farmers and will fight for the farmer's interests.

But even with a sound, effective farm program we must face up to the problem of moving the current huge and growing inventory.

Here are some suggestions.

Part of it should be set aside as insurance in case this country was ever attacked with modern weapons.

I have introduced a bill to stockpile food, medical supplies and other basic items necessary for survival.

Some of the inventory can be well used to alleviate hunger and malnutrition in our own country.

I was in West Virginia just last week, where conditions are truly tragic.

One hundred thousand children in West Virginia have only one-third of the calories and proteins they need.

We can do far more than we are doing to move our surplus food into our own areas of economic distress.

And last, but not least, we can and should use the productive genius of American farmers to promote our goals in the world.

What do all of us want more than anything?

A just and lasting peace.

We want the kind of world in which we can farm and raise our families, free from the dreaded fear of nuclear war.

We can have that kind of world if we use our national strength in the most effective manner.

This Nation is strong in many things—not only in faith, but also in food.

This food can be used to strengthen our ties with the underdeveloped countries of the world.

It has been suggested that the free nations set up a world food bank, in which storable food could be deposited, withdrawn, or loaned, in order to meet emergencies of member nations.

As long as we are going to be in the righteous business of strengthening countries to resist communism, why not do much of it with food, of which we have plenty, instead of dollars, with which we are having increasing troubles?

This is not only good foreign policy, it is the humane and right thing to do.

It is a sin to waste food when people are hungry.

But it is worse than a sin when this food could have been used to help build a peaceful world.

In closing, let me state my confidence that the farmers of America, with the cooperation of their Government, will develop an effective farm program at a greatly reduced cost to the American taxpayer.

The work you are doing here this week will contribute to that goal, to a strong America, and to a peaceful world.

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# SENATE

## TUESDAY, MARCH 24, 1959

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

Our Father God, save us, we beseech Thee, from regarding this sacred week as a secluded cloister that shuts us away from the noisy, needy world.

By its still waters and green pastures may each of us find the deep and healing springs of inner renewal that will fit us to serve the present age.

Make us persons of brotherly love in an unbrotherly world. To others' faults, make us forgiving, as we would be forgiven. As our lives touch the lives of others, teach us to be gentle in our thoughts, just in our dealing, and generous in our judgments.

May the beauty of the Master of these days of the passion be seen in us, casting out all envy and uncleanness. Lead our minds in the quest of truth—even the truth of eternal life in the midst of our fleeting days.

In fearless dedication to the holy cause of human freedom, make us heralds of hope, even in the dense darkness as sure of victorious morning as we are that birds will sing at dawn and white clouds will grace the blue and children will wake to laughter and men, refreshed, will stride forth with faith to meet the new day.

We ask it in the name of the brightest and best of the sons of the morning. Amen.

### THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Monday, March 23, 1959, was dispensed with.

### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con Res. 13) to provide additional funds for special study by the Joint Economic Committee.

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

H.R. 137. An act to allow a deduction, for Federal estate tax purposes, in the case of certain transfers to charities which are subjected to foreign death taxes;

H.R. 147. An act to suspend temporarily the tax on the processing of palm oil, palm-kernel oil, and fatty acids, salts, and combinations, or mixtures thereof;

H.R. 213. An act to provide additional time within which certain State agreements under section 218 of the Social Security Act may be modified to secure coverage for nonprofessional school district employees;

H.R. 1219. An act to amend section 2038 of the Internal Revenue Code of 1954 (relating to revocable transfers);

H.R. 2411. An act to amend paragraph 1629 of the Tariff Act of 1930 so as to provide for the free importation of tourist literature;

H.R. 2575. An act to authorize the appropriation of $500,000 to be spent for the purpose of the III Pan American Games to be held in Chicago, Ill.;

H.R. 2906. An act to extend the period for filing claims for credit or refund of overpayments of income taxes arising as a result of renegotiation of Government contracts;

H.R. 3472. An act to repeal section 1505 of the Social Security Act so that in determining eligibility of Federal employees for unemployment compensation their accrued annual leave shall be treated in accordance with State laws, and for other purposes;

H.R. 3681. An act to provide for the free entry of certain chapel bells imported for the use of the Abelard Reynolds School No. 42, Rochester, N.Y.;

H.R. 5247. An act to increase the authorized maximum expenditure for the fiscal year 1959 under the special milk program;

H.R. 5508. An act to provide for the free importation of articles for exhibition at fairs, exhibitions, or expositions, and for other purposes; and

H.R. 5915. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1960, and for other purposes.

The message further announced that the House had agreed to a concurrent resolution (H. Con. Res. 109) extending the felicitations of the Congress to the Commonwealth of Massachusetts on the 100th anniversary of the establishment of the Superior Court of Massachusetts, in which it requested the concurrence of the Senate.

### HOUSE BILLS REFERRED

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

H.R. 137. An act to allow a deduction, for Federal estate tax purposes, in the case of certain transfers to charities which are subjected to foreign death taxes;

H.R. 147. An act to suspend temporarily the tax on the processing of palm oil, palm-kernel oil, and fatty acids, salts, and combinations, or mixtures thereof;

H.R. 213. An act to provide additional time within which certain State agreements under section 218 of the Social Security Act may be modified to secure coverage for nonprofessional school district employees;

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H.R. 3472. An act to repeal section 1505 of the Social Security Act so that in determining eligibility of Federal employees for unemployment compensation their accrued annual leave shall be treated in accordance with State laws, and for other purposes;

H.R. 3681. An act to provide for the free entry of certain chapel bells imported for the use of the Abelard Reynolds School No. 42, Rochester, N.Y.; and

H.R. 5508. An act to provide for the free importation of articles for exhibition at fairs, exhibitions, or expositions, and for other purposes; to the Committee on Finance.

H.R. 2575. An act to authorize the appropriation of $500,000 to be spent for the purpose of the III Pan American Games to be held in Chicago, Ill.; to the Committee on Foreign Relations.

H.R. 5247. An act to increase the authorized maximum expenditure for the fiscal year 1959 under the special milk program; to the Committee on Agriculture and Forestry.

H.R. 5915. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending June 30, 1960, and for other purposes; to the Committee on Appropriations.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

## COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Subcommittee on Governmental Organization for Space Activities, of the Committee on Aeronautical and Space Sciences, was authorized to meet today during the session of the Senate.

On request of Mr. MANSFIELD, and by unanimous consent, the Committee on Labor and Public Welfare was authorized to meet in executive session today during the session of the Senate.

## LIMITATION OF DEBATE DURING MORNING HOUR

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

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

## LEGISLATIVE PROGRAM—ORDER FOR ADJOURNMENT TO 12 O'CLOCK NOON TOMORROW

Mr. MANSFIELD. Mr. President, I wish to announce to the Senate that there will be no yea-and-nay votes today and that the Senate will meet at 12 o'clock noon tomorrow.

Mr. President, in that connection, I ask unanimous consent that when the Senate completes its business today it adjourn to meet at 12 o'clock noon tomorrow.

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

Mr. MANSFIELD. On tomorrow the Senate will take up Calendar No. 125, H.R. 5640, to extend the time during which certain individuals may continue to receive temporary unemployment compensation.

Furthermore, it is possible that later this afternoon we shall take up noncontroversial bills which have received the clearance of the majority and the minority leadership. However, there will be no yea-and-nay votes, and no controversial legislation will be taken up. This announcement has been cleared with the minority leader.

Mr. JAVITS. Mr. President, may I ask the acting majority leader whether it is expected to hold the Senate in session tomorrow until voting on the bill on unemployment compensation has been completed?

Mr. MANSFIELD. That will depend on developments. The Senate will meet tomorrow and on Thursday. I hope we will finish consideration of the bill tomorrow, so that Members may be able to get away for the Easter recess, a day earlier, if they so desire, to return to their constituencies and find out what their people are thinking.

Mr. JAVITS. I have in mind whether there is likely to be a night session tomorrow. Giving notice on that point is always very useful to Senators.

Mr. MANSFIELD. I hope we will not have a night session. However, I am unable to state anything definitely on that point at this time.

Mr. JAVITS. I thank the Senator.

## ORDER FOR MEETING AT 10 A.M. TOMORROW

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that when the Senate concludes its business it meet tomorrow at 10 o'clock a.m.

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

## EXECUTIVE COMMUNICATIONS, ETC.

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

REPORT ON REVIEW OF SELECTED SUPPLY OPERATIONS OF THE NORTHERN AIR MATERIEL AREA, EUROPE

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of selected supply operations of the Northern Air Materiel Area, Europe, Burtonwood, England, Air Materiel Force, European Area, Department of the Air Force, dated March 1959 (with an accompanying report); to the Committee on Government Operations.

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

A letter from the Chairman, Federal Communications Commission, Washington, D.C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of January 31, 1959 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

AMENDMENT OF TITLE 28, UNITED STATES CODE, RELATING TO LIMIT FOR ADMINISTRATIVE SETTLEMENT OF CERTAIN CLAIMS

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation to amend title 28 of the United States Code to increase the limit for administrative settlement of claims against the United States under the tort claims procedure to $3,000 (with an accompanying paper); to the Committee on the Judiciary.

APPOINTMENT OF ADDITIONAL CIRCUIT AND DISTRICT JUDGES

A letter from the Director, Administrative Office of the U.S. Courts, Washington, D.C., transmitting a draft of proposed legislation to provide for the appointment of additional circuit and district judges, and for other purposes (with accompanying papers); to the Committee on the Judiciary.

INCLUSION OF CERTAIN INFORMATION IN SWORN STATEMENTS RELATING TO ALL PUBLICATIONS

A letter from the Acting Postmaster General, transmitting a draft of proposed legislation to require information concerning the average of the number of copies of each issue sold or distributed to paid subscribers to be included in sworn statements relating to all publications, and for other purposes (with an accompanying paper); to the Committee on Post Office and Civil Service.

## PETITIONS AND MEMORIALS

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

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Washington; to the Committee on Foreign Relations:

"HOUSE JOINT MEMORIAL 1

*"To the Honorable Dwight D. Eisenhower, President of the United States, the President of the Senate and Speaker of the House of Representatives, and to the Senate and the House of Representatives of the United States, in Congress assembled:*

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

"Whereas acts of Japanese exploitation of the salmon on the high seas in the decade between 1930 and 1940 and again in the years 1954 through 1958 have proved to be a wrongful intrusion upon a great and valuable resource that rightfully should remain unmolested on the high seas. The manner and magnitude of these operations violate the laws of nature and unquestionably constitute a threat to the conservation of the North Pacific salmon and a great economic waste in that their harvest during 2 years of the life cycle of the species results in taking a large portion which have not reached maturity; and

"Whereas it is also known that the North Pacific salmon migrate during their growing period to wide areas of the sea; that if North American fishermen followed the same course of action as the Japanese in the ocean harvest of salmon, the stock of both Asia and America would be completely destroyed as a profitable venture within 4 to 10 years; and

"Whereas the taking of salmon at sea in the manner carried out by the Japanese fishermen creates a great economic loss in the taking of immature salmon, a large percentage of which will grow to double their size if left to their natural grazing at sea until they return to the coastal areas of their origin. In addition, a large percentage of salmon so taken with nets at sea in rough weather are lost from the nets, either dead or in a dying condition, to be lost to all fishermen; and

"Whereas these common stocks of fishes are taken by the Japanese on the high seas under conditions forbidden to American fishermen and then distributed to the U.S. domestic market, causing great financial and economic loss to the American fishermen; and

"Whereas the United States is a party to the North Pacific Treaty, with Canada and Japan, which treaty was designed to protect the migratory fishes of all nations in the areas of commingling upon the high seas, and which fixed the areas in which the Japanese would fish; and

"Whereas scientific research and study since the inception of this treaty demonstrates that the Japanese are fishing in waters where the stocks of Asian and North American salmon commingle upon the high seas; and

"Whereas the North Pacific treaty has not resolved the inequities that arise from a Japanese fishery that operates upon the immature salmon in the area of commingling upon the high seas:

"Now, therefore, your memorialists respectfully pray that the State Department take such action as is necessary to preserve and guard the interests of American fishermen through bilateral negotiations between

Japan and the United States to prohibit the taking of anadromous salmon in those waters of the Pacific Ocean where Asian and North American stock commingle, be it

*"Resolved,* That copies of this memorial be sent to the Honorable Dwight D. Eisenhower, President of the United States, the President of the Senate and Speaker of the House of Representatives of the Congress of the United States, the Senators and Representatives of the State of Washington in Congress, and to the Governors of the States of Alaska, Oregon, and California.

