds. Then, as the gross income tax increases from the 1 percent starting rate to 2 percent, benefits will increase steadily until all will be receiving more than twice as much as the average payments under the present programs. Thus, a smooth transition from the present system to the Townsend plan, benefiting all and with losses to none, honoring fully all benefit rights under present programs, will take place.

The Townsend bill provides that all money in the old-age and survivors insurance and the Federal disability insurance trust funds are expendable under authorizations by Congress to implement the provisions of the Townsend bill, but for no other purposes.

PANAMA-UNITED STATES RELATIONS: CANAL ZONE RESIDENTS SPEAK

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FLOOD] may extend his remarks at this point in the RECORD and to include extraneous matter.

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

There was no objection.

Mr. FLOOD. Mr. Speaker, since addressing the House on March 26 and April 2, 1958, on the subject of sovereignty of the Panama Canal Zone, I have received numerous communications from people in many walks of life in various sections of the Nation. These include many from the Canal Zone, who, as residents there, are well informed as to actual conditions on the isthmus through personal observation and experience.

The unanimous approval of the views expressed by me is solid proof of the importance of those two addresses. Their timeliness is firmly established by the tragic story of the recent trip of the Vice President to South America, culminating in the events at Lima and Caracas, together with recent occurrences in Panama beginning with the flag-raising incident in the Canal Zone and the rioting, with fatal consequences, of students in Panama City and Colon. It is clear that there is communistic influences and leadership behind these student outbreaks.

Mr. Speaker, I wish to stress at this time that these outbreaks in Panama cannot be viewed as purely local affairs. Soviet agents were there just as they are in every country of the Western Hemisphere. They are busily fishing in troubled waters and taking advantage of every condition of unrest to promote demonstrations of violence, with the special purpose of creating intense animosity against the United States and the impairment of our international relationships. All this is being done to divert our attention from the Near East.

In order that the Congress and the executive department may have a cross-section of the views of residents in the Canal Zone, I quote a letter from one of its civic councils as follows:

MAY 9, 1958.

HONORABLE SIR: I represent the * * * civic council, a group elected by the people of * * *, Canal Zone, towns of United States rate Panama Canal Company employees. At our April meeting, it was moved and unanimously carried that this body sincerely commend you for the courageous, enlightened and timely stand you have taken in regard to the exercise of powers "as if it were sovereign" of our Government over the Canal Zone.

We who work in the Canal Zone, and live more closely with the situation, are most heartily in accord with your March 26 speech in the House of Representatives. Knowing the reaction of the radical element of Panama, we are not surprised at the many charges, countercharges and false statements that have been forthcoming since your speech was published locally. We do, however, desire to make known to you the reaction of your fellow United States citizens, residents of the Canal Zone. To that end, we have questioned many of our coworkers in the various trades and professional groups to enable us to report to you an adequate cross section of their views.

We have found not one United States citizen who disagree with you. The following are a few quotations:

A housewife: "That man should be encouraged. You men should write to tell him so."

A naval officer: "There should be more Congressmen like him."

A machinist: "He did not go far enough."

An engineer: "That part about the State Department giveaway and appeasement policies is too true."

A stenographer: "I hope he keeps on talking until something is done about it."

A draftsman: "We certainly know he has the facts and knows the true story. More power to him."

A Navy civilian employee: "It's time something like this was said. I only hope something comes of it."

A mechanic: "That man should come here and talk with us individually. We can give him much more information."

An engineer: "I wonder how far the State Department did go with Panama and what they have promised under their own interpretation of the treaty. Congressman FLOOD should keep on until the whole thing is cleared up."

A customs department employee: "Someone had better stop it before it goes too far. FLOOD has made a good start."

The above are typical quotations by intelligent and interested people of the Canal Zone who are sincerely pleased that you have informed yourself so thoroughly and have so ably set forth the situation in clear and understandable terms.

We hope that this letter will afford the encouragement you have earned and the inspiration for you to continue the good work you have started.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted, as follows:

To Mr. VINSON (at the request of Mr. PRESTON), for today and the remainder of the week, on account of death in the family.

To Mr. CRETELLA, for June 2 and June 3, on account of official business at Newington, N. H.

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. KILDAY, for 60 minutes, on June 2.

Mr. MOULDER, for 15 minutes, today, to revise and extend his remarks and include extraneous matter.

Mr. REUSS, for 15 minutes, today, to revise and extend his remarks and include extraneous matter.

Mrs. ROGERS of Massachusetts, for 10 minutes, today, and for 10 minutes on tomorrow.

Mr. BRAY, for 30 minutes, on June 4.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. RIVERS.

Mr. ULLMAN (at the request of Mr. BOLLING) and to include extraneous matter.

Mr. BOGGS (at the request of Mr. BOLLING) in two instances and to include extraneous matter.

Mr. MULTER (at the request of Mr. BOLLING).

Mr. CELLER (at the request of Mr. BOLLING).

Mr. VAN ZANDT.

Mr. MINSHALL.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following title, which were thereupon signed by the Speaker:

H. R. 7870. An act to amend the act of July 1, 1955, to authorize an additional $10,000,000 for the completion of the Inter-American Highway;

H. R. 10746. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1959, and for other purposes;

H. R. 12356. An act to amend the act entitled "An act to authorize and direct the construction of bridges over the Potomac River, and for other purposes," approved August 30, 1954; and

H. R. 12377. An act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolution of the Senate of the following titles:

S. 2498. An act for the relief of Matthew M. Epstein; and

S. J. Res. 166. Joint resolution authorizing an appropriation to enable the United States to extend an invitation to the International Civil Aviation Organization to hold the 12th session of its assembly in the United States in 1959.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

H. R. 8490. An act to amend the Agricultural Adjustment Act of 1938, as amended, with respect to rice acreage allotments; and

H. J. Res. 378. An act to authorize the President to proclaim annually the week which includes July 4 as "National Safe Boating Week."

ADJOURNMENT

Mr. BOLLING. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 44 minutes p. m.) the House adjourned until tomorrow Wednesday, May 28, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1963. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting plans for works of improvement for the Wild Rice Creek watershed, North Dakota and South Dakota, and the Canoe Creek watershed, Kentucky, pursuant to the Watershed Protection and Flood Prevention Act, as amended (16 U. S. C. 1005), and Executive Order No. 10654 of January 20, 1956; to the Committee on Agriculture.

1964. A letter from the Assistant Secretary of Agriculture, transmitting a report on the agricultural experiment stations, 1957, which covers the receipts, expenditures, and work of the agricultural experiment stations in the States, Alaska, Hawaii, and Puerto Rico, pursuant to section 7 of the Hatch Act, as amended, approved August 11, 1955 (69 Stat. 671); to the Committee on Agriculture.

1965. A letter from the Secretary of State, transmitting the annual report of tort claims paid by the Department of State for the calendar year 1957, pursuant to the Federal Tort Claims Act (28 U. S. C. 2673); to the Committee on the Judiciary.

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. BOLLING: Committee on Rules. House Resolution 578. Resolution for the consideration of H. R. 12591, a bill to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; without amendment (Rept. No. 1777). Referred to the House Calendar.

Mr. DAWSON of Illinois: Committee on Government Operations. S. 2533. An act to amend the Federal Property and Administrative Services Act of 1949 to authorize the Administrator of General Services to lease space for Federal agencies for periods not exceeding 15 years, and for other purposes; with amendment (Rept. No. 1814). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIS: Committee on the Judiciary. H. R. 11477. A bill to amend chapter 223 of title 18, United States Code, to provide for the admission of certain evidence, and for other purposes; without amendment (Rept. No. 1815). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 579. Resolution for the consideration of H. R. 12541, a bill to promote the national defense by providing for reorganization of the Department of Defense, and for other purposes; without amendment (Rept. No. 1816). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE 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. WALTER: Committee on the Judiciary. S. 2060. An act for the relief of Elizabeth Biro; with amendment (Rept. No. 1778). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2064. An act for the relief of Marie Ethel Pavlovitch and her daughter, Dolly Hester Pavlovitch; without amendment (Rept. No. 1779). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2087. An act for the relief of Eva Lichtfuss; without amendment (Rept. No. 1780). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2099. An act for the relief of Irene B. Moss; without amendment (Rept. No. 1781). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2147. An act for the relief of Chong Sook Rhee; without amendment (Rept. No. 1782). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2168. An act for the relief of Armas Edvin Jansson-Viik; with amendment (Rept. No. 1783). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2196. An act for the relief of Annadore E. D. Haubold and Cynthia Edna Haubold; without amendment (Rept. No. 1784). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2239. An act for the relief of Wadiha Salime Hamade; with amendment (Rept. No. 1785). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2245. An act for the relief of Moy Tong Poy; without amendment (Rept. No. 1786). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2251. An act for the relief of Manley Francis Burton; with amendment (Rept. No. 1787). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2256. An act for the relief of Luz Poblete and Robert Poblete Broaddus, Jr.; without amendment (Rept. No. 1788). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2301. An act for the relief of Genevieve M. Scott Bell; without amendment (Rept. No. 1789). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2346. An act for the relief of Lucy Hedwig Schultz; without amendment (Rept. No. 1790). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2493. An act for the relief of Maria G. Aslanis; with amendment (Rept. No. 1791). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2499. An act for the relief of Ilona Agnes Ronay; without amendment (Rept. No. 1792). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2503. An act for the relief of Maria

H. Aguas and Buena M. Castro; without amendment (Rept. No. 1793). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2538. An act for the relief of Florica Bogdan; without amendment (Rept. No. 1794). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2613. An act for the relief of Cedomilj Mihailo Ristic; without amendment (Rept. No. 1795). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2621. An act for the relief of Olive V. Rabiniaux; without amendment (Rept. No. 1796). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2650. An act for the relief of Tokiyo Nakajima and her child, Megumi (Kathy) Nakajima; without amendment (Rept. No. 1797). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2657. An act for the relief of Jesus Romeo Sotelo-Lopez; without amendment (Rept. No. 1798). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2713. An act for the relief of Abbas Mohammad Awad; without amendment (Rept. No. 1799). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2718. An act for the relief of Haseep Milhem Esper; without amendment (Rept. No. 1800). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2819. An act for the relief of Mrs. Hermine Melamed; with amendment (Rept. No. 1801). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2849. An act for the relief of Moo Wah Jung; without amendment (Rept. No. 1802). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3124. An act for the relief of Tommy Ilton Chatterton (Tommy Kim); without amendment (Rept. No. 1803). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 1691. A bill for the relief of Margherita Conca; without amendment (Rept. No. 1804). Referred to the Committee of the Whole House.

Mr. HILLINGS: Committee on the Judiciary. H. R. 2759. A bill for the relief of Josephine Shelby; with amendment (Rept. No. 1805). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 4330. A bill for the relief of Lucia (Castaneda) Sayaan, Gloria (Castaneda) Sayaan, Erlinda (Castaneda) Sayaan, and Pascual (Castaneda) Sayaan; with amendment (Rept. No. 1806). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. H. R. 7330. A bill for the relief of Demetrius Daskalakis; without amendment (Rept. No. 1807). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. H. R. 7725. A bill for the relief of Shizuko Sese Sheveland; without amendment (Rept. No. 1808). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Concurrent Resolution 321. Concurrent resolution approving the granting of the status of permanent residence to certain aliens; with amendment (Rept. No. 1809). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 595. Joint resolution for the relief of certain aliens; with amendment (Rept. No. 1810). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 609. Joint resolution for the relief of certain aliens; with amendment (Rept. No. 1811). Referred to the Committee of the Whole House.

Mr. CHELF: Committee on the Judiciary. House Joint Resolution 610. Joint resolution to facilitate the admission into the United States of certain aliens; without amendment (Rept. No. 1812). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 611. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; with amendment (Rept. No. 1813). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 1248. An act for the relief of Fred G. Clark; without amendment (Rept. No. 1817). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2940. An act for the relief of Joseph H. Choy; without amendment (Rept. No. 1818). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WILLIAMS of Mississippi:

H. R. 12694. A bill to authorize loans for the construction of hospitals and other facilities under title VI of the Public Health Service Act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. MILLS:

H. R. 12695. A bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates; to the Committee on Ways and Means.

By Mr. REED:

H. R. 12696. A bill to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates; to the Committee on Ways and Means.

By Mr. BROYHILL:

H. R. 12697. A bill to readjust size and weight limitations on fourth-class parcel post; to the Committee on Post Office and Civil Service.