"Passed the house February 3, 1959.

"JOHN L. O'BRIEN,
*"Speaker of the House.*

"Passed the senate February 26, 1959.

"JOHN A. CHERBERG,
*"President of the Senate.*

"I hereby certify this to be a true and correct copy of House Joint Memorial 1.

"S. R. HOLCOMB,
*"Chief Clerk, House of Representatives."*

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

"HOUSE JOINT MEMORIAL 8

"Joint memorial memorializing the Congress of the United States to decline passage of legislation creating a national wilderness preservation system or a national wilderness preservation council, as provided for by the various versions of the so-called wilderness bills under consideration by the 86th Congress, and to decline passage of any other legislation which does not carry out the long-established policy of wise multiple use of the federally managed property of the people of the United States

"Whereas there has been proposed in the Congress of the United States, various bills to create a national wilderness preservation system and a National Wilderness Preservation Council, the effect of which would be to establish policies and procedures whereby existing wild, wilderness, primitive, and roadless areas, as now established under administrative regulations, would be made more rigid and inflexible in management, and under which vast acreages of other Federal lands could be added to existing wilderness areas without regard for the necessity or desirability of reserving such large acreages for the single purpose of wilderness use; and

"Whereas the establishment of such inflexible restrictions upon the use of federally owned lands would unjustifiably impede the development of the water resources of the State of Colorado, upon which development the future growth and prosperity of the State of Colorado depends; and

"Whereas the establishment and maintenance of such inflexible restrictions on the use of federally owned lands denies access to vast areas which can and should be made accessible or developed for use by the vast majority of hunters, fisherman, and the vacationing public; and

"Whereas locking up of such vast areas prevents the discovery and development of many potential sources of minerals and other substances which may be vital to the security of the United States in time of international strife and space-age development; and

"Whereas maintenance of such areas as proposed makes protection of these areas against destruction by fire and other natural and man-made hazards difficult and expensive; and

"Whereas any extension of existing wilerness areas, or the establishment of more stringent regulation of existing areas, will unnecessarily and unwisely restrict the development and economic strength of many essential western industries, including the lumbering, mining, agricultural, oil and gas, tourist, and other industries; and

"Whereas there are presently in existence in the State of Colorado, under administrative regulation, wild, wilderness, or primitive areas containing 610,305 acres of land, and no showing has been made that even these areas are necessary or desirable for the single purpose of wilderness preservation, or that such areas have not been adequately administered as wilderness areas under existing policies and regulations; and

"Whereas the creation of another agency to duplicate the functions of existing land-management agencies of the Federal Government can serve no purpose other than to increase unnecessarily Federal expenditures of tax money; Now, therefore, be it

*"Resolved by the House of Representatives of the 42d General Assembly of the State of Colorado (the Senate concurring herein),* That it is the policy of the people of the State of Colorado, speaking through their elected representatives, to seek the wise and beneficial development of God-given resources for the greatest benefit of all the people, and that in order to carry out this policy, the Congress of the United States should be and it is hereby respectfully memorialized to: (1) decline passage of any of the presently proposed versions of the so-called wilderness bills; (2) decline passage of any legislation which would encourage the extension of, or increase the rigidity of regulation over existing wilderness, wild, or primitive areas; (3) decline passage of any legislation which would establish another Federal agency to duplicate existing functions of Federal land-administering agencies; and (4) decline passage of any legislation which would set aside any area of federally-owned land for a limited and restricted use regardless of the need of such areas for other wise and beneficial uses; and be it further

*"Resolved,* That copies of this joint memorial be transmitted to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the members of the delegation from Colorado to the 86th Congress of the United States, and all interested agencies and departments of the State of Colorado.

"CHARLES R. CONKLIN
*"Speaker of the House of Representatives.*

"ROBERT S. EBERHARDT,
*"Chief Clerk of the House of Representatives.*

"ROBERT L. KNOUS,
*"President of the Senate.*

"LUCILE L. SHUSTER,
*"Secretary of the Senate."*

A joint resolution of the Legislature of the Territory of Puerto Rico; to the Committee on Interior and Insular Affairs:

"JOINT RESOLUTION 2

"Resolution to propose to the Congress of the United States of America clarifications and modifications of the Puerto Rican Federal Relations Act

"Whereas the Commonwealth of Puerto Rico is a creative contribution to the American system;

"Whereas it is a basic characteristic of the Commonwealth of Puerto Rico to develop and perfect itself gradually within its new form of permanent association to the Federal Union;

"Whereas the Constitutional Convention of Puerto Rico unanimously approved the following in its Resolution 23: 'The people of Puerto Rico reserve the right to propose and to accept modifications in the terms of its relations with the United States of America, in order that these relations may at all times be the expression of an agreement freely entered into between the people of Puerto Rico and the United States of America.'

"Whereas the Special Commission of this High Body charged with consideration of amendments to the Federal Relations Act and the Constitution has held public hearings at which views about the clarification and modification of the part of the compact constituted by the Federal Relations Act have been amply expressed;

"Whereas such hearings point to the advisability of proposing to the Congress of the United States certain changes in the Federal Relations Act in order to clarify the nature of the Commonwealth and to modify its relationship to the Federal Union to the extent that experience shows is feasible and desirable: Now, therefore, be it

*"Resolved by this legislative assembly—*

"SECTION 1. To request the Resident Commissioner in the United States to propose to the Congress of the United States of America the following clarifications:

"1. The Commonwealth of Puerto Rico should be adequately described in the Federal Relations Act so that it may in no way be classified as a 'possession' or 'territory.'

"2. Consistent with the fundamental principle of full local self-government for the people of Puerto Rico, it should be made clear that Federal laws applicable in Puerto Rico shall apply in the same way as they may be made applicable in the several States.

"3. The Federal Relations Act should be cleared of all language which may result in any misunderstanding, or which may be confusing, inadequate, obsolete or inapplicable.

"SEC. 2. To request the Resident Commissioner to propose to the Congress the following modifications:

"1. All excise taxes collected in Puerto Rico on articles produced for export to the United States should be imposed by the Commonwealth of Puerto Rico; *Provided,* that if such excises were lower than those imposed by the Federal internal revenue laws on similar articles, the Federal Treasury shall collect the difference at the port of entry, so preserving a competitive equality between such products.

"2. A means should be provided by which the Commonwealth of Puerto Rico may, at its request, be included in or excluded from U.S. commercial treaties.

"3. An adequate formula should be devised by which the Commonwealth of Puerto Rico may gradually assume, as its resources may warrant, such Federal responsibilities as are compatible with the principle of permanent association.

"4. Judgments of the Supreme Court of Puerto Rico should be reviewed by the Supreme Court of the United States in the same manner as are the judgments of the State supreme courts.

"5. The debt margin provision, as proposed to the Congress of the United States of America in Joint Resolution 1 approved by the Governor of the Commonwealth of Puerto Rico on June 23, 1958, should be removed from the Federal Relations Act.

"SEC. 3. Copy of this resolution should be forwarded to the President of the U.S. Senate, the Speaker of the U.S. House of Representatives, and to the Resident Commissioner of Puerto Rico in the United States.

"SEC. 4. This joint resolution shall take effect immediately after its approval.

"Approved March 19, 1959."

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

"HOUSE JOINT MEMORIAL 13

*"To the Honorable Dwight D. Eisenhower, President of the United States; the President of the Senate and Speaker of the House of Representatives; and to the Senate and the House of Representatives of the United States, in Congress assembled:*

"Your memorialist, the Legislature of the State of Alaska, in first session assembled, respectfully submits that—

"Whereas in the newly created State of Alaska, the future development of the State will depend upon the orderly development of transportation facilities to, from, and within the State of Alaska; and

"Whereas the Senate Interstate and Foreign Commerce Committee has held several hearings in Alaska concerning the problems of transportation; and

"Whereas in 1957 at the request of the Senate of the United States, the Interstate Commerce Commission made a comprehensive survey and analysis of the regulatory problems affecting transportation to, from, and within Alaska; and

"Whereas certain of the transportation facilities are now operating under the Federal statutes regulating transportation and subject to the jurisdiction of the Interstate Commerce Commission; and

"Whereas the Interstate Commerce Commission in its report to the Senate of the United States has recommended that the Alaska Railroad, a Government corporation, should be subject to the rate and service regulations of the Commission; and

"Whereas other transportation facilities in Alaska are not now subject to the same or similar regulatory procedures and control; and

"Whereas this lack of uniformity of regulation has permitted inequitable and discriminatory rate practices to the detriment of the shippers and receivers of freight in Alaska and such inequities and lack of uniformity will continue to exist until proper amendments to the Interstate Commerce Act have been promulgated by Congress: Now, therefore, be it

"*Resolved*, That we, the Senate and House of Representatives of the State of Alaska, do hereby respectfully present to the Congress of the United States and particularly to the Senate and House Committees on Foreign and Interstate Commerce that they give due and immediate consideration to the questions involved with relation to the proper amendments to laws governing interstate commerce affecting the broad problems of transportation to, from and within the newly created State of Alaska; and be it further

"*Resolved*, That copies of this memorial be transmitted to the President of the United States, the President of the U.S. Senate, the Speaker of the U.S. House of Representatives, the Honorable E. L. BARTLETT and the Honorable ERNEST GRUENING, Senators from Alaska, and the Honorable RALPH J. RIVERS, Representative from Alaska, each Senator and Representative in Congress from the State of Washington, and to each member of the Senate and House Committees on Foreign and Interstate Commerce.

"Passed by the House March 6, 1959.

"WARREN A. TAYLOR,
"*Speaker of the House.*

"Attest:

"ESTHER REED,
"*Chief Clerk of the House.*

"Passed by the senate March 10, 1959.

"WILLIAM E. BELTZ,
"*President of the Senate.*

"Attest:

"KATHERINE T. ALEXANDER,
"*Secretary of the Senate.*

"Certified true, full, and correct.

"ESTHER REED,
"*Chief Clerk of the House.*"

A resolution of the House of Representatives of the State of Washington; to the Joint Committee on Atomic Energy:

"RESOLUTION, HOUSE OF REPRESENTATIVES, STATE OF WASHINGTON

"Whereas Congress, at the request of the Department of Defense, has authorized the construction of a new nuclear reactor for the production of plutonium at the Hanford Atomic Products Operation; and

"Whereas such a reactor generates a tremendous amount of energy which, in previous reactor designs, has been wasted as heat dissipated in the Columbia River; and

"Whereas this waste energy can be converted to usable electricity; and

"Whereas Congress has authorized design and engineering studies for making this new reactor eventually convertible to the production of electricity as a byproduct, but has not provided for the inclusion of these features in the construction of the reactor at the present time; and

"Whereas the immediate future will bring a need for more electrical power in the Northwest; and

"Whereas the Hanford operation itself consumes some 300,000 kilowatts of power from our Northwest power pool; and

"Whereas by the addition of these dual purpose facilities this new reactor could produce up to 700,000 kilowatts of firm power, thereby enabling the Hanford plant not only to release for domestic and industrial purposes the power it now consumes from our local sources, but enabling it also to add almost the equivalent of another Bonneville Dam to the Northwest power pool; and

"Whereas the inclusion of the convertible features in the initial stage of the reactor would save more than $10 million: Now, therefore, be it

"*Resolved*, That the house of representatives does hereby respectfully request Congress to make provision now for the inclusion of the convertible features during the initial construction of the new atomic reactor at Hanford; and be it further

"*Resolved*, That a copy of this resolution be transmitted to the President of the U.S. Senate, to the Speaker of the U.S. House of Representatives, and to every Member of the congressional delegation of the State of Washington.

"I hereby certify this to be a true and correct copy of resolution adopted by the house of representatives, March 12, 1959.

"S. R. HOLCOMB,
"*Chief Clerk,*
"*House of Representatives.*"

A concurrent resolution of the Legislature of the Territory of Hawaii; ordered to lie on the table:

"SENATE CONCURRENT RESOLUTION 46

"Whereas after diligent study of the social, economic and political behavior of the people of Hawaii, the 86th Congress of the United States has in its wisdom seen fit to admit the State of Hawaii into the Union; and

"Whereas by this action the hopes and aspirations of the people of Hawaii for equal rights and privileges with other citizens of the United States have been realized; and

"Whereas it is altogether fitting and proper that the thanks and aloha of the people of Hawaii be given to the Senate of the United States: Now, therefore, be it

"*Resolved by the Senate of the 30th Legislature of the Territory of Hawaii (the House of Representatives concurring)*, That the thanks and aloha of the people of Hawaii be and they are hereby given to the Senate of the United States for its action in approving the bill to admit the State of Hawaii into the Union; and be it further

"*Resolved*, That a certified copy of this concurrent resolution be forwarded forthwith to the President of the Senate of the United States, the Honorable RICHARD M. NIXON."

A petition signed by sundry members of the various railroad craft organizations and of the Salisbury-Spencer, N.C., Retired Citizens Clubs, praying for the enactment of legislation to increase benefits under the Railroad Retirement Act and Railroad Unemployment Insurance System; to the Committee on Labor and Public Welfare.

A resolution adopted by the Board of Supervisors of the County of Kauai, T.H., expressing appreciation for assistance given in granting statehood to Hawaii; ordered to lie on the table.

A resolution adopted by the Associated Students of the University of Hawaii, Honolulu, T.H., expressing thanks to the 86th Congress for granting statehood to Hawaii; ordered to lie on the table.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCLELLAN, from the Committee on Government Operations, without amendment:

S. 900. A bill to amend section 204(b) of the Federal Property and Administrative Services Act of 1949 to extend the authority of the Administrator of General Services to pay direct expenses in connection with the utilization of excess real property and related personalty, and for other purposes (Rept. No. 138);

S. 901. A bill to amend the Federal Property and Administrative Services Act of 1949 to authorize the Administrator of General Services to make contracts for cleaning and custodial services for periods not exceeding 5 years; (Rept. No. 139); and

S. 902. A bill to provide for the receipt and disbursement of funds, and for continuation of accounts when there is a vacancy in the office of the disbursing officer for the Government Printing Office, and for other purposes; (Rept. No. 140).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, with an amendment:

S. 96. A bill to govern the salaries and personnel practices applicable to teachers, certain school officers, and other employees of the dependents schools of the Department of Defense in overseas areas, and for other purposes; (Rept. No. 141).

By Mr. CLARK, from the Committee on Post Office and Civil Service, with amendments:

S. 91. A bill to amend the act of September 1, 1954, in order to limit to cases involving the national security the prohibition on payment of annuities and retired pay to officers and employees of the United States, to clarify the application and operation of such act, and for other purposes (Rept. No. 144).

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, without amendment:

H.R. 5247. An act to increase the authorized maximum expenditure for the fiscal year 1959 under the special milk program (Rept. No. 143).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, with amendments:

S. Res. 48. Resolution establishing a committee to study the matter of the development and coordination of water resources (Rept. No. 145); to the Committee on Rules and Administration.

## REPORT ENTITLED "JUVENILE DELINQUENCY" (S. REPT. NO. 137)

Mr. HENNINGS, from the Committee on the Judiciary, submitted a report entitled "Juvenile Delinquency," pursuant to Senate Resolution 237, 85th Congress, 2d session, as extended, which was ordered to be printed.

## AMENDMENT OF REORGANIZATION PLAN NO. 2 OF 1953—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS

Mr. HUMPHREY. Mr. President, from the Committee on Government Operations, I report favorably, with amendments, the bill (S. 144) to amend

Reorganization Plan No. 2 of 1953, and I submit a report (No. 142) thereon. I ask unanimous consent that the report may be printed, together with the individual views of the Senator from Indiana [Mr. CAPEHART].

The VICE PRESIDENT. The report will be received and printed, as requested by the Senator from Minnesota.

## EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Twelve postmaster nominations.

## BILLS AND JOINT RESOLUTION INTRODUCED

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

By Mr. KEATING:

S. 1515. A bill to prescribe a method by which the Houses of Congress and their committees may invoke the aid of the courts in compelling the testimony of witnesses; and

S. 1516. A bill to amend section 1621 of title 18 of the United States Code to provide for degrees of perjury and for other purposes; to the Committee on the Judiciary.

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

By Mr. LANGER:

S. 1517. A bill to amend the Agricultural Trade Development and Assistance Act of 1954, to extend its operations for 5 years; to the Committee on Agriculture and Forestry.

S. 1518. A bill to exempt musical instruments from Federal excise tax when sold for use by students; to the Committee on Finance.

S. 1519. A bill to amend the Civil Service Retirement Act to increase to 2½ percent the multiplication factor for determining annuities for certain Federal employees engaged in hazardous duties; to the Committee on Post Office and Civil Service.

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

By Mr. JOHNSTON of South Carolina (by request):

S. 1520. A bill to provide more adequate numbers of civilian positions required by the Department of Defense to carry out scientific research and development relating to the national defense and to improve the management of the activities of the Department, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. GORE:

S. 1521. A bill to provide for the removal of the restriction on use with respect to a certain tract of land in Cumberland County, Tenn., conveyed to the State of Tennessee in 1938; and

S. 1522. A bill to amend the Commodity Exchange Act, as amended; to the Committee on Agriculture and Forestry.

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

S. 1523. A bill to amend section 212(d) of the Immigration and Nationality Act; to the Committee on the Judiciary.

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

By Mr. JOHNSTON of South Carolina (for himself and Mr. LANGER):

S. 1524. A bill to provide that the wages, salaries, commissions, or other remunerations for personal services performed by certain employees shall be exempt from garnishment in the District of Columbia; to the Committee on the District of Columbia.

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

By Mr. KEATING:

S.J. Res. 81. Joint resolution proposing an amendment to the Constitution of the United States granting to citizens of the United States who have attained the age of 18 the right to vote; to the Committee on the Judiciary.

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

## RESOLUTION

Mr. HUMPHREY submitted a resolution (S. Res. 94) relating to the recognition of the jurisdiction of the International Court of Justice in certain legal disputes hereafter arising, which was referred to the Committee on Foreign Relations.

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

## IMPROVEMENT OF CONGRESSIONAL INVESTIGATORY PROCESSES

Mr. KEATING. Mr. President, I introduce, for appropriate reference, two bills designed to improve the effectiveness of congressional investigatory processes. The first would provide expeditious procedures for compelling the testimony of witnesses before congressional committees. The second would broaden the present perjury laws to make it clear that any false swearing before a congressional committee constitutes a crime. Both of these measures are urgently needed to deal with witnesses who take advantage of defects in the present laws to obstruct the work of Congress.

The present procedure for dealing with recalcitrant and contemptuous witnesses is notoriously cumbersome. As the law now stands, if a witness refuses to appear or to testify before an investigating committee, the subcommittee must first report the matter to the full committee, the full committee must then report the matter to the Senate or House, which must then resolve to cite the witness for contempt, after which the President of the Senate or the Speaker of the House, as the case may be, must refer the matter to a U.S. attorney, who in turn must present the case to a Federal grand jury. If an indictment is returned, a full scale trial must follow. Finally, months later—sometimes a year or more later—there may be a conviction and punishment. Meanwhile, more often than not, the original investigation has long since been closed without having obtained the desired testimony or evidence.

My first bill would immensely improve this situation by authorizing immediate resort to the courts for aid in requiring the attendance and testimony of a witness. Under the bill, should a witness refuse to testify, he could be required to appear, not months later, but that very day in the district court in whose jurisdiction the investigation is being conducted. At that point the witness would be subject to the jurisdiction of the court and any further refusal to testify in accordance with the order of the court could be punished forthwith as a contempt of court.

The fact that the witness could immediately be punished for contempt should induce an otherwise defiant witness to appear and testify and thereby expedite the committee hearings. At the same time, the proposed legislation represents a forward step in safeguarding the rights of the witness by leaving it up to the court and not to the committee to finally determine whether certain questions are material or relevant. The net effect of this procedure would be both to restrain unauthorized inquiries and to facilitate compliance with proper demands for information.

My second bill would add a new section to the present perjury law to cover all cases of false swearing. It is modeled after a statute which has been in effect in my own State of New York for more than 20 years. The main purpose of this legislation is to cover situations in which it is not shown that the inquiry satisfied the technical requirements of materiality required under recent interpretations of the present law.

While perjury should be more severely treated when the false testimony goes to a material issue, no person who lies to a congressional committee or other duly constituted tribunal should go completely unpunished. Such conduct cannot be condoned without causing serious injury to the integrity and prestige of our governmental processes. The Nation would do well to borrow from the experience of New York in dealing with this situation.

Mr. President, I have frequently pointed out the necessity for constructive congressional action to correct inadequacies in our laws disclosed by decisions of the courts. The legislation I am now proposing is an example of the general course I have recommended in this regard since there is no doubt that the very restrictive ruling of the Supreme Court in the Watkins case has contributed much to the need for these bills. It makes no difference whether the Court was right or wrong on the facts in that case. The important thing is that a weakness in the effectiveness of our laws has been disclosed which Congress can and must remedy.

I hope that these bills will be given early consideration by the Senate in order to quickly remove the unreasonable obstacles which now impede congressional investigations.

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

The PRESIDING OFFICER (Mr. McCARTHY in the chair). The bills will be

received and appropriately referred; and, without objection, the bills will be printed in the RECORD, as requested.

The bills, introduced by Mr. KEATING, were received, read twice by their titles, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

S. 1515. A bill to prescribe a method by which the Houses of Congress and their committees may invoke the aid of the courts in compelling the testimony of witnesses; and

S. 1516. A bill to amend section 1621 of title 18 of the United States Code to provide for degrees of perjury and for other purposes.

The texts of the above bills are as follows:

S. 1515

A bill to prescribe a method by which the Houses of Congress and their committees may invoke the aid of the courts in compelling the testimony of witnesses

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) either House, any committee or subcommittee of either House, and any joint committee of the two Houses of Congress may, by an affirmative vote of a majority of its actual membership, invoke the aid of the United States districts courts in requiring the attendance and testimony of witnesses and the production of evidence, in furtherance of any inquiry such House, committee, subcommittee, or joint committee is authorized to undertake.

(b) The United States district court for the district within which the inquiry is carried on may, in case of contumacy or refusal to obey a subpena issued to any person by either House, any committee or subcommittee of either House, or any joint committee of the two Houses of Congress, issue an order requiring such person to appear (and to produce evidence if so ordered) and give evidence relating to the matter in question before such House, committee, subcommittee, or joint committee, as the case may be; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

(c) Attorneys of the Department of Justice shall furnish legal assistance in invoking the aid of the United States district courts under subsection (a) to either House, or any committee, subcommittee, or joint committee which requests it.

S. 1516

A bill to amend section 1621 of title 18 of the United States Code to provide for degree of perjury and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1621 of title 18 of the United States Code is amended to read as follows:

"(a) Whoever, having taken an oath before a competent tribunal, officer, or person, in any case in which a law of the United States authorizes an oath to be administered, that he will testify, declare, depose, or certify truly, or that any written testimony, declaration, deposition, or certificate by him subscribed, is true, willfully and contrary to such oath states or subscribes any material matter which he does not believe to be true, is guilty of perjury in the first degree, and shall, except as otherwise expressly provided by law, be fined not more than $2,000 or imprisoned not more than five years, or both.

"(b) Whoever commits perjury under circumstances not amounting to perjury in the first degree, shall be fined not more than $500 or imprisoned not more than one year, or both."

## EXTENSION OF OPERATIONS OF AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to amend the Agricultural Trade Development and Assistance Act of 1954 to extend its operation for 5 years. This act, known as Public Law 480, permits the sale of farm commodities to countries in need of these agricultural products.

This law is presently operated on a year-to-year basis, and last year the law was allowed to lapse for a period of time, resulting in millions of dollars in surplus sales being lost, which had an unfavorable effect on our national farm economy.

The amendment proposed would assure that this program would operate on a 5-year basis rather than from year to year.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1517) to amend the Agricultural Trade Development and Assistance Act of 1954, to extend its operations for 5 years, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

## AMENDMENT OF IMMIGRATION AND NATIONALITY ACT, RELATING TO THE ADMISSION OF CERTAIN ALIENS

Mr. KENNEDY. Mr. President, on behalf of the junior Senator from Oregon [Mr. NEUBERGER] and myself, I introduce for appropriate reference a bill to make eligible for admission as immigrants into the United States husbands, wives, children and parents of residents and citizens, when such immigrants have tuberculosis. The bill would prevent the close relatives of citizens and aliens lawfully admitted for permanent residence from being excluded from the United States solely because they are afflicted with this disease.

This is not a new proposal. It was a part of the bill I introduced in the last Congress which, after enactment, became known as Public Law 85–316. We agreed at that time that the provision should not be made a part of the permanent law until we had an opportunity to observe its operations for a trial period. The trial period expires on June 30 of this year. From every point of view our experience has been completely satisfactory. There is no danger to the public health; the joy and satisfaction which accompanies the reuniting of families commends the perpetuation of the law, and there is no remaining question concerning the practicability or the feasibility of the proposal.