By Mr. CEDERBERG:

H. R. 12698. A bill to adjust the compensation of certain postal field service employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CHRISTOPHER:

H. R. 12699. A bill to make equity capital and long-term credit more readily available for small-business concerns; to the Committee on Banking and Currency.

By Mr. DAVIS of Tennessee:

H. R. 12700. A bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; to the Committee on Public Works.

By Mr. FLOOD:

H. R. 12701. A bill to amend title II of the Social Security Act to permit retirement by all persons in the United States at the age of 60 years with benefits that will assure full participation by elderly persons generally in prevailing national standards of living, to provide like benefits for disabled persons, and to provide benefits for certain female heads of families and for certain children; to provide for the establishment and operation of this system of social security by an equitable gross income tax; and for other purposes; to the Committee on Ways and Means.

By Mr. HARRIS:

H. R. 12702. A bill to amend section 17 of the War Claims Act of 1948 to authorize rehearing of certain claims; to the Committee on Interstate and Foreign Commerce.

By Mr. HENDERSON:

H. R. 12703. A bill to extend for 2 years the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. HORAN:

H. R. 12704. A bill to amend the provisions of law codified as section 500, title 16, United States Code; to the Committee on Agriculture.

By Mr. PORTER:

H. R. 12705. A bill directing the Administrator of General Services to withhold further action relating to the disposal of certain land in the city of Roseburg, Oreg.; to the Committee on Government Operations.

By Mr. THOMPSON of New Jersey:

H. R. 12706. A bill to liberalize the tariff laws for works of art and other exhibition material, and for other purposes; to the Committee on Ways and Means.

By Mr. UTT:

H. R. 12707. A bill to add certain public lands in California to the Pala Indian Reservation, the Pauma Indian Reservation, and the Cleveland National Forest, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WAINWRIGHT:

H. R. 12708. A bill to amend the Perishable Agricultural Commodities Act, 1930, to provide that it shall apply to fresh flowers; to the Committee on Agriculture.

By Mr. WILSON of Indiana:

H. R. 12709. A bill to encourage equity investment in new and small business, to relieve unemployment and provide additional revenue to the Federal Government to be applied to debt reduction, and for other purposes; to the Committee on Ways and Means.

By Mr. McDONOUGH:

H. R. 12710. A bill to provide for research into problems of flight within and outside the earth's atmosphere, and for other purposes; to the Select Committee on Astronautics and Space Exploration.

By Mr. MACDONALD:

H. R. 12711. A bill to provide a 5-year program of assistance to enable depressed segments of the fishing industry in the United States to regain a favorable economic status, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BERRY:

H. J. Res. 615. Joint resolution to establish a Joint Committee To Investigate the Gold Mining Industry; to the Committee on Rules.

By Mr. ALBERT:

H. Res. 580. Resolution to amend the rules of the House to provide for a Committee on Science and Astronautics; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H. R. 12712. A bill for the relief of the Kroger Co.; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H. R. 12713. A bill for the relief of Rachel T. Carbonaro, Vivian T. Carbonaro, and Juliet M. Carbonaro; to the Committee on the Judiciary.

By Mr. CLARK:

H. R. 12714. A bill for the relief of Lazar Petrovic; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 12715. A bill for the relief of Mrs. Ana P. Cowan; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

The Reciprocal Trade Agreements Program

EXTENSION OF REMARKS

OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 27, 1958

Mr. BOGGS. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address which I delivered before the World Trade Club of Cincinnati, Ohio on May 20, 1958:

I was particularly pleased to receive your kind invitation to speak before the Cincinnati World Trade Club.

I need not emphasize the vital importance of the reciprocal trade agreements program to your area, and it is on this subject that I should like to address my remarks today.

We must look at our trade policy in the perspective of the times. The Soviet Union is challenging us in the struggle for men's minds everywhere. Significantly, the new Soviet Ambassador to the United States is an expert on trade and equally significant, the number two man of the Soviet Union, the Deputy Premier, Mr. Anastas Mikoyan, is a trade expert. It has been Mikoyan who has used trade to get a grip on the economies of such varied countries as Egypt, Syria, Burma, Iceland, and now missions are to be found all over Latin America negotiating for Brazilian coffee, Argentine wheat and beef, Chilean copper, wool from Uruguay, and similar raw materials.

The events of the last fortnight in Latin America demonstrate more eloquently than any words that I may command the efficiency with which the Communists exploit our trade difficulties. Of course, all of the demonstrations in Latin America against our Vice President were Communist inspired. But, had it not been for festering discontent caused by our lack of policy in trade matters toward many of these countries, I doubt if the Communists would have been quite so successful.

In this connection let me read a quotation from a recent article in Business Week magazine concerning the Soviet trade offensive:

"The Communists, for their part, are playing the political angles just as they did in 1955 before the last summit meeting. Soviet leaders keep stressing that 'mutually advantageous economic ties' will help ease international tension. From more normal trade relations the Communists obviously hope to gain political respectability.

"That would speed their political penetration of the Free World and help promote their already fast-expanding trade with the underdeveloped countries, including Latin America. In addition, the Reds probably stand to gain some real, if marginal, economic advantages from increased trade with the West."

Just a few months ago Mr. Khrushchev told American reporters in Moscow: "We declare war on you—excuse me for using such an expression—in the peaceful field of trade.

"We declare a war we will win over the United States. The threat to the United States is not the ICBM, but in the field of peaceful productions. We are relentless in this and it will prove the superiority of our system."

How shall we respond to this new challenge? How do we propose to fight this new kind of war and with what weapons? Can we afford to throw away what weapons we have or let them rust into uselessness? That surely would be the height of folly and irresponsibility. And yet that is what would happen if we scrapped the reciprocal trade program or crippled it with protectionist amendments. I am pleased to report to you tonight that the Committee on Ways and Means, on which I am privileged to serve, has resisted these pressures to destroy or cut the program. We have reported a good bill that is faithful to the principles of our program. I say we do have weapons to fight this war, weapons that are battle-tested and ready and the trade-agreements program is one of these.

We must recognize, however, that there is an important difference between what we can do through our trade policy and what the Soviet bloc can and is doing with its trade policy. In the case of the Soviet bloc it is the Government that is engaging directly in foreign trade, making deals designed to exploit weak points in the Free World economic picture. The basic philosophy of our trade program is that governments should progressively remove barriers to trade so that it will move in response to the needs and decisions of thousands upon thousands of individual businessmen conducting their businesses in an atmosphere of freedom of enterprise. That is the fundamental difference that reflects the basic philosophies of our two systems and it is a difference that needs emphasis. If we really believe in free societies and associations of men, of which free enterprise is one of the cornerstones, then it is important to put freedom to work for us in the field of trade relations.

This long-run contest is, after all, a contest of ideologies, of economic and political systems. We seek to unleash the energies, the initiative, the ingenuity of freemen throughout the Free World for the purpose of developing the economic life of that world so that the benefits of increasing productivity and growth can be shared by all. Trade, and expanding trade, in an atmosphere of greater and greater freedom is a vital means of accomplishing that objective. Our greatest strength, therefore, is also our greatest weapon. It is strange then that so many leaders of business at home who believe in free enterprise call for Government interference the moment trade crosses a national frontier.

There is a second important characteristic of the trade policy that deserves more attention than it has received. Unlike other proposed solutions to the difficulties that beset us, such as greater military expenditures and increasing foreign aid, trade is a weapon that brings us good returns today and in the future. By making trade freer and permitting it to expand, we are not only letting it go to work as an effective instrument of foreign policy and as a tool for strengthening the Free World and, therefore, indirectly weakening the Soviet bloc, we are also—and this is fundamental—adding to our own economic strength, improving our own economic productivity, giving better and more jobs to people in the United States, providing ourselves with increasing raw materials at lower costs and giving the consumer a greater break in terms of the range of things he can buy and the prices he has to pay for them. Viewed entirely from the point of view of our selfish economic interests as a nation, freer and expanding trade would be a policy that is very desirable to follow. But when in addition to purely selfish economic interests, we add the dimension of foreign policy and the contribution that trade can make to the economic health and prosperity of the Free World, then the development of an effective and sound trade policy becomes overwhelmingly essential. It seems to me that this is the proper perspective in which to view the reciprocal trade program and to weigh the many arguments pro and con that will fill the air over the next few months.

These, then, are the essential issues as I see them.

We must be frank about it. This program may cause competitive disturbances and injury to small segments of the American economy. But that is no reason to throw over the big idea, the good idea. The benefits from our trade policy both in terms of the benefits to our own econmy as well as in terms of our national security, are so overwhelming that they cannot possibly be permitted to be reversed by the special interests of a few. The United States economy makes adjustments each year to changing competitive circumstances that dwarf into insignificance the kinds of adjustments that would be required in response to a more liberal trade policy. By and large I feel that the future growth potential of the United States economy will permit these adjustments to take place without any undue burden on any segment of the economy or any group of individuals or individual businesses. Nevertheless, we cannot afford to undermine our program because of the fears, either real or imaginary, or what the adverse consequences of that program might be on the few. Indeed, where problems do arise it seems to me that we can exercise our imagination sufficiently to devise other ways of treating these problems, ways that would not undermine or do violence to the basic policy we wish to pursue.

The greatest danger to the trade-agreements program, however, does not come from those who would like to throw it overboard, and who would vote against any extension of the program. Rather it comes from those who are willing to vote for extension of the trade-agreements program if—and that is a pretty big if—if amendments are made in it that will take care of certain groups who want protection, or if some of the procedures under the program are changed, or if the period of extension is something less than 5 years, or if the authority to reduce tariffs is something less than 25 percent. It is from this kind of alleged proponent of the program that the greatest danger to the program lies.

I think our committee in reporting the bill that we have, has served the interests of our foreign trade program well. We have recommended a 5-year extension of the reciprocal trade agreements program and authority for the President to reduce duties by 25 percent, as the President requested. We have made some other amendments in the legislation, many of which are of a technical nature. There is one amendment that I am sure you have already read about and that you will hear more about in the future. That is an amendment which would permit both Houses of Congress by a two-thirds vote of each House to put in effect recommendations of the Tariff Commission under the escape clause after the President has refused to do so. I am frank to say that I did not like this amendment, for I think there are sufficient procedures and provisions in existing law that can offer remedies for domestic industries that are seriously injured as a result of import competition. I do think that the amendment that the committee accepted was carefully worked out to be consistent with the basic framework of the trade-agreements program. Although I think that our committee's bill is a good bill, and I should point out that all its amendments have been accepted by the administration, I must say in all candor that it is a

basic minimum that should not be compromised if we are to have a meaningful trade-agreements program in the years ahead. I say this for reasons that are very important. Let me cite one that relates to the extension for 5 years and authority to reduce tariffs by 25 percent. I believe that this feature of the bill is absolutely essential.

One of the leading amendments being talked about most provides for a 3-year extension. Now it is perfectly true that in the past the trade agreements legislation has been extended for a maximum of 3 years from time to time. Why then, should it be extended for 5 years as the President has asked? The answer is very simple. Through a 5-year extension we hope to accomplish something that could not be accomplished by a 3-year extension. We hope to enter into a meaningful trade agreement with the six countries that make up the common market in Europe and possibly with several of the other countries who make up the larger free-trade area in Europe for the purpose of reducing the tariffs that they will be imposing against goods from the outside, particularly from the United States. A 5-year extension is necessary so that such an effective agreement can come into being. The timing of the common market is such that the first adjustment in the external tariff of the 6 will take place in 1962, that is, 4 years hence. That will be the time to effect a change in their external tariffs to the advantage of our trade. Now it takes time to negotiate a trade agreement and more than that we need preparatory time so that the six will be on notice of our intent to enter into a trade agreement with them. With a 3-year extension of authority, the President would find himself without authority to enter a trade agreement just at the time when he would be able to use that authority in making a trade agreement with the common market.

There are other amendments that will be pushed by the opponents of the trade-agreements program both in the House and in the Senate after the House completes action, which I hope and expect will sustain the decisions of our committee. Many of these amendments would, in effect, return the whole process of fixing rates of duties to the Congress without regard to the President and without regard to the obligations that we have undertaken in trade agreements negotiated under the program so far.

Such amendments, of course, turn the clock back to the Smoot-Hawley days. This means that Congress would be attempting to write thousands upon thousands of tariff rates. Imagine, if you will, the log-rolling and back-scratching which would be substituted for a constructive foreign-trade policy.

The late Senator Arthur Vandenberg, after the tremendous labors of the Smoot-Hawley tariff, commented that never again should the Congress attempt to write a general tariff bill. He pointed out the utter futility of this attempt and since that time the number of commodities subject to tariff rates has increased by many, many thousands.

A third type of amendment that is being proposed would provide for the extensive use of import quotas as a means of regulating manufactured imports. This is to my mind a most curious and dangerous kind of proposition. One of the major arguments that I have heard the opponents of this legislation make over the years is that the reciprocal trade-agreements program has not been reciprocal enough. The argument is that foreign countries have used import quotas, licensing arrangements, and exchange controls to regulate imports into their countries and that the use of these weapons tends to reduce or eliminate the tariff reciprocity that we expected to enjoy as a result of the trade agreements that we have entered into with them. Now, of course, as every businessman familiar with foreign trade knows, these restrictions against United States imports are very burdensome on our export trade, and progress has been made in their removal over the last few years. But they were put on and they exist today because of the need to protect the balance of payments and foreign-exchange reserves of these countries. The dollar shortage is still a problem that confronts a great many countries. If you don't have enough dollars to pay for all the goods you want, you have to ration the supply of dollars for use on goods that enjoy the highest priority.

The fact is that in 1957 our exports of merchandise exceeded our imports by $6 billion and foreign countries lost some $800 million of reserves in that period.

Surely the best way to gain the removal of these restrictions against United States exports is to increase the dollar earnings of foreign countries, to close that $6 billion gap by increased trade. Instead of taking the constructive route that offers a long-run solution to the problem, the protectionists want to imitate these varied devices that will further burden international trade.

These are just some of the amendments to the legislation that are now being proposed. There will certainly be others. There will be many ingenious attempts to scuttle and undermine the reciprocal trade-agreements program. These have to be fought and defeated if we are to have a program that makes sense in terms of the position of our country in the world today.

Yes, I think we have a crisis in our trade policy today. I think it will still be difficult to obtain a strong new law, although the action of our committee is very encouraging in this respect.

But at the same time I am confident—I am cautiously confident—that we will succeed, for I believe that the American people recognize what is at issue in this fight. We have an awesome responsibility. One that must be shared by every citizen, by every Member of the Congress, and not the least of all, the President of the United States, whose position will be crucial in the course that this legislation follows through the Congress of the United States. The stakes are therefore high and we have to play to win. If we do, we will win, and the rewards will flow for many years to come.

Armenian Independence Day

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 27, 1958

Mr. MULTER. Mr. Speaker, May 28, 1958, marks the 40th anniversary of Armenian Independence Day.

Armenian Independence Day is not marked as a great, or significant event in world history, but that day marks a momentous landmark for the Armenian people. That day stands for the rebirth of Armenia as a nation after the lapse of more than 500 years. The Armenian people had lost their national independence long before the discovery of America, but they had succeeded in keeping alive their national consciousness for freedom and independence. And for holding to these ideals they were massacred by their implacable enemy, the Turks. During the First World War nearly 1 million Armenians lost their lives, and the survivors of that holocaust gathered in their homeland, at the foot of their historic Mount Ararat, and proclaimed their independence on May 28, 1918.

The newly born state began under severe handicaps. Economically it was in ruins; politically it was insecure. Nevertheless, in the course of about 2 years a democratic government was instituted there. It was recognized by the leading powers of the West, and it succeeded in maintaining the country's precarious independence. In the fall of 1920, however, the enemies of freedom and independence were readied to attack Armenia. The combined Communist Russian and nationalist Turkish forces put an end to Armenia's independence early in December of 1920. Since then, independent Armenia lives only in the memory of freedom-loving and patriotic Armenians. They celebrate their independence day in due solemnity wherever they are permitted to do so. I join them in the celebration of the 40th anniversary Independence Day.

Dedication of the Shippingport (Pa.) Atomic Power Station

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 27, 1958

Mr. VAN ZANDT. Mr. Speaker, on Monday, May 26, the world's first full-scale atomic power station devoted exclusively to peaceful uses was dedicated at Shippingport, Pa., in accordance with the following program:

12:50 p. m.: Welcome, Philip A. Fleger, chairman of the board, Duquesne Light Co.

1 p. m., dedication (on television): Remarks by Philip A. Fleger, chairman of the board, Duquesne Light Co.; Mark W. Cresap, Jr., president, Westinghouse Electric Corp.; Lewis L. Strauss, Chairman, United States Atomic Energy Commission; the Honorable James E. Van Zandt, member, Congressional Joint Committee on Atomic Energy.

Dedication (from Washington) by President Dwight D. Eisenhower. (At the conclusion of his dedication speech the President will wave a neutron wand over a neutron counter which, by remote control, will open the main valve on the turbine generator at Shippingport and raise the electric power load to full capacity, 60,000 kilowatts, sending electricity into homes, stores, and industrial plants in the Pittsburgh district. Both the wand and the neutron counter were used by the President for the Shippingport groundbreaking, September 6, 1954.)

Representing the Congressional Joint Committee on Atomic Energy, it was my privilege to deliver the following brief address titled "Shippingport—Our Answer to the Russians":

SHIPPINGPORT—OUR ANSWER TO THE RUSSIANS

(Speech by Hon. JAMES E. VAN ZANDT, member of the Joint Committee on Atomic Energy, at ceremony for dedication of Shippingport plant on May 26, 1958)

It is a distinct honor for me to have the privilege of representing the Congressional

Joint Committee on Atomic Energy on this important occasion.

From the standpoint of the Joint Committee, our eyes have been focused on this project from its inception and this project is truly considered one of our favorites.

Already you have heard from distinguished guests on this program and you have been furnished with many of the details of this, the world's first commercial atomic powerplant.

Therefore I should like to touch briefly on another aspect of this tremendous accomplishment in the field of atomic energy.

Just 2 weeks ago the Soviet Union launched Sputnik No. 3, a 3,000-pound satellite, which is now circling the earth every 106 minutes.

The Soviets are tremendously proud of their sputniks and, shortly after Sputnik No. 3 was launched, Soviet Premier Khrushchev boasted to the world that Russian advances in modern science and engineering were superior to those in the United States.

We are here today, in my home State of Pennsylvania, to give the American answer to Mr. Khrushchev in dedicating the Shippingport reactor which will be used for peaceful purposes and as the first step in the development of atomic power to benefit the consumers in our country and in the Free World.

It is true that the Soviets have made tremendous accomplishments in modern rocketry, obtaining a thrust which many experts have estimated to be around 500,000 pounds.

But of what value are the Soviet rockets to Ivan consumer, who is still enjoying an inferior standard of living?

While the Soviets have been working on their rockets we in the United States have been working on a vigorous defense program, and, at the same time, have been making a reality of President Eisenhower's pledge of atoms for peace.

Last October I visited Soviet Russia for 6 days, together with some of my colleagues on the Joint Committee, and inspected Russia's atomic energy research centers.

Again and again we asked to see the large-scale atomic powerplants which the Soviets had previously claimed to be under construction.

We were given evasive answers, delays, and refusals.

Does this mean that the Soviets have abandoned their atomic-power program and are doing little or nothing to develop atoms for peace?

Shippingport to me is a good answer to the Russian sputniks, since in this country we have built an atomic powerplant that is exclusively for peaceful purposes.

This reactor is the first of a series of large-scale atomic powerplants—from which will stem the secrets of the art—as far as atomic power is concerned.

In addition, this reactor is a good example of Government and private industry pioneering together in a new field of great technical difficulties. Truly it is free enterprise at its best.

Therefore, the Russians should take a good look at private industry in this country, and carefully examine this partnership between Government and business.

In Russia, the Government owns everything, and there is no competition with the Government, as Mr. Bulganin, General Zhukov, Mr. Malenkov, and scores of others can testify.

But here things are different.

Even in this very first reactor private industry participated and I would like to congratulate the Westinghouse Electric Corp. and Duquesne Light Co. for helping to share part of the cost burden for this first prototype reactor.

In this country we believe in private industry and in competition.

We believe that through the normal American incentives and the desire to make the best mousetrap, and make an honest dollar in the process, we will develop atomic power.

If we encourage private industry and help it to get started for just a few more years in this new and difficult field we will lead the Russians.

This, then, is our answer to the Russian sputniks.

We are developing the atom for peaceful purposes and we are doing it by means of partnership between Government and industry.

All of us, the Atomic Energy Commission, Admiral Strauss, Admiral Rickover, and the Atomic Energy Commission laboratories, and the Duquesne and Westinghouse Co.'s can be justifiably proud of this, the first all-commercial reactor.

Let us consider it as a monument to American genius and our system of free enterprise, which is the envy of the world.

Yes, Shippingport is our answer to Mr. Khrushchev and his sputniks.

Some More Stories That Tickle—Excerpts From Broadcast, June 15, 1958, New York Station, WINS

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 27, 1958

Mr. CELLER. Mr. Speaker, in one of my previous broadcasts, I included some stories and witticisms. I also told of the gentle art of insult. There has been a considerable number of requests for more. This, therefore, is sort of a repeat performance.

I have been reading John Gunther's Inside Russia, and he tells of a gathering at the Turkish Embassy. Former Ambassador Bohlen introduced John Gunther to Khrushchev as a writer and journalist. Thereupon, Khrushchev gave it as his opinion that journalists were an extremely low breed of cats. This strong remark was as unexpected as it was boorish. Gunther saw a few feet away Shepilov, who was then foreign minister. He was conducting some sort of press conference. Gunther remembered that he had been editor of Pravda. Gunther then responded to Khrushchev, "If you have such a low opinion of journalists, why did you make a journalist your foreign minister?" Khrushchev reddened. He replied, "He is the only good journalist in Russia, so we had to give him a job." That must have made the faces of many other journalists red.

It is said that when Stalin died and Khrushchev was on his rampage of de-Stalinization he did not know what to do with the body of Stalin. He cabled Eisenhower whether he would want the body of Stalin. Eisenhower cabled back. "We don't take Commies, dead or alive." Khrushchev then cabled Eden. Eden said he was embarrassed enough by Suez and, therefore, would not take Stalin. Khrushchev then cabled Ben Gurion of Israel, asking him to take Stalin. Ben Gurion replied, "We will take the body but remember Israel is the land of resurrection." Khrushchev cabled Ben Gurion, "Never mind. Have decided to keep the body in the Kremlin."

Now that we have mentioned Israel, it might be appropriate to call attention to the fact that Israel is hemmed in closely by enemy states. Wherever you are in Israel, you can well nigh see a border. Conductors on the railroad that goes to Tel Aviv from Jerusalem, go through the cars and yell, "Ladies and gentlemen, please don't put your head out of the state."

The other day in my desultory reading, I ran across a few Scotch jokes. You know a Scotch joke is as persistent in growth as is the thistle; as universal as whisky; sometimes as difficult to understand as the bagpipes.

It is said that the kilt was invented because it had no pockets and what use have the Scotch for pockets?

I am told that in the treaty which concluded the union with England way back in 1707, the Scotch retained the right to manufacture whisky. That may be the reason why there is no English whisky—only Scotch whisky. Speaking of whisky, I recall the story of Lady Astor speaking in the interests of temperance. It was during the time of our "noble experiment"—or shall we say ignoble experiment," namely, prohibition. She was addressing a group of rough and grimy London dockworkers. In speaking of the perils of drink, she said, "I'd rather commit adultery than drink a glass of beer." The dockworkers with one voice yelled, "Who wouldn't?"