Under the regulations, each immigrant admitted under this provision must submit satisfactory assurances that, first, adequate medical treatment will be supplied to him in this country; second, that all financial arrangements for his care have been made; and third, that he will go directly to the specified hospital and submit to such examination, treatment, isolation and other medical regimen as may be required and will remain under this prescribed treatment until discharged. There have been 1,567 immigrants admitted thus far under this provision. In only six cases was there noncompliance with the regulations.

I am informed that both the Department of Justice and the Public Health Service are in favor of incorporating this provision in the basic immigration and nationality law. Although the provision does not effect a major change in the basic law, it is extremely important to those who will benefit from it. I urge that the bill be speedily considered so that we have no hiatus between the expiration of the old law and the effective date of the new law.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1523) to amend section 212(d) of the Immigration and Nationality Act, introduced by Mr. KENNEDY (for himself and Mr. NEUBERGER), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. NEUBERGER subsequently said: Mr. President, I am pleased to join with my good friend, the junior Senator from Massachusetts [Mr. KENNEDY], in sponsoring permanent legislation to admit under safeguards a restricted class of aliens who are suffering from tuberculosis. On the basis of the successful 2-year test of this proposal contained in section 6, Public Law 85–316, I believe this step is well merited.

Our bill is identical to the proposal sponsored by Representative FRANCIS E. WALTER, of Pennsylvania, the distinguished chairman of the Immigration Subcommittee. This proposal would carry out the recommendation of the President as contained in his budget message to Congress on January 19, 1959. The Surgeon General of the United States has written me that the favorable experience under Public Law 85–316 indicates that the public health can be protected if persons suffering from tuberculosis are admitted under safeguards to our country.

Mr. President, I ask unanimous consent to have printed in the RECORD a copy of a letter dated March 23, 1959, from the Surgeon General reporting favorably the experience of the last 2 years under Public Law 85–316; a letter dated March 20, 1959, from the Deputy Attorney General to Hon. EMANUEL CELLAR, chairman, Committee on the Judiciary, House of Representatives, endorsing H.R. 3089, which is identical to our bill; and an article from the Oregonian, dated March 20, 1959, entitled "Waifs Win Over Disease," and explains the successful tuberculosis treatment for Korean orphan

children brought to the United States by Harry Holt at the famed National Jewish Hospital at Denver, Colo.

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

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
*Washington, D.C., March 23, 1959.*

Hon. RICHARD L. NEUBERGER,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR NEUBERGER: This is in reply to the March 13, 1959, letter from your office requesting information on our experience under section 6 of Public Law 85-316.

Since the passage of this act and as of March 16, 1959, a total of 1,567 persons had been admitted under the terms of this section and the regulations which had been promulgated to implement it.

These regulations, as issued and revised in April 1958, require: (1) That a statement be given by a State, Territorial, or local health officer, or by a director or staff physician of a hospital, that the necessary evaluation and treatment will be supplied; (2) that the alien must go directly to the hospital specified; (3) treatment may be given on an inpatient or outpatient basis in conformity with accepted local standards of medical practice; (4) the hospital or physician in charge of the case may discharge the patient without prior approval by the Public Health Service, but is requested to submit a final report in each case.

The responsibility for paying for any care that may be required must be assumed by either the sponsoring relatives of the alien or other responsible parties. These immigrants, like all others, must give assurance that they will not become public charges.

In those cases where the alien has not fulfilled the assurance he has given, the hospital or physician is expected to report the default to the proper official of the Public Health Service. The Service then attempts to obtain compliance and, if this fails, the case is reported to the Immigration and Naturalization Service.

The effectiveness of the procedures which have been developed is demonstrated by the fact that of these 1,567 persons only 6 are listed as not having complied with the requirements of the regulations. An additional four cases are reported as delinquent and further followup is under way. Based on experience, we expect that most of these four persons will eventually comply.

I believe that this favorable experience is ample assurance that if continuation of the provisions of section 6, Public Law 316, in the form of permanent legislation is effected, it can and will be administered in such a way as to protect the public health.

If there are certain points which you feel are not fully or adequately covered, we would be most pleased to receive your inquiry on those items.

Sincerely yours,

L. E. BURNEY,
*Surgeon General.*

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MARCH 20, 1959.

Hon. EMANUEL CELLER,
*Chairman, Committee on the Judiciary,*
*House of Representatives,*
*Washington, D.C.*

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Department of Justice concerning the bill (H.R. 3089) "To amend section 212(d) of the Immigration and Nationality Act."

The act of September 11, 1957 (Public Law 85-316, 71 Stat. 640) provides that notwithstanding affliction with tuberculosis, an alien who is the spouse or child of a U.S. citizen, or of an alien lawfully admitted for permanent residence, or who has a son or daughter who is a U.S. citizen or an alien lawfully admitted for permanent residence, shall, if otherwise admissible, be issued a visa and admitted for permanent residence in accordance with such terms, conditions, etc., as the Attorney General may impose in his discretion. The Attorney General is required to report to Congress any case in which these provisions are applied. Existing law contains a time limitation, to wit: June 30, 1959, after which the Attorney General may not exercise this discretionary authority to waive affliction with tuberculosis as a ground for exclusion of an immigrant.

The bill would remove the time limitation in existing law and would add the waiver provisions to the Immigration and Nationality Act as a new paragraph to section 212(d)(9) of that act.

This proposal would carry out one of the recommendations made by the President in his budget message to the Congress on January 19, 1959. The provisions of existing law, which would be carried forward by this proposal, have operated satisfactorily and in the interest of the United States, because they are humanitarian in nature and of aid in keeping family units together in meritorious cases. The Department of Justice recommends the enactment of the bill.

The Bureau of the Budget has advised that there is no objection to the submission of this report.

Sincerely yours,

LAWRENCE E. WALSH,
*Deputy Attorney General.*

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[From the Oregonian, Mar. 20, 1959]

WAIFS WIN OVER DISEASE

Every one of the Korean children who were sent to the National Jewish Hospital at Denver for treatment of tuberculosis has recovered. Fifteen have been released in good health and two are to get out shortly. Two Korean tots who arrive Tuesday in the latest Harry Holt baby airlift are to be admitted to the hospital.

This report on the hospitalized Korean babies was made here by Martin Macman, the hospital's director of rehabilitation services. He is speaking on the hospital's famed research in tuberculosis treatment to professional and lay groups on the Pacific coast.

The hospital, which is financed by donations amounting to $3 million a year for treatment and research does not charge for care of the some 325 patients it looks after. These include those suffering from asthma and allergies and heart ailments amenable to surgery.

KOREANS GET AID

Macman said the hospital had staff members and patients who could speak Korean. Among its patients are foreign students who are not eligible to enter State hospitals. Any one who has means to pay for treatment is not accepted. Admission is limited to those for whom there is hope from good treatment.

The U.S. Public Health Service ranks the hospital as the greatest contributor in the country toward improved methods of caring for tuberculosis patients, he said.

In speaking before the Northwest Lions Club here Wednesday, Macman said that the hospital has pioneered active hospital life for patients which makes it possible for the new drugs to be more effective. He said the drugs work better when they have more germs to work on.

RESEARCH CONDUCTED

The Denver hospital is also conducting research in treatment of those patients who reacted unfavorably to taking of the some 10 modern drugs which are used.

Macman cautioned against assumption that tuberculosis is on the decline. He pointed out that the decline indicated may be simply the result of a letdown in early detection. There is no indication, he said, that the incidence is actually down. He pointed at the greater number of cases reported this year in Multnomah County.

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## PROPOSED AMENDMENT TO CONSTITUTION RELATING TO THE RIGHT TO VOTE AT AGE 18

Mr. KEATING. Mr. President, I introduce for appropriate reference a joint resolution proposing an amendment to the Constitution of the United States granting to citizens of the United States who have attained the age of 18 the right to vote.

The strongest reason for lowering the voting age is the political awareness of our young Americans. A Gallup poll has found that people between 18 and 20 are the best informed of any age group on basic political facts. The proposition that this group be given voting rights is perfectly logical; only hoary custom is against it.

As a veteran, I certainly subscribe to the theory that a man old enough to fight for his country is old enough to be entrusted with the ballot, although I think the most potent argument for reducing the voting age is the one I mentioned earlier, namely, that our young people are now more politically aware at the ages of between 18 and 20 and know what the issues in the country are than was true a generation ago.

The notion that the age of 21 marks the dividing line between immaturity and wisdom goes back to the Middle Ages, when a youth could be knighted only when he could bear the weight of armor and use it.

While I realize that this matter is controversial, it seems to me that the question is, When is a person mature enough to make an intelligent decision at the polls? I know my own daughter knew more about public events at 18 than I did at 21. I believe our young people take an earlier interest in these matters nowadays.

The merit of this resolution has already been proven in the three States where it is currently operating. I urge its early consideration by Congress.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed following my remarks in the RECORD.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S.J. Res. 81) proposing an amendment to the Constitution of the United States granting to citizens of the United States who have attained the age of 18 the right to vote, introduced by Mr. KEATING, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

*Resolved by the Senate and House of Representatives of the United States of America*

*in Congress assembled (two-thirds of each House concurring therein)*, That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States.

"ARTICLE —

"SECTION 1. The right of citizens of the United States, who have reached the age of eighteen years, to vote shall not be denied or abridged by the United States or by any State on account of age. The Congress shall have power to enforce this article by appropriate legislation.

"SEC. 2. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress."

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

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

By Mr. HUMPHREY:

Address on "Human Rights," delivered by him at the Chicago Conference for Brotherhood, on February 22, 1959.

By Mr. KEFAUVER:

Newsletter issued by Representative JOE L. EVINS, Fourth Congressional District of Tennessee, and published in the Johnson City (Tenn.) Chronicle of March 14, 1959.

## EXTENSION OF TEMPORARY UNEMPLOYMENT COMPENSATION BENEFITS

Mr. WILEY. Mr. President, as we know, the unemployment problems still, regrettably, continue to plague this country.

According to reports, there are still about 4.7 million unemployed throughout the Nation. In Wisconsin, over 75,000 workers are still out of work. Even though the wheels of industry in many areas are again whirring at prerecession levels, there has not been a proportionate back-to-work movement. Consequently, the Nation faces a real challenge in creating new jobs for those who still are unemployed.

As we know, the Senate Finance Committee on yesterday approved the House-passed measure, House bill 5640, to extend the temporary unemployment compensation benefit measures passed by Congress last year.

We recognize, of course, that extending unemployment benefits will not solve the basic problem of creating new jobs. Nevertheless, it is important to take constructive action to assist the jobless workers and their families who continue to face increasing hardships because of lack of income during out-of-work periods.

Recently I have received a number of messages from individuals, unions, and others in Wisconsin who urge extension of the temporary unemployment compensation program. I request unanimous consent that the communications be printed at this point in the RECORD.

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

SHEBOYGAN COUNTY INDEPENDENT UNION COUNCIL,
*Sheboygan, Wis., March 16, 1959.*

Senator ALEXANDER WILEY,
*U.S. Senate Building,*
*Washington, D.C.*

DEAR SENATOR: We are very much concerned about the possibility of the temporary unemployment compensation law expiring.

According to the latest Wisconsin Employment Trends (a monthly bulletin put out by the Wisconsin Industrial Commission and the Bureau of Labor Statistics), there are still 75,000 workers unemployed in the State.

* * * * *

Temporary unemployment compensation is a real necessity in this period, and we strongly urge your support and vote for its continuous protection.

Will you please let us know how you plan to vote on this matter when it comes before the Senate?

Very truly yours,

CARL RIGOTTI,
*Secretary, Sheboygan County IUC.*

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MARCH 11, 1959.

Senator ALEXANDER WILEY,
*Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR WILEY: I strongly urge you support action to extend Federal temporary unemployment compensation program.

I am yours very truly.

———, ———.

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SUPERIOR, WIS., *March 9, 1959.*

Hon. ALEXANDER WILEY,
*Senate Office Building,*
*Washington, D.C.:*

Termination of emergency unemployment compensation April 1 will create intense hardship this area and others. Special action urgently needed.

SUPERIOR FEDERATION OF LABOR,
PAUL AKERS, *Secretary.*

## MINNESOTA RECREATIONAL FACILITIES

Mr. HUMPHREY. Mr. President, among the many reasons why we Minnesotans take such pride in our State are its excellent recreational facilities. To those who love the out-of-doors, Minnesota's fields, streams, woods, and lakes are a virtual paradise. We call Minnesota the land of 10,000 lakes. Actually, the number is closer to 30,000 lakes, and 11,007 of them are 25 acres or more in size. I may add that they are well stocked with fine fish.