Now back to Scotland again, I am told an example of rigid economy is a dead Scot. And of course, there was the Scotchman who sent his pajamas to the laundry with a sock in each pocket.

The Scotch doctor lay dying. After 50 years of helping others into and out of this world, he himself was to be called to face death, the noblest experiment of them all. With almost his last breath he said to his wife, the faithful companion of his joys and sorrows: "When I'm to be buried I want a nameplate on my coffin." "Ye shall have it," assured the widow-to-be; and contentedly, the ancient physician turned his face to the wall. And on the morning of his funeral the passersby noticed that the polished brass plate which had graced the doctor's doorpost was missing; and the graveside standers read through their tears, as they lowered the casket into the earth, "Angus Abernethy, M. D., office hours, 9 to 11 a. m."

It was a Scotchman who walked into a dairy and asked for a pound of butter wrapped in today's paper.

"Jock, why are you beating your little boy?" "He bought an all-day sucker at 3 o'clock in the afternoon."

When they reduced the carfare in Glasgow from eightpence to sixpence the natives were furious. It enabled them to save only sixpence instead of eightpence by walking home.

One cautious Scotsman refused to go to a banquet because he did not know what the word gratis on the invitation meant. Next morning he was found dead before an open dictionary.

Sandy pulled out his handkerchief and a set of false teeth hit the deck. "They are the auld woman's," he explained,

picking them up. "I caught her eating between meals."

Sandy's wife lay very ill. In fact, the doctor had as good as said that the end was only a question of time. Beside the bed, by the light of a single candle, Sandy kept watch. Eventually he found it necessary to leave the room for a short time.

"Are ye all right, Maggie?" he questioned.

"As right as I can be this late along," came the hoarse reply.

"Well, I am leavin' ye for a minute or so. But Maggie—if ye feel yersel' slippin', will ye blow out the candle?"

Now back to England. The English are sticklers for protocol. I journeyed to London some years ago with an important piece of legal business. My solicitors were the firm of Littleton, Littleton, Littleton & Littleton. I sought to phone one of the partners. After reaching their office on the phone, I asked for Mr. Littleton. The voice on the other end said with a decided English accent, "Sorry, sir, but Mr. Littleton is grouse hunting in Scotland" I then asked again for a Mr. Littleton. "Sorry, sir," said the voice again, "Mr. Littleton is on vi-cation." "Well," I rejoined, "I'd like to speak to Mr. Littleton." I fear you cannot," replied the voice, "for he's ill in the 'ospital." I finally added, "Well, can't I speak to a Mr. Littleton?" "This is Littleton speaking," finally said the voice meekly on the other end of the phone.

Do you know where the word "tip" originated? Of all places, Scotland. A Scotchman originated the custom of tipping.

In the early days the English railroad trains stopped at the stations for meals. Naturally the travelers had to dine quickly. And once a Scotchman placed a sixpence beside his plate to attract attention of the waiter. The habit spread quickly and soon the owner of the tavern placed a sign over the door, reading: "To insure prompt service, pay the owner." The first letters of the words "to insure prompt service," make up the word "tips."

We Can Do a Good Job of Foreign Aid

EXTENSION OF REMARKS

OF

HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 27, 1958

Mr. BOGGS. Mr. Speaker, We are all relieved over the release of the American mining men kidnaped in Cuba by revolutionaries. They have been returned to their jobs and homes in good health and apparently none the worse for wear.

The news was especially welcome to us in Louisiana, for the great industrial project on which these men were working—and are now again working—is partly a Louisiana venture, and the excaptives have many friends and neighbors in my State.

It is difficult to read any sense into this strange, nightmarish episode. But it does draw our attention sharply southward once again—toward Latin America, where only a few months ago our prestige and our pride were heavily hit by the reception accorded Vice President NIXON.

At the time of that violently anti-American outbreak, this country began some earnest soul searching about our Latin American policy—where it had failed and what direction it might now take—with the aim of restoring some measure of Pan American amity. One thing was clear then. One thing is clear now. We must make absolutely certain that our aid programs do not simply enrich the already rich, to the neglect of the poor. We must endeavor to help raise standards of living for the mass of the people, and avoid contributing to the imbalance of wealth which is already so prevalent in the area.

In our consideration of ways and means to achieve this much-to-be-desired end, it would seem to me to be fruitful to examine those United States projects in Latin America which appear to be already accomplishing our purpose and which may therefore have a lesson for us in our future efforts to mend our badly damaged fences. The kidnaping in Cuba puts the spotlight on just such a project. The scene of the crime was a place in northeast Cuba called Moa Bay, where a vast nickel- and cobalt-mining venture is taking shape—a venture which, to my way of thinking, represents the best kind of aid to Latin American countries.

Let me give you a thumbnail sketch of the project, which is being conducted by Cuban American Nickel Co., a subsidiary of Freeport Sulphur Co., and which is creating for the United States a major new source of strategic nickel and cobalt.

The first step will be the mining of ore from the hills above Moa Bay. The ore will then be concentrated in a large plant near the mine, and the concentrates will be shipped to Port Nickel, near New Orleans. There the concentrates will be treated in a refinery to produce nickel and cobalt in metallic form. The annual productive capacity will be 50 million pounds of nickel and 4,400,000 pounds of cobalt.

A total of $119 million is being invested—$75 million of it in Cuba—to bring this project into being. It represents the largest single privately financed industrial enterprise in the history of Cuba.

Construction is currently underway, and production will begin in the summer of 1959. There now are some 2,500 Cubans employed on the job, and when the construction phase is over and the operation settles down to commercial production, there will be permanent, year-round employment for more than 1,000 Cubans. This is tremendously important to a country which is built almost entirely on a seasonal sugarcane economy, and which must wrestle everlastingly with an employment problem.

In addition, many millions of dollars will accrue to our Cuban friends through taxpayments and purchases, and through the growth of service industries. And this is no one-shot proposition. This is the creation of a new and enduring basic industry in an area of Cuba which is almost literally a wilderness. It is a major breakthrough in the development of Cuban minerals, and it may very well herald a future for Cuba as one of the principal mining centers of the world. For the same ores which yield nickel and cobalt may also one day yield iron, chrome, and other valuable metals.

Of course, the main question at issue—in the light of our difficulties elsewhere in Latin America—is what do the Cubans think of all this. And, on this question, the kidnapings shed considerable light. Throughout this ugly interlude, virtually all of the Cubans employed by the project stayed right on the job. Though the entire top management had been spirited away, the construction crews kept the work going on schedule. Such was the loyalty of the Cubans to this American undertaking that a group of foremen stranded in Santiago during the trouble actually undertook to charter a plane to the job site so that the work would not suffer.

This, I submit, is a sound tribute to the project and to the Americans who, despite formidable difficulties, are bringing the project into existence. It is tangible evidence that we can do a good job of foreign aid.

Yet the project does not come under any foreign-aid program as such. Actually it was made possible as a result of the Defense Production Act. Here is a little of the background.

The United States has little nickel of its own. The Nation has been dependent on imports—mainly from a single company in Canada. These imports for years have been inadequate to meet our defense and civilian needs. Congressional committees repeatedly have urged that the Nation's nickel supply be increased. The United States is by far the largest user of nickel—and would be strategically helpless without it. Nickel is essential for defense—in radar, in the Bomarc missile, in atomic-fleet units, in the B-58 bomber, in the experimental X-15 aircraft for space exploration. Accordingly, the prime objective of this Cuba-Louisiana project was to enable the Office of Defense Mobilization to reach its nickel expansion goal—an objective, I might add, which has been attained.

The project is an interesting example of cooperation among governments, private industry, and financial institutions. In the first place, the United States Government, acting through General Services Administration, entered into a contract with Cuban American Nickel Co. under which the Government agreed to buy, at the market prices in effect at the time of the agreement and within certain limits, the nickel and cobalt tendered to it during the early years of operation. The Government also granted accelerated tax amortization with respect to a substantial portion of the cost of the facilities. The Cuban Government, in turn, accorded the project the special tax status to which new industries are entitled under Cuban law.

On the strength of these arrangements, Cuban American Nickel Co. was then

able to borrow from a group of banks a substantial part of the capital requirements. The remaining requirements were supplied by Freeport and by six steel and automobile companies, all large consumers of nickel. The six companies also agreed to purchase substantial amounts of nickel under certain conditions and received the right to purchase additional amounts.

The United States Government, thus, is being called upon for very little. There is no direct foreign aid involved at the expense of the United States taxpayer. There is no United States Government money risked in loans. In fact, the Government may never participate even to the extent of buying nickel and cobalt. It is quite possible that all of the output will be sold to private industry.

To sum up the significance of the undertaking, it is providing the United States with a new source of strategic nickel. It has helped enable the Office of Defense Mobilization to meet its nickel expansion goal. It not only is helping Cuba but also is providing some 600 jobs in my State and is contributing in many other ways to Louisiana's better-than-average strength in the current recession. Most important, projects in Latin America such as this are helping to create friendly relations with our neighbors to the south and a solid front of good will.

Republicans Face the Future

EXTENSION OF REMARKS

OF

HON. WILLIAM E. MINSHALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 27, 1958

Mr. MINSHALL. Mr. Speaker, the distinguished senior Senator from Ohio, the Honorable JOHN W. BRICKER, on May 24 addressed the Ohio State Convention of Young Republicans, and it is with great pleasure that I bring to the attention of my colleagues his remarks. The address follows:

REPUBLICANS FACE THE FUTURE

(Address of Senator JOHN W. BRICKER before the Ohio State Convention of Young Republicans, Cleveland, Ohio, May 24, 1958)

This is a campaign year. This is a Republican audience. But in discussing the future with you this evening, I am going to look beyond November, 1958.

There are several reasons why I take the long view. In the first place, I suspect you are not interested in hearing a political pep talk. You know the record of this administration. You know its frustrations in dealing with a Democratic Congress. You know that President Eisenhower deserves a Republican Congress during his last 2 years in office.

Also, I suspect you are more concerned about the next generation than about the next election. If you are not, you certainly ought to be.

And finally, I think you may be fed up with political panaceas, including those advanced by Republicans. The huffing and the puffing of the great game of politics is tolerable, even amusing, in tranquil times. However, the perils of the hour do not permit us to play with trifles.

Politicians in both major parties have constructed dream worlds to accommodate the faithful who are afraid to face reality. In the Democratic dream world the Federal Treasury is an inexhaustible horn of plenty; progress is inevitable, A- and H-bombs to the contrary notwithstanding; and self-reform follows automatically on the heels of social reform.

The Republican dream world, followed by but few, looks more to the past than to the future. In this dream world national isolation is a practical foreign policy; the rugged individualism of the long gone frontier is a cherished ideal; and all the anxieties of the modern age are ascribed to some political plot or conspiracy.

The Democratic dream world is commonly called liberal; the Republican, conservative. Neither label quite fits. Both major parties have usually managed to satisfy members of widely varying political coloration.

Leaving the dream world of politics, we find many real problems for which a liberal philosophy of government will provide one answer and a conservative philosophy another. However, there is a rapidly growing number of crucial issues for which no answer can be found in either liberal or conservative doctrine. A political party which has the courage to face these new problems and the intelligence to solve them holds the key to human survival and human freedom. I hope, and I believe, that the Republican Party will assume this grave responsibility.

The first necessity is a searching reappraisal of the goals of our society and the relationship which ought to exist between our society and that of other peoples. In suggesting that neither liberalism nor conservatism provides any rule of thumb for salvation, I do not mean that we should scuttle the traditional tenets of either philosophy. In the future, as in the past, we shall need the conservative's reluctance to fling away the lessons taught by the long struggle of human beings to free themselves from despotic or paternalistic authority. We shall need also the conservative's disinclination to accept, in the place of these lessons of history, the slogans used to justify the vesting of authority and responsibility in a centralized bureaucracy.