In the April issue of the American Legion Magazine there is a fine article, by Erwin A. Bauer, entitled "Minnesota—Promised Land for Fishermen." I recommend the article to America's fishermen, but I warn them that after reading it they will not be happy until they, too, have had a chance to come to Minnesota and enjoy our fine natural playground.

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

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

[From the American Legion Magazine, April 1959]

MINNESOTA—PROMISED LAND FOR FISHERMEN

(By Erwin A. Bauer)

America's wandering anglers are finding superb sport in every corner of the country nowadays. And ranking with the very best of it is the premium fishing in a certain belt of northern real estate, half land and half water, hardly a day's drive from such Midwestern metropolises as Chicago, Milwaukee, Minneapolis, Omaha, and Des Moines. This, of course, is Minnesota, especially the northern part of it—the land of sky-blue waters, the land of 10,000 lakes. Natives like to call it Paul Bunyan Land.

With 90 percent of her people living within 5 miles of a lake, Minnesota is a promised land for outdoorsmen. Last year 1¼ million residents and their nonresident guests bought fishing licenses to catch 10,000 tons of fish in enough water to cover the whole State of Connecticut with some left to drip over.

When a Minnesota native, in his justifiable pride, says his State has 10,000 lakes he isn't telling the whole truth. Actually, the number is closer to 30,000 lakes, and exactly 11,007 of these cover 25 acres or more apiece. In addition to her wealth of lakes, Minnesota has so many miles of streams that they would reach around the globe if they were placed end to end.

There are two versions of how all this wet land was created, one romantic and one realistic. The romantic version—and the one preferred by chambers of commerce—is that the lake beds are simply the footprints made by Babe, the blue ox, when Paul Bunyan, the legendary Minnesota lumberman, led her across the unbroken wilderness. But a more scholarly version has the lake sites gouged out by the icy fingers of glaciers in prehistoric times. By either method, however, they're filled with sweet, clear water; and the water contains a dozen species of the gamest fresh-water fishes that swim. For the price of one admission—a license—the enterprising angler can enjoy the lot of them.

The Gopher State is more than just a fine fishing hole, although this may be recommendation enough. It's an air-conditioned, pine-scented vacationland, even during dog days. The atmosphere is virtually pollen-free; so much so, in fact, that this is headquarters for the Hay Fever Club of America.

This is a family playground; there are more than 4,700 resorts in the State. But fishing is still the No. 1 attraction of summer in Minnesota. The fishing comes in considerable variety—from deep-sea-type trolling to cane poling for panfish, and from plugging the lily pads to flycasting waist deep in a singing brook.

What fish should you try for in Minnesota? They include large- and small-mouthed bass, northern pike, muskies, walleyes, trout (lake, brown, brook, and rainbow), bluegills, perch, crappies, rock bass, and bullheads. Anyone can catch the walleyes and panfish. The pike, bass, and trout come a little harder. And the muskies are for the most serious anglers alone.

And you may as well relax, for no man, even fishing daily through his entire lifetime, could really cover the waters of northern Minnesota. He could make a career of fishing the 1,000-plus lakes in Ottertail County alone. Fishing headquarters for this region on the west side of the State is Fergus Falls. Here you can get tackle, licenses, bait, and information about the nearby waters.

But in the planning stage of your fishing trip for this area you may want to know of

some of the finest lakes in the area. These include Lida (for walleyes and northern pike), Silent (walleyes, largemouths), Star (walleyes, northerns, panfish), Big MacDonald (walleyes, northerns), Spirit (largemouths), Loon (crappies, northerns), and South Turtle (walleyes). East and West Lost Lakes, near Underwood, are hot spots for bass fishermen; but the truth is that the entire area provides fast enough fishing most of the time.

Just north of Fergus Falls is another county, Becker, full of lakes. No less than 400 of these lakes are within half an hour's drive of Detroit Lakes, the county seat, located on picturesque Big Detroit Lake. There's good fishing for all of the native species in this section. Some of the fastest fishing last year was for walleyes and crappies in Big and Upper Cormorant Lakes; both these lakes (which are connected) are unusually fine crappie producers. Ice Cracking Lake is small, but it has yielded some big northerns. So have Big Toad and Little Toad Lakes along Route 34. And to your list of the best fishing lakes add Island (walleyes), Pelican (crappies, bass), Height-of-Land (walleyes), and White Earth (northerns).

Brainerd, east of Fergus Falls and Detroit Lakes, has always been one of northern Minnesota's best-known fishing regions. And it's no wonder, for annually from these waters (which lie mostly north of Brainerd and the Mississippi River) trophy-size fish come wholesale. A local guide once bragged that his customers either catch fish or pay nothing and that he hadn't been skunked in 20 years of fishing.

Big Pelican Lake, just north of Brainerd, is excellent for walleyes (particularly early in the season) and for northerns, bass, and panfish as well. Just north of that is Upper Whitefish Lake, well known because of better than average walleyes and plenty of northerns. Long and Gull Lakes also have consistently good walleye fishing, but at times the nearby Mississippi River is the best producer of all. It also contains bass and an occasional big musky.

Mille Lacs Lake, about 20 miles east of Brainerd, is Minnesota's second largest lake (200 square miles). It is a vast, almost circular body of water ringed with sandy beaches. State fish biologists consider it to be one of the most fertile lakes in any of the Northern States. It has tens of thousands of acres of potential spawning area because it is generally shallow. It's hard to beat for walleyes and northerns, particularly walleyes. It's also hard to beat for the variety of accommodations for sportsmen and their families around its perimeter. Depending somewhat on the degree of plumbing, you can vacation here on a low budget, or live on a plush scale.

Actually, facilities in the Mille Lacs area are fairly typical of all of northern Minnesota in that they're designed to match any budget. They run from elaborate American-plan resorts with dim cocktail lounges on the side to shiny modern motels or simple housekeeping cabins. Few of the accommodations are pretentious, though. Regardless of how much he's paying for it, a visitor gets plenty of escape, freedom, and relaxation.

Walker is another beautifully located community in northern Minnesota. It's on the edge of the Leech Lake Indian Reservation, and so is handy to practically unlimited fishing. Many serious anglers consider giant Leech Lake the best in the State for muskies. It's also topnotch water for walleyes and northerns, probably because of its vast shallow weedy areas. Around nearby Remer are many other fine fishing lakes—Willow, Thunder, Big Boy, Birch, Upper Trelipe, Big Vermilion, and Inquadona.

It was Woman Lake, also in this vicinity, that once produced one of the alltime jumbo muskies, a 51 pounder. Musky fishing, however, is second here to the splendid pike and walleye fishing.

If you like to fish for walleyes, you'll want to check a number of other fine lakes just north of Leech Lake. The largest of these is Winnibigoshish, which also has muskies. Cass Lake is another good big one in this area. Cut Foot Sioux Lake, which connects to "Winni" is almost as colorful as its name. It's also home for many bragging-size northerns.

The towns of Bemidji (best known for its giant reproduction of Paul Bunyan on the shore of Bemidji Lake) and Park Rapids are also the crossroads of highways that lead into splendid fishing country. Some of the best known waters around Bemidji are Beltrami, Mud, Sugar, Plantaganette, Upper Sucker, and Steamboat Lakes. All have walleyes. Auginash, Bad Boy, Buckboard, and Solid Bottom Creeks contain brookies and brown trout.

Many of the best musky lakes are within easy reach of Park Rapids. Biggest of them is Mantrap. Others in the vicinity are Big and Little Sand, Bottle, Emma, Belle Tain, Boulder, Bad Axe, and Shinbogee. Other Minnesota musky waters (they're fairly widely scattered) are Lake Vermillion near Tower; Deer Lake north of Grand Rapids; the Rum River and the Mississippi near Grand Rapids; Deer Lake east of Effie; Little Fork River near Little Fork; Big Shoepac Lake south of Rainy Lake; and the celebrated Lake of the Woods, which is one of the finest musky lakes in North America. Some of the best musky water is on the Ontario side of the lake, though.

A number of lakes near Grand Rapids, Itasca County, have excellent walleye fishing. They include Pokegama, Shoal, Bass, and Rice Lakes. Accommodations for fishermen are numerous. Among these are a number of well-manicured campgrounds.

Itasca County is practically plastered with small trout streams. Some of the better streams for eastern brookies are Bruce, Hawkins, Matuska, Pancake, Pickerel, Rice, and Spring Creeks. It's best to hit most of them, early in the season. Parts of many of them, and their tributaries, are fairly remote; and it's well worthwhile to obtain a county map and go prospecting cross country. Usually the reward is a limit easily filled.

Northern Minnesota is wonderful country for the cook-out-under-canvas set. There are almost 200 approved and improved camping sites in this evergreen country alone. These include State parks, State forestry campgrounds, and U.S. Forest Service campgrounds. The annual fee for State park usage is $1; otherwise, all these facilities are free.

If there is an inland region anywhere in America made to order for boating and boating fans, it's Minnesota—from the winding Mississippi River (which forms much of the State's eastern boundary) and Lake Minnetonka (14,500 acres of exciting boating water only 20 minutes west of the Twin Cities) all the way north to Canada. Some of the waters are busy and craft of all kinds are numerous, but other waters are lonely and forgotten. In the latter there's high adventure for fresh-water sailors and their families. They can explore new places, enjoy new experiences, and rarely see another person. In other words, Minnesota is a good place to take a boat. It makes no difference whether it's a car top canoe, a runabout for water skiing, or an outboard cruiser towed behind the car on a trailer. There are launching sites or marinas on every lake of any size.

In a normal year summer weather in northern Minnesota is almost always pleasant. From June 1 to October 1 it's cool enough to be comfortable most of the time, but rarely too cool for pleasant camping. Even after October 1 the Indian summer weather may be of the brand that inspires poetry. There are dreary rain spells in autumn, to be sure, but usually the atmosphere is clear and crisp. No matter what the month, however, it's a wise angler who carries foul-weather gear and at least one outfit of woolen clothing. It's also sensible to carry insecticides, at least until July 15, because in the early summer mosquitoes, black flies, and deer flies can be troublesome.

You'll need no special or expensive tackle for Minnesota fishing. A single medium spinning outfit can do any job or catch any fish, except perhaps the largest of lake trout and muskies. Bait casting will handle these larger fish, and a fly-casting outfit is fine for trout and panfish. Just as it is elsewhere across the land, the jig (or "lead head" or Doll Fly) craze is invading northern Minnesota. Have a supply of them in the tackle box, because they're deadly both for walleyes and smallmouth bass. It's a good idea to have spoons for pike and underwater plugs for bass. An outboard motor is handy, too.

Speaking of smallmouths, one of the best spots for them is in the sprawling system of lakes, bays, channels, and islands known as Rainy Lake and lying along the international border. It is reached mostly by U.S. 53 to International Falls. Here is another more-water-than-land region that couldn't be thoroughly fished in several lifetimes, even though the effort would be pleasant. This is North Woods country at its lovely, magnificent best.

Besides the bass in the Rainy River-Rainy Lake system, there's superlative walleye and northern pike fishing. At times there's also remarkably good yellow perch fishing, and no fish are easier to catch than perch. The Little Fork River and the Rat Root River have pike. Namakan Lake is good for walleyes. Tiny (by comparison) Cruiser Lake contains lake trout and rainbows. Big Shoepac Lake has silver muskies, a musky-northern hybrid. Both of the last-named lakes are reached only by canoe portage or trail from Rainy or Namakan Lakes.

Just south of Rainy Lake and International Falls is Lake Kabetogama. Studded with hundreds of islands and many forgotten bays, it's one of the most scenic places in the whole north country. Take this one seriously if you're out for walleye fishing.

There was once extraordinary lake trout fishing along Minnesota's Lake Superior coast, but the recent invasion of sea lampreys claimed the trout as victims and has eliminated this fishery; anglers should not go there with lakers in mind. But don't skip over this section lightly, because it offers spectacular sport in many of the streams that empty into Superior along the north shore. There are brooks, browns, or rainbows, or some combination of the three.

Some of the best-known trout rivers in this region are: Beaver (at Beaver Bay), Baptism (near Illgen City), Manitou (at Little Marais), Caribou (north of Manitou River), Temperance (between Schroeder and Tofte), Onion (between Tofte and Lutsen), Devil's Track (north of Grand Marais), and Flute Reed (Hovland).