In the future, as in the past, we shall need the liberal's compassion as reflected in the abolition of slavery; the liberal's tolerance for unorthodox views, as evidenced by opposition to censorship; and the liberal's insistence on political equality, as shown by extension of the franchise to women. Unfortunately, we live in a time when words are mercilessly abused and, often, deliberately distorted. Traditionally, "liberal" referred to persons who wanted to emancipate individuals and groups so that they might freely exercise their powers, so far as this could be done without injury to others. Nowadays, liberal, more often than not, identifies a particular type of collectivist.

Nine years ago Bob Taft said, "the battle between liberty and totalitarian government permeates every problem of life." That is even more true today.

We like to think that men and women will never surrender the idea of freedom without some struggle, big or litle, before they admit defeat. Yet numerous Americans by their failure to vote seem to be admitting defeat. The admission stems from a paralyzed acceptance of the idea that a complex web of circumstances—the bomb, big government, the spread of communism, and so forth—taken altogether, constitute a process of change so profound and so revolutionary that individuals have no choice but to resign themselves to whatever the future may bring.

Already we are hearing the rationalization for throwing in the towel before the fight for freedom is won. Freedom in America, we are told, was simply a piece of accidental and transitory good fortune, dependent upon an almost empty continent, and upon the thought and labor of a group of exceptionally gifted men, dead more than a century ago. Fighting stoicism and apathy should be the most important duty of young Republicans. No person has any moral right to sit on the sidelines and view with sardonic detachment a world sinking into barbarism and decadence.

There are many reasons why numerous Americans are worried about the submergence of the individual by the state. Time permits me to mention only a few.

Consider, for example, the capitulation of many schools to what is called progressive or life adjustment education. This is by no means the exclusive concern of conservatives. Almost as many liberals have warned about the proliferation of courses having little or no intellectual content. You can't bring a girl into contact with our cultural heritage by having her write essays on how to clean up the city dump or how to hem a dress. You can't teach a boy chemistry or physics if he prefers to get equal academic credit for playing in the school band or for learning how to drive a car.

It is on the quality, I repeat, on the quality, of American education that the long-range effectiveness of our foreign and national defense policies wholly and absolutely depends. I will concede that on this issue of so-called progressive education the differences between the Republican and Democratic parties are somewhat blurred. But differences do exist. Republicans are not so foolish as to believe that the ills of our educational system can be cured by bandages made of greenbacks; or that some good doctor in Washington has a sovereign remedy. We know that a decent respect for learning must be won at the local community level, not only in the local schools, but in homes and churches as well. We know also that if parents expect something for nothing from Washington their children will naturally believe that their teachers, not they, must bear the laboring oar in the classroom.

Liberals and conservatives, Republicans and Democrats, seem equally disturbed about an obvious decline in morality and by what seems, in spite of increased church attendance, to be a weakening of religious faith. Obviously, there is no political solution. We may well be concerned, however, about the steady expounding of a collectivist social gospel. It was this gospel to which Dr. Henry Wriston referred in his convocation address several years ago at the Yale Divinity School. It is easier, said Dr. Wriston, "to ride the crest of the new wave of the future of social reform and legislative equalization than to preach individual responsibility." The Republican Party has been less willing than the Democratic Party to supply the surfboard.

There has been, in general, a dangerous weakening of political, social, and moral traditions. The results are reflected in increased juvenile delinquency; in growing rates of divorce; in disrespect for the constitutionally reserved powers of the States; in a shrinkage of the sense of individual initiative and responsibility; in dehumanization of labor; in increased pressures toward conformity; in widespread social boredom; and, as I have previously mentioned, in anti-intellectualism. But what I especially want to emphasize is that our cherished traditions have been weakened much less by conscious design than by strong impersonal forces. Among these strong impersonal forces are a mushrooming population growth, rapidity of transport and communication, and fantastic economic and scientific progress.

The future of this great country of ours, assuming we can avoid atomic annihilation and Soviet conquest, will depend on how successful you young people are in reconciling the powerful impersonal forces of

which I have spoken with the political, economic, and social institutions essential to the preservation and perpetuation of human freedom. I assure you that this will be no easy task. The answer does not lie in any body of political doctrine. It has not yet been written into any party platform. But perhaps I can indicate by a few questions that the challenge to you young Republicans is greater by far than any presented to your elders.

How long can you gobble up 1,100,000 acres of farmland every year for highways, factories, and subdivisions without destroying needed agricultural production or national elbowroom in the great outdoors?

How are you going to close the gap between technological power, increasing on a nearly vertical curve, and the relatively constant supply of human wisdom and morality needed to control that power?

How are you going to adapt the organic law written for a nation of 3 million people to a nation that may become almost as populous as India or China?

If people do not sink deep roots into relatively stable communities, what substitute for community censure will you devise to check crime and immorality?

Without abridging freedom of speech how are you going to cope with the political and social dangers inherent in mediums of mass communication concentrated in a few hands?

If the Republican Party does not have the answers to these questions on the horizon, at least it has the honesty not to pretend to have them. We can tell the voters in all honesty, however, that unless the cold war is honorably and peacefully ended there will be no opportunity for free Americans to grapple with the problems of the future. And this brings me to the most immediate concern of the American people—the power of the Soviet Union and the moral irresponsibility of its leaders.

Foreign policy ought to be a major issue in this campaign year. I am not one who believes that politics should stop either at the water's edge or outside the doors of the Pentagon. The people have a right to know and a duty to decide. It is unthinkable to stifle political discussion of issues intimately related to the survival of the human race.

As Republicans we can be very proud of the record of the Eisenhower administration in avoiding war while at the same time confining communism to virtually the same territory it held 6 years ago. We can be sure that President Eisenhower, notwithstanding extreme Soviet provocation, is not going to abandon the quest for peace. Moreover, the Republican Party will never launch a war, or permit the Nation to be dragged into war, for the purpose of solving domestic unemployment.

President Eisenhower and Republicans in the Congress have avoided two extremes in foreign policy. The adoption of either extreme position would be calamitous. The first extreme is that we should not negotiate with the Soviet Union except on the terms of its dissolution. The overwhelming majority of Republicans and Democrats have rejected the idea that the only alternative to the cold war is the unconditional surrender of the Soviet Union.

At the other extreme is a will to believe, in spite of a multitude of broken promises, that the rulers in the Kremlin can be trusted to carry out agreements to end the threat of mutual annihilation. This sentimental view is largely confined to Democratic circles. Not many Democrats actually say we ought to rush headlong into a summit conference, but many of them condemn as rigid and inflexible the conditions imposed by President Eisenhower and Secretary of State Dulles. Those conditions are that adequate preparations be made; that an agenda for the summit be agreed to; and that the Soviet Union provide some evidence of its willingness to negotiate in good faith. Those who argue for a summit conference without these conditions being met have substituted wishful thinking for prudential logic.

An even more dangerous manifestation of sentimentality is on the subject of nuclear weapons testing. You will recall that the Democratic Party's candidate for President in 1956 called for stopping these tests without any enforcible agreement to insure Soviet compliance. Since then, the hazards of radioactive fallout have been grossly exaggerated. The gush of sentimentality on this subject has been so great as to partially obscure these facts:

First. There is no real health danger in the present rate of atomic-bomb testing.

Second. The problem of antimissile defense is insoluble if we halt these tests;

Third. We have learned, as a result of these tests, how to make clean bombs, which means that if global war cannot be avoided the human race will still have a fair chance of survival;

Fourth. We have learned, as a result of these tests, about many peaceful applications of atomic energy;

Fifth. If we unilaterally stop our tests, the Soviet Union can continue some of theirs without detection; and

Sixth. Communist Russia has violated almost every major international agreement it has signed.

Young Republicans in company with other young Americans face a difficult and challenging future. You and your friends, as reasonable and honest men and women, may well disagree on how to solve problems without precedent. But I hope you will tell as many people as you can during this 1958 campaign in Ohio that there will be no future at all if the balance of political power in this country passes into the hands of those who are willing to sign a suicide pact with the man who has sworn to bury us all.

Congresswoman Edith Green's Report on Russian Education

EXTENSION OF REMARKS

OF

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 27, 1958

Mr. ULLMAN. Mr. Speaker, following her return from a recent trip to the Soviet Union, Congresswoman EDITH GREEN prepared a series of articles highlighting her impressions of Russia and of its educational system. While these articles have already been published in the Oregon press, I feel that they are of nationwide importance and that they will be of special interest to my colleagues.

As a member of the Committee on Education and Labor, Mrs. GREEN has been directly confronted with the educational challenge facing our Nation. She and other members of the committee have examined with close attention the educational system of the Soviet Union, considering both the benefits and shortcomings of that system.

I wish to take this opportunity to commend Mrs. GREEN for undertaking her long and arduous trip. The firsthand knowledge which she has gained, coupled with her close familiarity with education in this country, provides a background which will be much needed as Americans move forward to cope with their current educational problems.

Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following article:

SOME IMPRESSIONS OF RUSSIA

(By Congresswoman EDITH GREEN, of Oregon)

(Pt. 1, April 24, 1958)

The one overriding impression I had as I left Russia was that it was a country of startling contrasts—a country where the dead hand of the past still shows its control in unexpected places but where over 200 million people are directed—and, more often than not, dictated to—by a government that not only puts 5-year plans into operation but also fully expects to see long-range plans materialize.

A country with an educational program, immediate and long range, that is most impressive—almost unbelievable—with a government not only interested in launching sputniks but also in launching a generation of highly educated citizens and millions of skilled technicians.

A country where the government is actively antireligious but where, despite the government's activities, the churches are crowded, and at the Easter service, thousands of young and old were on the streets vainly trying to enter but being unable to find room in the Greek Orthodox churches.

A country where long lines form for 350 rubles ($3.50) tickets to superb opera and ballet performances at the Bolshoi Theater every night except Monday but where long lines also form to buy bread and other foods which they carry home without benefit of any wrappings.

A country that can successfully launch a good-size satellite and build the magnificent University of Moscow 33 stories high but builds "10 grade" schoolhouses that look 40 years old after only 2 years use.

A people with tremendous interest and enthusiasm for music, dancing, and painting, but who can give little, if any, expression to their artistic tastes in their dress, their personal belongings, and their homes.

A people who lay great stress on the place and importance of women but who have crews of older women repairing streets, throwing bricks into trucks, and shoveling dirt.

Moscow—a city where countless families live in 1-room apartments and where several share kitchen and bathroom facilities, but a city with a tremendous housing program underway with miles of eight-story apartment houses newly constructed.

A country which encourages its students to seek the truth in scientific matters and encourages investigations into the unknown in all the physical sciences, but which teaches the "party line" only in Communist ideology.

A people who claim they have complete freedom, but who must get a pass to go to the library, school, or the Kremlin.

A country where the older people, by and large, are uneducated and untrained by American standards, but where this generation is given educational opportunities undreamed of by their parents.

A country which has undergone a violent revolution and has seen its cities, towns, and much of its industrial potential destroyed by war, but by 1958 launched the first satellite, has jet passenger planes in operation and is ahead of us in the development of the ICBM.

What is the potential for 20 years from now of this country of strange contrasts when it is today spending 11 to 15 percent of its national budget on education?

What is the significance of this for the United States and its educational system?

SOME IMPRESSIONS OF RUSSIA

(By Congresswoman EDITH GREEN of Oregon)

(Pt. 2, April 29, 1958)

Russia is making a tremendous investment, not only in the sputniks today, but in the leaders of tomorrow. They obviously think it worthwhile—to the tune of 68 billion rubles a year; this means about 12 percent of their national budget is spent on education. An additional amount is spent on science, estimated at 15 billion rubles. (The current rate of exchange is 10 rubles for a dollar.)

Moscow Middle School No. 6 is probably a little above the average for the 600 10-grade schools in the Soviet capital. But the educational system is so standardized that there isn't too much difference between the best and the poorest. By a more concentrated curriculum and a 6-day week, the subject matter covered in 10 years corresponds roughly to what we teach in 12 years of elementary and high school.