The Superior National Forest in the northeast corner of the State and the Quetico Park just across the border in Ontario together comprise the largest exclusive canoeing country in the world. To reach these thousands of lakes, you go by canoe and by foot. Canoe travel in this peaceful, little-disturbed country is almost a way of life. With paddles or small motors you cross the lakes, and between the lakes you pick up your gear and carry it over the trails. There are no roads or powerlines to guide you, and no airplane is allowed to invade the wilderness bush except in an emergency.

For the angler who wants to escape the hustle of the world of concrete or television, who wants to get away from everything but nature and fishing, this surely is

a paradise. There are few more beautiful wilderness regions in all of North America than this Superior National Forest which joins Quetico Park in Ontario to the north. A combined canoeing-camping-fishing trip in this region becomes a truly relaxing style of outing designed to rebuild a man's outlook on the working world and to strengthen him until he can return.

It's true that once canoe trips were no easy matter for beginners. Equipment was crude and heavy; you had to like it rough. But a canoe trip into the Superior bush today is such a safe and simple expedition that anyone or virtually any family can make a happy holiday of it. The whole community of Ely, Minn., on the edge of the forest, thrives on outfitting anglers and canoe-trippers.

A fisherman and his family can drive up to an outfitter in Ely and set out a few minutes later with all the equipment necessary for anything from a weekend to a 2-week trip—on a rental basis. And it's inexpensive too; figure $5 per person per day. Families can figure less than that per person for the full treatment, which includes rental on everything but toothbrushes and the mixings for a before-dinner martini. A nonresident fishing license will cost $4. Guides are available too, but their services add an extra $15 to $25 a day to the cost. With or without guide though, a wilderness canoe trip is an adventure long to be remembered by anyone who genuinely loves the outdoors.

There's pretty fair fishing in this superior country; and one individual who knows it better than most is Bill Rom, busy proprietor of Canoe Country Outfitters, the largest canoe caterer in Ely. Bill picks the following lakes as the best for fishing, year in and year out:

For walleyes: La Croix, Crooked, Basswood, Big Saganaga, Agnes, White Iron, Three, Gun, Cherry, Shell, Ensign, Alice, Insula, Little Saganaga, Kawishiwi, Ima, and Shagawa.

For northern pike: Basswood, Birch, Ensign, Crooked, Agnes, Fourtown, Knife, Spoon, Alice, Insula, and Adams. Add also the Isabella and Kawishiwi Rivers.

For lake trout: La Croix, Oyster, Knife, Cedar, Gabimichigami, Kekekabic, Wisini, Thomas, Snowbank, Gunflint, Big Saganaga, Little Saganaga, Bear, and Ima.

For bass: Basswood, Cummings, Crab, Knife, Birch, Ensign, Strup, and Wisini. You can pick your fishing spot in Minnesota from the tourist-fringed lakes to the deep wilderness waters. It isn't even necessary to venture far from the Twin Cities, which are completely surrounded by lakes. Here is the land of fine fishing and abundant water; and, try as you will, you'll never, within your allotted time, do more than take a fair sampling of Minnesota's good fishing spots. But don't let this distress you, for the Minnesota native himself can accomplish little more.

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## FEDERAL PAYMENTS OF TAXES OR IN LIEU OF TAXES

Mr. HUMPHREY. Mr. President, the past week it was my privilege, as a member of the Senate Committee on Government Operations, to preside at the hearings scheduled at the direction of the committee chairman, the Senator from Arkansas [Mr. McCLELLAN], to consider, in general, the important and troublesome problem of Federal payments of taxes or in lieu of taxes to State and local taxing authorities, and, in particular, the provisions of Senate bill 910, which I introduced on February 3, on behalf of myself and 32 other Senators.

As is well known, for many years State and local taxing authorities have been seriously concerned over the increasing acquisition by the Federal Government of various types of property, which acquisition has operated to remove such property from local tax rolls.

From time to time over the years, the Congress has acknowledged responsibility for reducing, to some extent, the adverse effects of these acquisitions by enacting numerous statutes which authorize payment by certain Federal agencies upon certain types of property. However, the great majority of Federal agencies have no general authority to make payments on their properties. Furthermore, existing provisions of law are quite diverse and result in different treatment for similar properties of various agencies. Thus, those provisions of law which do exist fail to present any clearcut uniform policy. On some classes of property, some agencies pay taxes; others make payments in lieu of taxes; and still others make no payments at all.

Senate bill 910 is a very modest attempt to deal with a problem which the Committee on Government Operations and other committees of the Congress have studied and considered for more than 10 years. It is identical to a bill, Senate bill 4184, which was drafted originally by this committee in the 84th Congress and reported favorably in 1956, following extensive hearings on a large number of proposals.

Senate bill 910 represents the culmination of many years of continuing efforts by the committee to develop a program which would afford some measure of relief to local communities which have suffered losses as the result of the presence of Federal tax-immune property in their jurisdictions, but which would not do violence to the principle of Federal tax immunity or constitute an undue burden on the Federal Treasury.

In essence, this bill would do nothing more than establish a 5-year program of payments in lieu of taxes and special assessments on a very limited category of real property which has been removed from the local tax rolls as a result of Federal acquisition. The major category of payments would be at the discretion of a Federal Board which would administer the program, and numerous additional safeguards have been included in order to insure against any undue or unjustifiable payments. It would also require the Federal Board established by the bill to conduct a comprehensive study and make a case-by-case analysis of virtually every phase of fiscal and related problems of local taxing authority arising out of Federal immunity from local real and personal property taxes, including the operation of all existing programs. The Congress would receive semiannual reports from the Board on the operation of the program, and, within 2 years from the date of enactment, a comprehensive report, accompanied by appropriate proposed legislation, detailing its recommendations for the necessity of a continuing policy.

I repeat now what I have said before—through the years, many hundreds of witnesses have been heard; many volumes of testimony have been compiled; and numerous reports have been made by interested groups and carefully studied by the committee.

I believe that the time has come for action. S. 910 satisfies neither the opponents nor the proponents of a Federal payment-in-lieu-of-taxes program. It represents, however, a sincere effort to solve a most perplexing problem and to pave the way, in a realistic fashion, for such improvements as may be needed, based upon the 5 years of experience provided for in this measure.

I believe that this bill represents the best legislation that is possible at this time. It will not authorize a giveaway program, it will not open the gates to unlimited and unrestrained payments by the Federal Government to local communities; and it is not discriminatory. It is my firm conviction, based upon my service as the mayor of a good sized city, as a member of the Committee on Government Operations, and at one time chairman of its Subcommittee on Intergovernmental Relations, and as a member of the Commission on Intergovernmental Relations and its Study Committee on Payments in Lieu of Taxes and Shared Revenue, that this bill is a modest attempt to deal with a very vexing problem.

I ask unanimous consent, Mr. President, that there be inserted in the RECORD at the conclusion of my remarks a Senate Government Operations Staff Memorandum, No. 86–1–11, dated March 17, 1959, which contains detailed information relative to the bill, its background and history. This analysis and report was prepared by one of the members of the fine professional staff of the committee, Eli E. Nobleman.

I hope Members of the Senate will look over this material, because a number of their constituents will be getting in touch with them. This measure has been endorsed by the American Municipal Association, the Conference of County Officers, Commissioners, and Supervisors, and a host of other governmental bodies.

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

### PURPOSE

S. 910 would establish a temporary program of payments in lieu of taxes and special assessments on a very limited category of real property which has been removed from the tax rolls as the result of Federal acquisition.

The bill would authorize, for a 5-year period, (1) a very limited program of payments in lieu of taxes on industrial or commercial real property acquired by the Federal Government after June 30, 1950; (2) payments of special assessments levied after the effective date of the act in urban or suburban areas, if such assessments were also levied on real property owned by other taxable persons; and (3) payments in lieu of taxes on the interest of the Federal Government in real property leased or sold to private persons under conditional sales contracts, if such property were owned by a taxable person.

The program would be administered by a five-member, bipartisan Federal Board for Payments to Local Governments, appointed by the President, subject to Senate confirmation. A taxing authority would be required to file an appropriate application, specifying

the Federal property involved, the basis of its claim, and the period for which the claim is made (not to include 12 months in any single application). The Board, after determining the existence of a probable basis for the claim, and conducting a hearing, if a basis is found to exist, would be required to determine and certify to the controlling Federal agency the amount of payment to be made to the local taxing authority.

In the case of industrial or commercial real property, however, the applicant would be required to make a showing that Federal acquisition of such property has resulted in a financial hardship to the community in question. The actual payment to be made would be based upon the amount of local taxes which would have been payable had the property been privately owned, increased by additional expenditures incurred by the taxing authority in furnishing services to the Federal property, and diminished by the aggregate amount of local-type governmental services furnished by the controlling Federal agency, further diminished by any additional credit against Federal liability resulting from any exemption, immunity, or reduction in the tax rate or amount, if such are available, under State or local law, to private persons as an inducement to engage in industrial or commercial activities within the territorial jurisdiction of the particular tax authority. The Board's decisions are made final and would be conclusive upon all tax authorities and Federal agencies, and may not be questioned by any court or Government accounting officer.

The bill provides further that payments made by Federal agencies under existing programs authorized by law would not be affected; that Federal property upon which payments are made under an existing program would be excluded from the coverage of this bill and would not be subject to additional payments for the same period; and that Federal payments on industrial or commercial property cannot exceed the amount of the tax which would be payable if such property had been developed and used by a taxable person for a typical private industrial or commercial use, either within the jurisdiction of that tax authority or in nearby comparable communities.

The Board, either on its own motion or upon application by a taxing authority, would be required to make various studies relative to (1) fiscal and other problems of local taxing authorities arising out of Federal immunity from real and personal property taxes; (2) the nature and extent of payments to local taxing authorities under other Federal programs, including grants-in-aid and revenue-sharing programs; and (3) the nature and extent of benefits derived by taxing authorities directly or indirectly through persons residing or employed upon Federal property and for or in connection with any property, trade, business, etc., situated or occurring upon Federal property.

The Board would be required to report semiannually to the President and the Congress with respect to its operations during the preceding period and to file, no later than 2 years after the date of enactment, a comprehensive report, accompanied by appropriate proposed legislation, detailing its recommendations on the necessity for a continuing policy for compensating local taxing authorities for losses sustained incident to the presence of Federal tax-exempt property within their jurisdictions, and with respect to the future treatment of properties for which payments are temporarily authorized by Public Law 388, 84th Congress, as extended by Public Law 85-579 (former RFC properties).

The Board would be authorized to employ personnel and procure the services of consultants at rates not to exceed $50 per day, to conduct hearings or investigations, and to examine witnesses and compel their attendance by subpena. It would be required to maintain an accurate stenographic record of all testimony taken, a transcript of which would be filed in the office of the Board. The Board would cease to exist on December 31, 1966, 2 years after the terminal date for the filing of applications for payment.

Finally, the bill would establish a 12-member advisory committee, composed of representatives of the Federal Government, State governments, and local taxing authorities, appointed by the President, which would be required to conduct studies of the administration of this act, as well as all other Federal legislation authorizing payments of taxes or in lieu thereof, by Federal agencies to local tax authorities, and problems arising in connection therewith. This committee would be required to consult with the Board, upon its request, in an advisory capacity in the solution of such problems, and transmit from time to time to the Board and to the President for transmittal to the Congress, a report summarizing the result of its studies, together with recommendations for administrative or legislative changes considered necessary or desirable for efficient, economical, and equitable administration of such provisions of law.

BACKGROUND

*General*

State and local taxing authorities have been seriously concerned, particularly since 1939, over the increasing acquisition by the Federal Government of various types of property which has operated to remove such property from local tax rolls. Local governments depend upon property taxes for more than half of their total revenues, so that they are particularly concerned when the Federal Government acquires real estate and thereby removes it from the property tax base while at the same time activities on or associated with the Federal property may impose service burdens upon these local governments.

The seriousness of the general problem appears to have been magnified by the outbreak of the Korean war in 1950, when large-scale Federal acquisitions of defense production facilities throughout the country resulted in the removal of substantial parcels of real property from local tax rolls.

From time to time, the Congress has acknowledged responsibility for reducing, to some extent, the adverse effects of these acquisitions upon local government revenues and fiscal structures by enacting numerous statutory provisions which authorize payments by certain Federal agencies and departments or upon certain types of property. However, the majority of Federal agencies have no general authority to make payments on their properties. Furthermore, existing provisions of law are quite diverse and result in different treatment for similar properties of the various agencies. Thus, those provisions of law which do exist fail to present any clear-cut uniform policy. On some classes of property, some agencies pay taxes; others make payments in lieu of taxes; and still others make no payments at all. At the present time, according to the latest available information, there are presently on the books some 55 laws dealing with Federal payment of taxes or in lieu of taxes, or shared revenue arrangements. Of this number, some 20 provide for a sharing of revenue between Federal and State and local governments; 18 authorize payments in lieu of taxes; and 17 authorize the payment of direct taxes.