I visited kindergartens, middle schools, internats, House of Pioneers, pedagogical institutes and universities. The libraries and laboratories I saw were exceedingly well-equipped. I don't pretend to be an expert in Soviet education; I was there only long enough to scratch the surface. However, I did take with me the knowledge and observations made over several years of actual teaching in Oregon schools, plus a great amount of study and testimony given before the House Education and Labor Committee in regard to education in the U. S. S. R. It is impossible to compare all aspects of American and Soviet systems of education. Each system has its own strengths—its own weaknesses.

It is well established that all Russian schools are teaching foreign languages—English, German, or French and, in some experimental schools, Chinese, Hindi, or Arabic. I am told there are 41,000 English teachers in Russia; in every school I visited there was at least one who spoke English very well. Ordinarily the fifth grader starts the study of a foreign language, but in Middle School No. 6, English is studied in the second grade. A second grade class of 38 is divided into 3 small groups to study a foreign language. In second to fifth grades, they have reading, writing and conversations in English. In sixth and seventh grades this program is expanded. In the eighth grade they have a study of world geography in English. In the ninth grade history and literature in English, and in the 10th grade a study of English literature. Tenth graders carried on 15-minute discussions in beautiful English. Their counterparts in other schools spoke German or French just as fluently.

At School No. 1, I followed these 10th graders around for the better part of a day. There is very strict discipline in the classroom—absolutely no funny business, no whispering, no joking, no laughing. Education is very serious—they know that if they have high marks, the doors of the Institute or University will be open to them. Otherwise they will go to the technicum or join the labor force. Between classes they relax.

Besides studying English, the 10th graders were completing their fifth year of physics, their fourth year of chemistry; they had completed 5 years of biology and were also studying math, Russian language and literature, astronomy, history of the U. S. S. R., and gym. (In schools visited in the Ukraine, the same course of study but with the mother tongue added.)

Adequate school construction is a problem there as well as in the United States. Double shifts are well known.

An undetermined number of students at the seventh grade are transferred to the technicums, or they may go to a trade school, or they may join the labor force. So, in the middle schools beyond the seventh grade, attention is concentrated on the academically inclined. All studying is done at home; in talking with the students I thought this averaged 4 hours a day. Teachers in middle schools or at the Pedagogical Institutes with whom I talked knew nothing about achievement tests or IQ tests. Pure accomplishment is the yardstick. A new program has recently been started for the "wonder kids," a special training for the most talented.

In the 10-grade schools, lunch is served at 2:40 for the upper grades. The student either brings his lunch or he can buy it for 1½ rubles (15 cents). The parents committee of the school arranges to give lunch to the poor. The doctor and dentist come to the school three times a week; the nurse comes every day.

After 4 o'clock those students with the best grades may take additional classes at the House of Pioneers. This 35-year-old program is an expansion of the school program after school, in the evenings and on Sunday. The Palace of Pioneers has 3,000 members. Each student is limited to two "circles." This may be a circle for advanced study in chemistry or music or foreign languages, or it may be a circle for special lessons in ballet or speech or painting or chess or any one of a dozen other activities. The emphasis is not confined to science and mathematics. Great emphasis is put on languages and the fine arts. Many of the statues around the city are of famous poets or painters or musicians, as well as the statues of Lenin and Stalin. At the House of Pioneers, the school uniform is not required. Originally the Pioneers were organized as a Communist youth group. Now, more emphasis is placed on Communist indoctrination for those a little older in the Young Communist League.

Life is extremely serious for Soviet youth—although juvenile delinquency is a problem there, too. Communist youth leaders are discouraging rock and roll, and talking about the rise in "hooliganism."

With all the grimness and the relatively low standard of living, the Russians are not without a sense of humor. I attended a puppet theater one evening. The opening act was a choir of 60 voices—60 robed puppets on the stage singing in beautiful harmony: "We eat vitamins; we eat vitamins A, B, C, and D; we eat vitamins; those who eat vitamins will be healthy and live until they die."

SOME IMPRESSIONS OF RUSSIA

(By Congresswoman EDITH GREEN, of Oregon)

(Pt. 3, May 1, 1958)

In the colleges and universities in Russia there are 2 million students. The Minister of Higher Education told me that not less than 75 percent are studying English. In the technicums there are an additional 2 million students.

Moscow University is one of the showplaces of the city. The main building is a magnificent structure 33 stories high with 22,000 rooms in it. There are other buildings for chemistry, biology, the humanities, etc., altogether 40,000 rooms with 6,000 for dormitory facilities. There are 24,000 students. No one over 35 may be enrolled as either a full-time student or for evening classes. The 40th university is just being completed; it is in Siberia and will be the second scientific center of all Russia. There are 727 institutes which are schools of special study, such as law, medicine, engineering, teaching. At least 96 percent of all students enrolled in higher education are there on scholarships or have all university expenses paid. Those students who get excellent marks receive 300 to 800 additional rubles a month. However, if they receive the stipend, the Government then dictates the kind and place of work for the next 3 years. There were many pictures on a bulletin board outside the auditorium of students pioneering in the "Virgin Lands" (Siberia).

My student guide took me to classrooms, assembly halls, little theater, swimming pool, cafeterias, and laboratories. She said there were 1,700 laboratories; I saw several that seemed to me exceptionally well equipped and also a fabulous museum in the geology department.

About 25,000 students in Russia took postgraduate work this year. A new policy is in effect requiring graduates to work for 2 years before taking postgraduate courses; this is in all fields except theoretical sciences. Quotas at graduate and undergraduate level can be and are manipulated according to "the plan." Next year, for example, they will admit only 200 biology students. From observation and conferences, it was my impression that a very large percentage of the graduates go into the teaching field and this might again indicate that education is the key to the whole Soviet program and that the cold war has been shifted by the astute leaders in the Kremlin from competition in physical strength to competition in brains.

In the 3,642 technicums, technicians are being trained—technicians who can speak English, German, French, Chinese, Arabic, or Hindi. I was forced to ask myself many times, what is the Russian plan 10–20 years from now especially in the underdeveloped countries of the world. I visited a pedagogical institute and talked with the head of the pedagogical branch of the Academy of Scientists; this institution is concerned only about pedagogical research.

I asked about teacher training and was told they require practice teaching for 8 weeks; about 25 percent of the courses are on methods and psychology and about 75 percent on subject matter.

I visited with many teachers who spoke English. A tenth grade beginning teacher is paid 900 rubles ($90) a month for 18 hours work a week. If that teacher works 27 hours a week she is paid 1,350 rubles a month. The 27-hour week includes time spent correcting papers or in extracurricular activities at the House of Pioneers. Those who supervise are paid more. University professors may be paid 5,000 rubles a month. Teachers may retire at 40 percent of their salary or after 25 years they may continue to teach part or full time and draw in addition a pension equivalent to 40 percent of their basic salary.

In the schools in Kiev and at the University of Kiev, it seemed to me there was much greater freedom; teachers were anxious to visit and had many questions about American schools. Second grade and tenth grade teachers asked me if I knew of students in Oregon who would want to correspond. The head of the zoological museum at Kiev had exchanged exhibits with 51 other countries. Did I know of American Universities who would exchange exhibits? Their museum had been completely destroyed in the war; he apologized it was not as good as it used to be—now they had only 1 million specimens. But they would soon build it to what it once was.

In spite of seemingly more freedom, yet I never felt that either the students or teachers really let down their guard. There was a shield of conformity—a sense of civic duty. Daily routines and long-range plans seemed geared to the demands of the system.

As I left the country, it seemed to me the Russians were putting more emphasis on their education for their purposes than Americans are putting on our education for our purposes. Our immediate security needs must be met, but we should also be concerned with our rate of achievement and with the Soviet rate 10 to 20 years from now. In large part the levels of achievement in the future are being determined in the classrooms now—in their schools and in ours.

Federal Usurpation—Address by Hon. Strom Thurmond, of South Carolina

EXTENSION OF REMARKS

OF

HON. L. MENDEL RIVERS

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 27, 1958

Mr. RIVERS. Mr. Speaker, under leave to extend my remarks in the CONGRESSIONAL RECORD, I include therewith, an address made by the distinguished junior Senator from South Carolina, the Honorable STROM THURMOND, to the corps of cadets of The Citadel on March 29, 1958, titled "Federal Usurpation."

Mr. Speaker, during his public life, STROM THURMOND has been one of the most ardent defenders of the basic conception of our Constitution which guarantees to the States that self-autonomy, which we refer to as States rights. As a distinguished jurist, as a distinguished lawyer, and as Governor of the State of South Carolina, he has passionately defended this principle. I know of no person of my acquaintance, nor of the long and illustrious lists of those statesmen who have defended this Republic, who is more capable or qualified to occupy such a position. STROM THURMOND is a scholar and an authoritative student on the Constitution of the United States. As a jurist, some of his finest opinions were on this, the most precious of our constitutional concepts. STROM THURMOND led a fight on this principle in 1948 and received the electoral votes of four States for the Presidency of the United States. He is the only man in the long and illustrious history of this Nation who has ever been elected to the Senate by what is known as a write-in vote, and he later resigned and offered for reelection and received no opposition. STROM THURMOND is respected and admired by men and women of this Nation who love the Constitution.

Mr. Speaker, he is a qualified person to speak on the question of Federal usurpation, and he took as his forum the corps of cadets at The Citadel, Charleston, S. C., the greatest military college in this or any other nation. Mr. Speaker, the speech follows:

FEDERAL USURPATION

(Address by Senator STROM THURMOND, of South Carolina, at The Citadel, the Military College of South Carolina, Charleston, S. C., March 29, 1958)

I wish to speak to you today on the subject of a clear and present danger to American freedom.

I am not speaking of the threat posed by any foreign nation.

I am speaking of a grave domestic problem: Usurpation of power, the arch threat to individual liberty in America. I am speaking of a two-pronged attack on the Constitution of the United States, an attack which has already achieved an alarming degree of success, and which, if not checked now, will result in the complete extinction of individual freedom in this country.

This is, I assure you, no exaggeration. We are faced with an issue the gravity of which cannot be overemphasized. Our free institutions are in critical danger. Yet the American people are tragically unaware of just how great, and how imminent, is the danger. This is in part because so many of our people are also tragically unfamiliar with the Constitution, not versed in its meaning, its aims and its purposes.

In order to show how vital is the maintenance of our constitutional structure to the preservation of our individual freedom, it will be helpful for us to go back for a moment to the time of the framing of that basic document. By examining the fears and the purposes of the framers, we can more clearly see the enormous threat to our liberties which is posed by this dual assault on the Constitution today—this usurpation by the Federal Government of the rights and powers of the States and, within the Federal Government itself, the usurpation by one branch of powers rightfully belonging to the other two branches.

The men who framed the Constitution knew full well that the greatest potential threat to the liberty of the individual lay in government. That is why they were insistent that the government they were setting up be limited and decentralized. They were determined not to create a power apparatus which, however well it might work and however beneficent it might prove while in their hands, would someday become an instrument of tyranny over the people should it fall into the hands of evil or power-hungry men.

And, being realists, they knew that the power of government would—on many occasions, at least—fall into the hands of evil men of boundless ambition. They knew that the idea of benevolent government, without checks, is a delusion. They knew the utter folly of setting up a government without limitations, in the reliance that good men would control it. Listen to the words of Patrick Henry:

"Would not all the world," he asked, "from the Eastern to the Western Hemisphere, blame our distracted folly in resting our rights upon the contingency of our rulers being good or bad? Show me that age and country where the rights and liberties of the people were placed on the sole chance of their rulers being good men, without a consequent loss of liberty. I say that the loss of that dearest privilege has ever followed, with absolute certainty, every such mad attempt."

Or as Thomas Jefferson later expressed it, in his famed Kentucky Resolutions:

"It would be a dangerous delusion were a confidence in the men of our choice to silence our fears for the safety of our rights: that confidence is everywhere the parent of despotism—free government is founded in jealously, and not in confidence; it is jealousy and not confidence which prescribes limited constitutions, to bind down those whom we are obliged to trust with power: that our Constitution has accordingly fixed the limits to which, and no further, our confidence may go. * * * In questions of power, then, let no more be heard of confidence in man, but bind him down from mischief by the chains of the Constitution."

What were the chains which the framers fashioned, to bind man down from mischief, in defense of liberty? Principally, they were two simple and workable devices, which together form the main components of our well-known checks-and-balances system.

First, the newly established Central Government was to be kept small and limited. It was a government of enumerated powers only, all powers not delegated to it by the Constitution (nor prohibited to the States) being reserved to the States or to the people. In other words, the Central Government would exercise power over only a limited number of fields of general concern to all the States. Among these would be foreign affairs, military defense, commerce of a genuinely interstate nature, and so on; while the great bulk of domestic matters would continue to be under the jurisdiction of the several States. The States were by no means supposed to be mere provinces or administrative subdivisions of the General Government, but were separate and distinct sovereignties, coexistent with the General Government. Thus was a balance set up between the new Central Government on the one hand and the States on the other.

Second, within the framework of the new General Government itself, the founders provided for a distinct separation of powers. That is, in order to prevent all the powers of the new Government from being exercised by one man or a single small group of men, it was provided that the legislative, the executive, and the judicial powers should be in the hands of separate branches. By a series of devices, these branches were to be kept independent of one another, insofar as possible.

It was by these 2 governmental principles, these 2 constitutional devices, that our forefathers sought to prevent that concentration of centralized power which they knew would be the death knell of individual liberty in America. Liberty would be safe so long, and only so long, as these two principles remained intact and were scrupulously upheld.

We may express the framers' thinking graphically in this way: The structure of our liberty rests upon these two supports, the twin pillars of States rights and separation of powers. So long as both these pillars stand, unimpaired, our liberties stand also. But if either one of these pillars be destroyed, or slowly eroded away, then, surely and inevitably, the temple of liberty will come crashing down.

Gentlemen, we are nearer to that eventuality than is generally realized. We are very near, dangerously near, to it. By processes which at first were gradual, but which in recent years have assumed a progressively increasing rate, the structure of States rights has been almost completely eroded away, until what was once a sturdy and massive support of American freedom has been whittled down to a very tenuous column indeed.

Actually, the process of infringing on the rights of the States is not new. It began early in our history. Thomas Jefferson saw the beginning of this process of usurpation by the Federal judiciary; he feared its ultimate result, and he expressed his fears as follows:

"There is no danger I apprehend so much as the consolidation of our Government by the noiseless, and therefore unalarming, instrumentality of the Supreme Court."

With prophetic vision, the great Virginian warned further that the germ of dissolution of our Federal system lies in the Federal judiciary, "* * * working like gravity by night and by day, gaining a little today and a little tomorrow, and advancing its noiseless step like a thief, over the field of jurisdiction, until all shall be usurped from the States, and the Government of all be consolidated into one."

Jefferson's description of the process and methods of judicial usurpation is truly remarkable. It could well have been written today. These are his words:

"The Judiciary of the United States is the subtle corps of sappers and miners constantly working underground to undermine the foundations of our confederated Republic. They are construing our Constitution from a coordination of a general and special government to a general and supreme one alone. This will lay all things at their feet. * * * They skulk from responsibility to public opinion. * * * An opinion is huddled up in conclave, perhaps by a majority of one, delivered as if unanimous, and with the silent acquiescence of lazy or timid associates, by a crafty chief judge who sophisticates the law to his mind, by the turn of his own reasoning."

This process which Jefferson depicted was beginning even in his own day. Nevertheless, despite this early beginning of judicial usurpation; despite the War Between the States and the force-imposed postwar amendments, which radically altered the original concept of the Union; despite the nationalizing influence of the commercial expansion of the postwar period—despite all of these things, the basic principle of States rights remained fundamentally intact. The North, the Nation as a whole, might have rejected the Southern contention that States rights included the right to secede and dissolve the Union; but within the framework of Union, the country was still dedicated to the principle of local self-government.

In 1868 Chief Justice Salmon P. Chase echoed the prevailing view when he characterized the United States as "an indestructible Union composed of indestructible States."

Thus, until the 1930's, our governmental system was still fundamentally based on States rights, both in principle and in practice. Not to the extent that some of us had desired, to be sure; not to the extent that the framers had recommended; but still to the extent that the great majority of those vital economic, political, and social activities most closely affecting the people were the subjects of State control only and were outside the province of the Federal Government. And the country and the people seemed aware of the vital importance of keeping them that way. In an address delivered in 1930, Franklin Delano Roosevelt, then governor of New York, emphasized the necessity of preserving States rights, when he declared:

"To bring about government by oligarchy masquerading as democracy, it is fundamentally essential that practically all authority and control be centralized in our National Government. The individual sovereignty of our States must first be destroyed, except in mere minor matters of legislation. We are safe from the danger of any such departure from the principles on which this country was founded just so long as the individual home rule of the States is scrupulously preserved and fought for whenever it seems in danger."

As a distinguished commentator has pointed out, the significance of this address by Governor Roosevelt lies in the fact that it was not merely a statement of the views he himself then held, but rather was a rephrasing, a restatement, of "the long-established American principles which had been well understood and firmly accepted by generation after generation of the American people, and voiced in varying forms innumerable times throughout the country for almost a century and a half."

In the last quarter century, however, we have seen assaults on States rights at every point. We have seen the National Government in Washington expanded to its present swollen size, accompanied by a steady diminution of the reserved powers of the States. It is not my purpose to attempt to fix the blame for this development. Suffice it to say that all three branches of the Federal Government participated in it, and that an acquiescent and desperate people permitted it. The Supreme Court resisted the trend until 1937, but, in that year, as the Honorable Hamilton A. Long, of the New York Bar, explains in his brilliant study, Usurpers: Foes of Free Man, the Court underwent a major policy-revolution. From that time forward, the Supreme Court's role has been one of willing, and then eager, collaboration in the process of aggrandizing the Central Government at the expense of the States. In 1954, with the school segregation decision, the Supreme Court really moved into high gear against the States and the Constitution. It sustained the assault with the subsequent Steve Nelson and Girard College cases. In 1957 the Congress and the executive branch joined in the attack. The passage—in an atmosphere of bogus sanctity and mock legality—of the miscalled civil rights bill was followed shortly by the subjection of a once-sovereign State to bayonet rule, which still continues.

Before leaving the subject of States rights and going into this second aspect of usurpation, within the Federal Government itself, I should like to pause for a moment to reflect upon a circumstance which frankly puzzles me.

I can easily understand why those who are at heart enemies of America and enemies of liberty would seek to destroy States rights. I can easily see why our secret enemies, those who would weaken our civilization and bring our Nation to its knees, would seek to destroy local self-government.

What I cannot understand is, how it is that many loyal and sincere Americans, conscientious and zealous advocates of civil liberty, have in recent years been in the very forefront of the effort to break down the integrity of the States.

These men honestly picture themselves as champions of individual freedom; yet they are its worst enemies. They see some real or imagined violation of civil liberty on the State level—generally a situation in which a member of some racial minority group is allegedly deprived of an alleged right—and, egged on by shrewd and conscienceless politicians bent on corralling the vital minority-group vote, these liberals become inflamed with righteous wrath and filled with deep and honest concern over the fact that an individual's rights are being violated.

So what is their remedy? Do they seek corrective action on the State level? No. They do all in their power to break down the rights of the States and to build up a supergovernment which is supposed to be for the protection of the individual, a supergovernment strong enough to rule the recalcitrant States with an iron hand and thus to prevent them from continuing their alleged denials of the rights of individuals of certain classes.

But does it never occur to these self-styled liberals that this supergovernment they are building up, this "big brother" to police the States, someday may, inevitably will, become itself the greatest possible threat to the rights of the individual? That, by tearing down the rights of the States and centralizing power in Washington, they are building up a power apparatus before which the States first, and later the individual, will be completely powerless? Can they not admit the inexorable truth of Calhoun's solemn warning that the powers which it is necessary for government to possess, in order to repress violence and preserve order, cannot execute themselves? They must be administered by men in whom like others, the individual is stronger than the social feelings. And hence the powers vested in them to prevent injustice and oppression on the part of others, will, if left unguarded, be by them converted into instruments to oppress the rest of the community."

Surely they know that the reins of government will fall into the hands of such men, "in whom the individual is stronger than the social feelings." Or do they naively trust that completely good and altruistic men—themselves, perhaps?—will always be in control? Is not this the very delusion against which the founders warned, the same mad folly so eloquently referred to by Patrick Henry and by Jefferson in their insistence upon a system of checks and balances?

Blinded by shortsightedness and by a failure to read history, these zealous liberals, these self-styled champions of the individual's civil rights, are busily engaged in breaking down the principle of States rights and thus destroying what is, in the long view, the greatest single bulwark of our individual freedom.

Perhaps they rely on the idea that it is safe to destroy the rights of the States and create a centralized government so long as, within this centralized government, the principle of separation of powers is strictly enforced; that the latter principle is all that is really necessary to guarantee individual liberty.

Nothing could be more wrong. The two pillars, States rights and separation of powers, are complementary to each other. Destroy or remove one, and the other will soon collapse. Jefferson warned that "* * * when all government, domestic and foreign, in little as in great things, shall be drawn to Washington as the center of all power, it will render powerless the checks provided of one government on another, and will become as venal and oppressive as the government from which we separated."

And even the arch-Federalist Alexander Hamilton saw clearly that the fate of individual liberty was inextricably tied up with the fate of the States. Said Hamilton:

"The States can never lose their powers till the whole people of America are robbed of their liberties. They must go together; they must support each other, or meet one common fate."

Let us now examine the other face of the coin; let us turn to the second pillar of our checks-and-balances system, the principle of separation of powers, and see how it has fared over the years.

Generally speaking, separation of powers has not been subjected to anything like the degree of attack that has so largely eroded away States rights. This constitutional support is still in a comparatively healthy condition. But in the past 4 years, especially, the Supreme Court has stepped up the assault in this direction, too.

You are probably generally familiar with a series of decisions handed down by the Warren court, in cases involving various aspects of internal security—commonly referred to as the subversion cases. Some of the decisions in these cases constituted further restrictions on the rights of the States, denying them the right to prosecute for or even to investigate sedition and treason or to exclude suspected Communists from the practice of law. Others restricted the executive branch of the Federal Government in its antisubversion efforts and limited the power of Congressional investigating committees in questioning witnesses.

The net effect of these decisions, of course, was to hamper seriously the activities of our Government in the antisubversion field.

But what principally concerns us here is not so much the serious impairment of our Government's antisubversion efforts, deplorable as that is. Nor is it simply the fact that the decisions placed certain restrictions on the Executive and on the Congress.

The more fundamental cause for concern is that, in some of these cases, the Supreme Court has usurped powers rightfully belonging only to the legislative branch of the Government. In other words, the Court has been guilty of judicial legislation. In the Steve Nelson case, for example, the Court violated the intent of Congress by construing the Smith Act as giving the Federal Government complete preemption of the antisubversion field, to the exclusion of the States. When the Court thus violates, or goes beyond, the intent of Congress, it is, in effect, making new laws, or legislating—a function which the Constitution bestows exclusively upon Congress.

That the Court has in fact exercised legislative powers is clear to lawyers, and they have reacted with considerable concern. Only a few weeks ago Judge Learned Hand, one of the most eminent jurists in this country, and considered of liberal views,

observed that the Court was apparently becoming a third house of the legislature.

Laymen, however, may have some difficulty in grasping the significant difference between interpretation and judicial legislation and I should therefore like to take a few moments to discuss this point. The Honorable Hamilton A. Long, of New York, of whom we have already spoken, dealt with this vital subject in an editorial which appeared last year in the Saturday Evening Post. Mr. Long wrote:

"Few subjects are surrounded by more confusion than the function of the United States Supreme Court in interpreting the Constitution. There can be no doubt, however, that the Court has no right to change this basic law or to violate the intent of those who initially adopted it or of those who later amended it. Only the people can change the Constitution, by amendment.

"For the Supreme Court to try to bypass this process, by interpreting the Constitution contrary to that original intent, is to usurp power never given it."

In other words, the Supreme Court, in interpreting a provision of the Constitution, must stay strictly within the limits set by the intent of the framers and adopters. Likewise, in the case of construing a statute, the Court cannot violate the intent of Congress.