STUDIES OF FEDERAL-STATE-LOCAL TAX RELATIONS

During the past 22 years, the fiscal problems of local governments resulting from Federal acquisition and control of real property, and the impact of Federal immunity from State and local taxation have been the subject of almost continuous study by governmental, quasi-governmental and private groups which have filed some 9 reports with recommendations. These efforts have been fully detailed and documented in Senate Report No. 2424, 84th Congress, filed by this committee on July 7, 1956.

The most recent major study was made by the Commission on Intergovernmental Relations which submitted a 311-page report with recommendations, which was accompanied by 15 additional volumes, totaling in all, approximately 2,200 pages. One of these volumes was a 197-page report entitled "Payments in Lieu of Taxes and Shared Revenues", which contained an exhaustive study of the entire subject, with detailed recommendations relative to future Federal policy with respect to payments to State and local governments for Federal property holdings located herein.

COMMITTEE ACTION—80TH-85TH CONGRESS

Since 1947, this committee has had before it various studies and a continuous stream of legislative proposals dealing with Federal-Stat-local relations, in general, and payments of taxes or in lieu of taxes, in particular. Large numbers of complicated bills were processed and numerous hearings were held.

In the 84th Congress, the committee had before it a total of 12 bills dealing with various aspects of payments of taxes or in lieu of taxes by the Federal Government to local taxing authorities. In July 1955, the committeee held a preliminary hearing on 7 bills then pending before it. Further action was deferred pending an opportunity to examine the report and recommendations of the Commission on Intergovernmental Relations and the receipt of the administration's comments on the bills then pending. Following these hearings, the staff prepared an exhaustive analysis of the pending bills and the pertinent findings and recommendations of the Intergovernmental Relations Commission and its Study Committee on Payments in Lieu of Taxes and Shared Revenues.

In 1956, the committee held further hearings on these bills. Following consideration of the testimony contained in the 477-page record of the hearings, the committee concluded that (1) because of the complexities inherent in the subject, the large number of variables involved, it was unable to recommend favorable action on any of the pending bills; (2) since the factual pattern varied in the 16,778 cities and the 3,049 counties in the United States which may possibly be affected by Federal tax immunities, the only approach which would furnish a measure of relief to those local governments which are hard pressed as a result of Federal acquisitions, was through a limited program of payments in lieu of taxes, coupled with a case-by-case consideration by an administrative board of the relative merits of individual cases; (3) any further legislative action would have to await the accumulation by such a board of information concerning specific local needs and situations, compiled on a case-by-case basis, following field studies; and (4) no amount of general study, unrelated to the specific variable factors in each individual case, would serve any useful purpose. In this conclusion, the committee was supported by the Bureau of the Budget and by a number of the sponsors of the major bills pending before the committee, who testified in the hearings that, in their judgment, bills proposing to establish broad comprehensive programs had not received favorable action over the years because such an approach was not feasible.

Accordingly, the committee drafted and reported favorably a committee bill, S. 4183 (S. Rept. No. 2424, 84th Cong.), identical to S. 910, the pending bill, providing for a 5-year program of payments in lieu of taxes and special assessments on a very limited category of real property; and permitting modest payments only to those taxing authorities which are able to show that, after

weighing the benefits resulting from the presence of Federal installations against the burdens imposed on local taxpayers and local taxing authorities, they were still suffering financial hardships. The major feature of this measure was a comprehensive study which the Board would have been required to make and the case-by-case analysis of virtually every phase of fiscal and related problems of local taxing authorities arising out of Federal immunity from local taxation, including the operation of existing programs; and the comprehensive report which was to be made to the Congress after 2 years, accompanied by appropriate proposed legislation, detailing its recommendations on the necessity for a continuing policy.

This measure failed of action on the floor of the Senate, following opposition and its temporary displacement to permit the transaction of further urgent business.

In the 85th Congress, the committee again had before it numerous bills dealing with this subject, including S. 967, identical in every respect to S. 4183, 84th Congress, and to the pending measure, S. 910, 86th Congress.

CONCLUSIONS

As previously indicated, S. 910 is identical in every respect to S. 4183 of the 84th Congress. It represents the culmination of more than 10 years of continuing efforts by the committee to develop a program which would afford some measure of relief to local communities which have suffered losses as the result of the presence of Federal tax-immune property in their jurisdictions, but which would not do violence to the principle of Federal tax immunity or constitute an undue burden on the Federal Treasury. Its provisions are based upon a careful study of the testimony of hundreds of witnesses heard by the committee through the years and upon many volumes of testimony and numerous reports.

S. 910 has the support of all of the major organizations representing State and local governments and taxing authorities, including the National Association of County Officials and the American Municipal Association.

Finally, S. 910 is based upon the conclusions of this committee, contained in its report on the earlier identical committee bill, S. 4183 that (1) there is an urgent need for immediate legislative action to relieve local taxing authorities from unjustified and inequitable burdens and hardships which have been imposed upon them as the result of large-scale Federal acquisition of various types of property which has operated to remove such property from the local tax rolls; (2) because of the extremely complex nature of the subject and the many variables which are involved, it is not possible to devise a comprehensive program which will operate in a fair and equitable manner, and which is not likely to involve high expenditures of Federal funds and possible windfall payments to communities which have actually been benefited rather than harmed by the presence of Federal installations; and (3) the only equitable type of program which is possible is one in which payments are based upon individual cases and situations as they are presented and documented, and as information relative to each situation is compiled, evaluated, and assessed on its merits (S. Rept. No. 2424, 84th Cong.).

The staff has been informed by representatives of the Bureau of the Budget that pending reexamination of the entire field of Federal-State-local fiscal relations, no report on the pending bill will be submitted at this time. However, it is expected that a report embodying their views will be completed early next month.

## TEMPORARY UNEMPLOYMENT COMPENSATION ACT

Mr. CLARK. Mr. President, within 2 weeks the Temporary Unemployment Compensation Act which Congress passed last year will expire. The House of Representatives has passed a bill which in effect permits the law to expire. No new person exhausting his regular benefits could be added to the temporary benefit program, yet the unemployment problem is virtually as great as it was when we passed the bill last year. The number of unemployed stands at 4,749,000, which is a recession level. Exhaustions of benefits are almost as high as they were last year, an estimated 200,000 in March of 1959 as compared to 254,000 when we passed the bill last June.

As a result, 18 Senators asked the Finance Committee for a hearing in order to present the case for a better bill than the one passed by the House of Representatives. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a copy of the letter which was signed by those 18 Senators and addressed to the eminent chairman of the Committee on Finance [Mr. BYRD of Virginia].

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

MARCH 18, 1959.

Hon. HARRY F. BYRD,
*Chairman, Committee on Finance,*
*U.S. Senate.*

DEAR MR. CHAIRMAN: With the scheduled expiration of the Temporary Unemployment Compensation Act of 1958 on March 31, the Nation faces an emergency situation in regard to assisting the hundreds of thousands of workers whose regular unemployment benefits will expire after that date.

The latest official figures show 4,749,000 persons unemployed—only 13 percent fewer than last June when the Temporary Unemployment Compensation Act was passed. Unfortunately, there is little evidence that the number of unemployed is likely to drop rapidly after March 31. Industrial production has been rising at the rate of less than 1 percent a month, and employment is lagging behind production.

In short, the recession—as measured by unemployment—is continuing. There is as much reason for an emergency unemployment compensation program now as when the act was passed last year.

Under these circumstances, we feel that the measure passed by the House yesterday is almost totally inadequate. It would bar from the Federal program any worker whose benefits expire after March 31. It would force tens of thousands of self-respecting workers and their families to suffer the humiliation of going on the relief rolls.

We feel that during a national recession, unemployment must be accepted as a national problem. To throw the entire burden of assistance and relief upon the State and local communities at this time will result in hardship, suffering, and privation which it is the responsibility and duty of any civilized society to prevent.

We, therefore, respectfully request that brief hearings be scheduled by your committee, so that those who share our views may have an opportunity to state the case for a more adequate bill than the one passed by the House of Representatives.

JOSEPH S. CLARK, PAT MCNAMARA, PHILIP A. HART, WAYNE MORSE, RICHARD L. NEUBERGER, JOHN F. KENNEDY, THEODORE FRANCIS GREEN, JOHN O. PASTORE, HUBERT H. HUMPHREY, EUGENE J. MCCARTHY, JAMES E. MURRAY, MIKE MANSFIELD, HARRISON A. WILLIAMS, Jr., VANCE HARTKE, PAUL H. DOUGLAS, JENNINGS RANDOLPH, ROBERT C. BYRD, ERNEST GRUENING.

Mr. CLARK. At that hearing the 18 Senators agreed upon testimony supporting, as cosponsors, the bill introduced by the distinguished Senator from Michigan [Mr. MCNAMARA], Senate bill 1323. I ask unanimous consent that that testimony be printed in the RECORD at this point as a part of my remarks.

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

TESTIMONY OF COSPONSORS OF S. 1323 BEFORE THE COMMITTEE ON FINANCE, U.S. SENATE, MARCH 20, 1959

Mr. Chairman and members of the committee, the following statement is submitted on behalf of the 18 Senators who have cosponsored S. 1323: Senators MCNAMARA, CLARK, HART, MURRAY, MANSFIELD, MORSE, NEUBERGER, GREEN, GRUENING, BYRD of West Virginia; RANDOLPH, HUMPHREY, MCCARTHY, DOUGLAS, KENNEDY, WILLIAMS of New Jersey, PASTORE, and HARTKE.

We have sought hearings before this committee because of our concern about the House bill, H.R. 5640, that is before you. H.R. 5640 would extend the present Temporary Unemployment Compensation Act of 1958, due to expire on March 31, 1959, to cover those who have established eligibility as of March 31, 1959. Our objections to this bill are based on two major premises.

First, the high unemployment of 1958, which prompted the enactment of the Temporary Unemployment Compensation Act, has almost been equaled in 1959. Complete unemployment figures are available only for January and February, but they show that unemployment nationally now stands at 4.7 million.

This unemployment figure is only slightly below that of the same date last year. In fact, unemployment in January of this year, 4.7 million, was the highest for any January since before World War II, and the February 1959 total was exceeded in that period only by February 1958.

*Civilian unemployment and employment from January 1957* [1]

[Millions]

| Month | Unemployment | | | Employment | | |
|---|---|---|---|---|---|---|
| | 1957 | 1958 | 1959 | 1957 | 1958 | 1959 |
| January | 3.2 | 4.5 | 4.7 | 62.6 | 62.2 | 62.7 |
| February | 3.1 | 5.2 | 4.7 | 63.2 | 62.0 | 62.7 |
| March | 2.9 | 5.2 | ------ | 63.9 | 62.3 | ------ |
| April | 2.7 | 5.1 | ------ | 64.3 | 62.9 | ------ |
| May | 2.7 | 4.9 | ------ | 65.2 | 64.1 | ------ |
| June | 3.3 | 5.4 | ------ | 66.5 | 65.0 | ------ |
| July | 3.0 | 5.3 | ------ | 67.2 | 65.2 | ------ |
| August | 2.6 | 4.7 | ------ | 66.4 | 65.4 | ------ |
| September | 2.6 | 4.1 | ------ | 65.7 | 64.6 | ------ |
| October | 2.5 | 3.8 | ------ | 66.0 | 65.3 | ------ |
| November | 3.2 | 3.8 | ------ | 64.9 | 64.7 | ------ |
| December | 3.4 | 4.1 | ------ | 64.4 | 64.0 | ------ |
| Average | 2.9 | 4.7 | ------ | 65.0 | 64.0 | ------ |

[1] Source: U.S. Bureau of the Census.

*Civilian unemployment and employment* [1] *in February 1953–59*

[Millions]

| Year | Unemployment | Employment |
|---|---|---|
| 1953 | 1.8 | 61.1 |
| 1954 | 3.7 | 60.1 |
| 1955 | 3.4 | 59.9 |
| 1956 | 2.9 | 62.6 |
| 1957 | 3.1 | 63.2 |
| 1958 | 5.2 | 62.0 |
| 1959 | 4.7 | 62.7 |

[1] Source: U.S. Bureau of the Census.