Once the Court has initially defined this intent, its decision on the matter becomes binding—on the Court itself, as on all others—becomes, in effect, an integral part of the Constitution, or of the statute. This legislative intent, as initially determined by the Court in the first pertinent case to come before it, is absolutely binding thereafter and is not subject to change, except, of course, by new legislation or by constitutional amendment. For the Supreme Court to assume the power to revise, at will, this initial determination of intent completely destroys the stability of the law; and for the Court, in subsequent decisions, to violate this intent (as initially determined) or to go beyond it, is to usurp power never given it.

Where an act of Congress is involved, such action by the Court amounts to judicial legislation. In handing down a decision contrary to the intent of the lawmakers, the Court is itself making new law, and is thus usurping a function which the Constitution vests exclusively in the legislative branch.

And where the Court is interpreting a constitutional provision (or amendment), violation by the Court of the framers' and adopters' intent constitutes an illegal amending of the Constitution. In such a case the Court would be usurping a power rightfully belonging to the people alone; for only the people, through their States, have the right to change the Constitution, and they can do so only by amendment. The decision in the school segregation case of May 17, 1954, is a flagrant example of this type of usurpation.

What are we to do to remedy this critical situation? What steps can we take to save these beleaguered constitutional principles, so vital to our liberty as free men?

In the case of separation of powers, we, the people, by exercising vigilance and firm determination, can nip the process of usurpation in the bud, comparatively speaking. We must remember Mr. Justice Brandeis' words:

"The doctrine of the separation of powers was adopted by the Constitution of 1787, not to promote efficiency but to preclude the exercise of arbitrary power. The purpose was, not to avoid friction, but, by means of the inevitable friction incident to the distribution of the governmental powers among the three departments, to save the people from autocracy."

The Congress can protect itself against further judicial usurpation by exercising its constitutional right to limit the appellate jurisdiction of the Court. I disagree with those who feel that this is too drastic a remedy. It is an effective way to curb the excesses of the Court and to discipline that body, and it is a curb which the Congress could as easily remove later as it would now impose.

Let me cite just two examples of this kind of remedial legislation.

One such bill was introduced by me last year. It would limit the jurisdiction of the Supreme Court in two fields—the activities of local school boards in regulating school attendance, and the efforts of State governments to combat subversive activities through legislation.

Another bill of this sort, one that has been given widespread attention in recent weeks, is Senator JENNER's bill to remove the Supreme Court's appellate jurisdiction in certain cases involving subversion. I have been actively supporting the Jenner bill, because I feel that the Supreme Court has overstepped its bounds and encroached on the prerogatives of Congress, the executive branch of the Government, and several agencies of local government in the cases to which the Jenner bill is applicable.

If Congress will enact laws restricting the jurisdiction of the Supreme Court, I believe that the Court will see the handwriting on the wall and curb its impulses. Unless the Court is restricted by legislation to judicial matters, we can expect to see new and more far-reaching forms of judicial legislation in the future.

The problem of States rights is more difficult, because here the process of usurpation has been going on so much longer. It has proceeded so far that it will be difficult to stop. That is the great danger in permitting "just a little bit" of usurpation, of acquiescing in just a little deprivation of one's rights: Before one realizes it, the point of no return has been reached.

The States, however, have not quite been destroyed. If they will stand firm from here on out, they can preserve a good measure of their independence and can keep the pillar of States rights standing as a sturdy support of our individual freedom.

Congress, too, can play a part in preserving the power of the States. In the first place, it should examine each piece of legislation that comes before it to determine whether it will expand Federal power at the expense of the States. Some bills with admirable aims must be rejected because of the means they would employ to reach their ends.

An example of such a law is the legislation now pending to limit the erection of billboards along the new Interstate Highway System. The purpose of the bill is laudable; it would help keep these highways beautiful. However, the method is deplorable; it would take away the right of the States to control and limit the erection of billboards on land purely under jurisdiction of the States. If States rights is to have a practical meaning, the principle must apply to good proposals as well as to bad ones.

Congress can also take an active role in upholding the rights of the States by enacting legislation that will help in restoring power to the States.

In this connection, I can mention several pieces of legislation now pending in Congress.

There is S. 337, a bill which I am cosponsoring. It provides that no act of Congress shall be construed to nullify State laws in the same field, unless the act expressly states that this is the intention. The Supreme Court could not have ruled as it did in the Steve Nelson case if this bill had been enacted.

On March 3, the cause of States rights was substantially strengthened by the passage in the Senate of S. 1538, another bill I have cosponsored. It would return to the individual States a large measure of legislative jurisdiction over lands in the several States, owned by the Federal Government or used for Federal purposes. This bill is now in committee in the House and has a most favorable chance for final enactment this year.

In January, I introduced Senate Joint Resolution 145 to set up a commission on Federal and State jurisdiction. The purpose is to study the usurpation of State powers by the Federal Government, and the usurpation of powers by each branch of Government from the others. The commission would report to Congress, recommending legislation that would redraw the boundary lines in places where they have become completely obliterated or obscured.

I am cosponsoring another important piece of States rights legislation, S. 1723. This bill would eliminate the no-man's land now existing between State and Federal jurisdiction in the field of labor relations. This gap was caused by the Supreme Court's decision last year in the Guss case. S. 1723 would empower the States to act for the protection of both labor and management rights where the National Labor Relations Board declines to assert its jurisdiction.

I will mention just one more example. This is my bill, S. 6, which was recently passed by the Senate. It would prevent private contractors executing Federal contracts from escaping State sales taxes on their purchases under the guise of Federal immunity. This would reverse a 1954 Supreme Court decision which closed another State revenue source.

These are merely examples; they will do for starters. There are many ways in which Congress can assist the States to regain the powers they should be exercising and which powers are reserved to them under the Constitution.

Among the many fields of activity which are still under State control, however, there are two which are preeminent—law enforcement and public education—and it is these two which have been singled out for attack by the enemies of States rights and of American freedom.

One of the greatest obstacles in the way of any grab for power, by Communists or any other group, is the existence in this country of 48 separate and independent police systems. As was demonstrated in the cases of several eastern European countries, which fell to communism after World War II, a useful, perhaps essential, factor in seizing power in any country is a centralized police organization, which can be infiltrated, then controlled, then used at the crucial hour to suppress the opposition.

So long as we avoid this centralized control of our police systems, then, no matter what internal crises and tensions the years may bring, there is little likelihood of even an attempt at a Communist-style coup d'etat in this country. Such would not be the case were the weapon of centralized police control available to those who would seize power.

But a Federal Government bent on usurpation and complete centralization of power, finds it annoying to be confronted with law-enforcement officers who are loyal to State and local governments instead of to the Federal bureaucracy, and who are beyond reach of the threat of federalization. We can therefore expect increasing pressure to destroy the independence of the State police agencies. It has already been seriously suggested by one liberal that a special Federal police force, similar to the Canadian Northwest Mounted Police, be set up to enforce the integration of southern schools.

This brings us to the other outstanding function of State government—public education. There is a grave risk that this function of State government will be destroyed, to be replaced by a centrally controlled school system operated by the Federal Government.

It is true that the proponents of Federal aid to education assert repeatedly that they are not interested in Federal control. Be that is it may, it can be stated as an absolute fact that Federal control of education will follow Federal aid, as surely as the night follows the day.

The pattern is crystal clear. Once the States have geared their whole educational and revenue systems to Federal aid, the Federal Government will impose certain conditions. They will appear harmless, even helpful, at first. Certain minimum standards in school equipment, teacher training and level of teaching will be set up as prerequisites for the receipt of Federal aid. Some substandard schools will be improved.

But is anyone naive enough to think that we can have just a little Federal control? Not a chance. Within a very few years, a bureau in Washington would be drawing up the curriculum and a list of approved textbooks. The history books, the texts on government, and the courses in sociology would be lined out to follow whatever school of thought was, at the moment, most popular in Washington.

From this point, the movement to mass brainwashing and despotism would be ready to begin in earnest, needing only a strong and arrogant President to set it in motion.

We must, then, fight with all our strength to maintain control over our educational systems and our law-enforcement agencies. In addition, we must resist, at all points along the line, any further attempts on the part of the Federal Government to encroach on any right still held by the States.

It is not enough to put obstructions in the path of Federal encroachment on the rights of the States. Obstruction must be joined with construction, by which I mean constructive efforts on the part of State government to provide the essential services the people demand.

One of the arguments most strongly relied on by advocates of Federal aid to education is that the States have failed to meet the educational challenge of a world of science and technology. Figures and statistics designed to support this argument are brandished. To counter this argument, we must be able to point to effective measures taken by the States to meet the problem. Such effective steps will not be forthcoming, unless you, as individual citizens, take an active stand in support of independent State action.

In keeping up a constant struggle to preserve the principles of States rights and separation of powers, we are not fighting for any mere slogans. We are not interested in States rights and separation of powers in and of themselves, but our interest in them lies in the fact that these two principles are essential supports of liberty. And liberty, as Lord Acton said, "is not a means to a higher political end. It is itself the highest political end."

The archenemy of liberty is usurpation of power. It is, therefore, our duty to resist this usurpation, from whatever source it comes. We would all do well to bear in mind the words of our first President, George Washington, who, in his Farewell Address, warned the people of this country to allow no change to be made in their Constitution except by the constitutionally prescribed amending process. These are his words:

"If, in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation; for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed."

SENATE

WEDNESDAY, MAY 28, 1958

The Senate met at 9:30 o'clock a. m.

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

Our Father, God, author of liberty: Out of heroic yesterdays we are conscious of a cloud of witnesses whose peering eyes are upon us. As a grateful nation prepares to hallow its yesterdays and to remember the cost of its liberties—freedoms that are threatened now as never before, by sinister forces who deal in tyranny and chains—help us to realize that our glorious heritage is not as an ancient heirloom from the past that can be handed down to generations following, but that it is a spiritual thing which must be reinterpreted, relived, and rewon with every new test that the changing years bring.

As these days beneath the great white dome which in its illumined majesty is a symbol to the Nation of the American dream there rests, in honor, on the journey to the Tomb of the Unknown, representatives of those who gave up the years that were to be theirs so that their mortal bodies might be shields to defend our freedom, may the rotunda, mecca for millions, be a vast whispering gallery where, for multitudes of pilgrims, a voice may be heard—"It was for visions we fell." Stir our hearts with the beauty of that vision which by faith is brought near—when—

"Nation with nation, land with land,
Unarmed shall live as comrades free;
In every heart and brain shall throb
The pulse of one fraternity."

In the name of that Holy One whose truth shall make all men free. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, May 27, 1958, was dispensed with.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on May 27, 1958, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 2498. An act for the relief of Matthew M. Epstein; and

S. J. Res. 166. Joint resolution authorizing an appropriation to enable the United States to extend an invitation to the International Civil Aviation Organization to hold the 12th session of its assembly in the United States in 1959.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour. I ask unanimous consent that statements be limited to 3 minutes.

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

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business, to consider the nominations on the Executive Calendar.

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

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

IN THE REGULAR AIR FORCE

The legislative clerk proceeded to read sundry nominations in the Regular Air Force.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations in the Regular Air Force be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations in the Regular Air Force are confirmed en bloc.

Mr. JOHNSON of Texas. 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. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

AMENDMENT OF MERCHANT MARINE ACT, 1936, RELATING TO PLEDGE OF FAITH CLAUSE

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend section 1105 (b) of title XI (Federal Ship Mortgage Insurance) of the Merchant Marine Act, 1936, as amended, to implement the pledge of faith clause, which with the accompanying papers, was referred to the Committee on Interstate and Foreign Commerce.

CONCURRENT RESOLUTION OF RHODE ISLAND LEGISLATURE

Mr. PASTORE. Mr. President, on behalf of my colleague, the senior Senator from Rhode Island [Mr. GREEN] and myself, I submit, for appropriate reference, a certified copy of resolution H. 1427 passed by the General Assembly of the State of Rhode Island and Providence Plantations.

This resolution is entitled "Concurrent resolution of the Legislature of the State of Rhode Island memorializing