Furthermore, the number of persons who will exhaust their unemployment insurance

rights in fiscal 1960 is exceeded only by fiscal 1959. It should be noted that the chart below (chart II) is based on the most optimistic predictions—predictions which will depend for fulfillment on an almost miraculous about-face in the economy.

CHART II

[In thousands]

| | State UI and UCFE exhaustions, fiscal year— | | | |
|---|---|---|---|---|
| | 1957 | 1958 | 1959 | 1960 |
| July | 86.6 | 98.9 | 285.4 | 210 |
| August | 88.1 | 91.6 | 255.0 | 190 |
| September | 73.5 | 82.9 | 237.4 | 195 |
| October | 73.8 | 94.5 | 224.3 | 195 |
| November | 70.4 | 84.4 | 177.7 | 155 |
| December | 73.3 | 110.6 | 213.1 | 165 |
| January | 106.7 | 147.1 | 212.4 | 170 |
| February | 95.2 | 145.5 | 195.0 | 150 |
| March | 112.5 | 191.4 | 200.0 | 155 |
| April | 115.1 | 231.2 | 195.0 | 150 |
| May | 106.5 | 236.8 | 175.0 | 140 |
| June | 92.5 | 254.0 | 170.0 | 130 |
| Fiscal year total | 1,094.1 | 1,768.7 | 2,540.0 | 2,005 |

Second, there is no evidence that this situation is capable of self-improvement. Our experience in 1958 is valid testimony to that fact. All of the blithely optimistic statements that have been uttered about the passing nature of this problem will not restore one single unemployed person to work.

It is true that production in the latter months of 1958 showed some improvement. Unfortunately, this was not accompanied by a comparable increase in employment. Between April of 1958, the low point of last year's recession, and December 1958, 84 percent of the manufacturing production loss was recovered. However, there was only a 26-percent restoration of the manufacturing job loss.

The recession which we now face is one which hits all fields of employment. It is not a phenomenon peculiar to only several.

*Unemployment rates for nonfarm wage and salary workers, by major industry group, January 1957 to 1959*

[Percent of labor force in industry who were unemployed; not adjusted for seasonality]

| Industry group | 1959 | 1958 | 1957 |
|---|---|---|---|
| Total | 7.3 | 7.1 | 5.2 |
| Mining | 11.7 | 9.6 | 5.0 |
| Construction | 19.3 | 18.7 | 14.8 |
| Manufacturing | 7.9 | 8.9 | 5.0 |
| Durable goods | 8.2 | 9.9 | 4.5 |
| Primary metal industries | 8.2 | 11.2 | 2.6 |
| Fabricated metal products | 9.1 | 8.6 | 5.3 |
| Machinery, except electrical | 7.2 | 8.0 | 1.9 |
| Electrical machinery | 6.7 | 7.9 | 4.0 |
| Transportation equipment | 7.7 | 12.0 | 3.3 |
| Automobiles | 10.3 | 14.7 | 4.1 |
| All other | 5.6 | 9.6 | 2.7 |
| Other durable goods industries | 9.7 | 10.1 | 8.3 |
| Nondurable goods | 7.5 | 7.7 | 5.8 |
| Food and kindred products | 9.1 | 9.8 | 7.8 |
| Textile-mill products | 10.3 | 10.8 | 4.7 |
| Apparel and other finished textile products | 12.5 | 11.0 | 10.4 |
| Other nondurable goods industries | 5.3 | 5.7 | 4.7 |
| Transportation communication, and other public utilities | 6.2 | 5.5 | 3.5 |
| Railroad and railway express | 8.4 | 9.0 | 4.5 |
| Other transportation | 8.4 | 5.7 | 4.2 |
| Communications and public utilities | 2.8 | 3.0 | 2.2 |
| Wholesale and retail trade | 7.3 | 6.6 | 5.8 |
| Service industries | 4.7 | 3.5 | 3.2 |
| Finance, insurance, and real estate | 2.9 | 2.1 | 1.5 |
| Professional services | 2.8 | 1.8 | 2.0 |
| All other service industries | 7.6 | 6.0 | 5.4 |
| Public administration | 2.8 | 3.1 | 3.0 |

Of the 149 major labor market areas in the United States, 76 of them, more than half, have unemployment of more than 6 percent. The same level of unemployment is present in 183 of the Nation's smaller labor markets.

The economic downturn which has prevailed for a considerable period of time is somewhat unique. Perhaps the best summation of this fact can be found in the document entitled "Current Population Reports—Labor Force," published by the U.S. Department of Commerce. In the March 1959 issue, page 3, the following appears:

"The recent recession differs somewhat from the two earlier postwar downturns in the pattern of decline in unemployment. The recovery in 1958 was largely compressed into a short span of months in the second half of the year, with little change in unemployment since November except for seasonal fluctuations. As a result, some 10 months after the generally accepted turning point in the 1958 downturn, unemployment was just about halfway back to more typical postwar levels, whereas the job recovery was more nearly complete at the corresponding stage of the previous cycles."

It is apparent that the temporary unemployment measure that we passed last year did not solve the basic problem; it only provided welcome relief for those who were most affected by the continuing recession.

We who are before this committee today do not offer our bill, S. 1323, as a permanent solution to the basic problem.

The great majority of us are also cosponsors of a bill which would provide us with an effective attack on this problem of chronic national unemployment. That bill, S. 791, the Kennedy-McCarthy bill, would establish minimum national standards for unemployment insurance considerably more adequate than those standards now in existence throughout the 50 States.

We are of the opinion that the enactment of such legislation is essential. It is the only way to provide realistic protection against the rapid cycle of unemployment which we have experienced in the recent past. Unless we return to the basic philosophy of unemployment insurance that characterized its initiation in 1938—namely, that an unemployed person should receive benefits which equalled roughly one-half of his earnings, for a realistic period of time—we will never fully meet this problem.

That is what is intended under S. 791, and we will urge its enactment when the bill is before the Senate.

But the immediate problem before us is the hardship created by present unemployment. The statistics that we have already cited are not just the handiwork of an electronic computer. They are not digits over which men of good will can shake their heads and utter a few polite "tsk-tsks."

These figures are easily translated, and their translation does not make for easy reading. They represent hunger, illness, and degradation.

Each one of the unemployed who is counted in the total has problems which, fortunately, are unknown to most of us. Few of us have had to sit idle while our children go off to and return from school hungry. There is perhaps no crisis so disastrous as family illness which cannot be tended because of poverty.

Of perhaps equal gravity is the toll that has been taken of the pride and self-respect of millions of American working people. There are only a few alternatives left to a man without work and without unemployment insurance.

He can borrow from his relatives, who in most cases are only a short step away from his own perilous circumstances. He can beg from the local welfare agencies. We submit that begging is an accurate description in most instances, primarily because many State and local welfare funds have already been drained and can give relief only to those in a disaster classification.

He has another alternative, if he has children. He can desert his family and thereby enable his children to become eligible for the joint Federal-State program of aid to dependent children. It is ironic that we have by past action and inaction placed a premium on a father's desertion of his family. Yet in State after State, and in more cases than even the local agencies care to document, this is exactly what is happening.

That these are the several alternatives from which the unemployed can choose is appalling in a nation as wealthy as ours. We believe that we have the resources and the humanity sufficient for the establishment of another adequate alternative, which we discuss below.

We must, of course, face the issue of the budget. All of the Senators for whom I am speaking want to see a balanced budget in the fiscal year 1960. Some of us believe that the money which this bill costs can be met through economies elsewhere in the budget. Some of us believe that additional revenues should be obtained through closing tax loopholes and removing inequities in the tax structure—legislation which would be within the province of your committee. The answer may lie in a combination of the two approaches. But, in any case, all of us believe that we must balance the budget through other means than deserting the unemployed of this country in this time of great and urgent need.

We feel it is anomalous, to say the least, that the position of many persons in responsible positions appears to be that this great and rich country can afford to be humane—or even generous—until an arbitrary date on the calendar, June 30, 1959; and that after that date we must cease to have humanitarian impulses, must harden our hearts, must steel ourselves against the temptation to be compassionate, and must concern ourselves, beginning promptly at 12:01 a.m. on July 1, with reduction of Federal expenditures as the overriding objective of our national existence.

We turn now to the proposal before this distinguished committee.

H.R. 5640 would continue temporary benefits for all those who established their eligibility, under the 1958 TUC Act, before March 31, 1959. It would provide a measure of relief for the approximately 265,000 persons who will be drawing benefits as of March 31, plus those who established eligibility at a prior time, returned to work, and again became unemployed during the period March 31–June 30, 1959. The outside maximum number that would fall into the latter category is estimated to be 140,000 persons.

Thus, a maximum of 405,000 persons would be affected by H.R. 5640, or less than 10 percent of those now unemployed. The total cost, if 405,000 persons were benefited, would be $78 million.

In short, H.R. 5640 would take care of less than one-tenth of the problem that exists.

S. 1323 would provide a uniform 16 weeks of benefits for all persons who had exhausted their unemployment insurance eligibility under existing programs. It would provide similar benefits for all those who had substantial earnings records in the past 2 calendar years and who had not been in covered employment. The main provisions of the bill are, briefly:

1. Sixteen weeks of benefits for all those who exhausted unemployment insurance rights under any and all existing programs, including the TUC Act of 1958.

2. Sixteen weeks of benefits for all those who worked in uncovered employment and who (a) earned a total of $1,000 during either of the 2 calendar years, for which records are available, prior to application for benefits, and who (b) worked a total of four quarters during the 2-calendar-year period.

3. Benefit amounts would be determined as follows: (a) Exhaustees: weekly benefit

would equal that obtained under existing programs; (b) noncovered: weekly benefit would be equal to 1¼ percent of yearly earnings, with a maximum equal to the maximum granted under the State unemployment insurance program.

(These criteria would prevent the imposition of an undue administrative burden on the State agencies. The Bureau of Social Security has earnings records which would provide the necessary data, at a cost of 60 cents per application.)

4. A State would have the option to enter into that part of the program which provides benefits for those in uncovered employment.

5. All recipients must be ready and willing to work, and must accept reasonable employment openings obtained by th State employment agencies.

We estimate that approximately 3½ million people will gain relief under S. 1323. The bill, if enacted, would immediately benefit the 1.9 million who are now unemployed and who have exhausted their rights under existing programs or who have worked in uncovered employment. In addition, another 1.6 million persons who exhaust in the coming year would also receive benefits.

Assuming that recovery continues to lag, the total cost of this program would be $875 million. Of course, if the recession ends as rapidly as we all hope, this expenditure will be considerably reduced.

We would like to point out that an estimated $206 million of the $640 million which Congress appropriated last year for the TUC Act will be unspent as of March 31 of this year. This means that by carrying this money over into the expenditures for S. 1323, the total new money called for would be approximately $670 million.

The enactment of S. 1323 would accomplish two major and worthwhile objectives.

It would, first, provide substantial relief for those who need it most. S. 1323 is in no sense a dole. In fact, it is the opposite of a dole. If it is not enacted we will be faced with even greater public assistance expenditures than now confront us nationally.

S. 1323 will assist only those whose past work record should entitle them to better social insurance than is now provided under inadequate unemployment compensations programs.

I would, secondly, inject a sizable amount of money into an economy which, by all available evidence, could readily benefit by such action. The stimulus that would be provided cannot be statistically demonstrated, of course. But perhaps the main reason why the recession has not deepened has been the several public programs which take up the economic slack in a period of decreased production.

Unemployment insurance, even though inadequate, has been a major factor in maintaining a degree of purchasing power. The highway construction act has given additional impetus. We are hopeful that the airport and housing bills already passed by the Senate this session will help also.

Gentlemen, this Congress will be faced with many problems during the coming 18 months. We will be called upon to make decisions affecting the preservation of freedom itself.

Yet no institution such as ours can effectively deal with these grave issues if the problems of our domestic community remain unsolved. If our system of democratic capitalism is to prevail internationally, it must prove itself at home.

It is trite to demonstrate the past role that the Federal Government has fulfilled in making that system work at home. That fact is overwhelmingly apparent to this body which has been such a part of the creation of that role.

This is not the hour to turn our backs on the lesson of our recent domestic history. We urge your favorable consideration of the proposal we have placed before you—the enactment of S. 1323. We pledge you our support and cooperation in the enactment of a program which will meet this domestic challenge of unemployment.

Mr. CLARK. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a tabulation showing insured unemployment for the week ended February 28, 1959, by States.

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

*Insured unemployment for week ended Feb. 28, 1959 (excluding railroad)*

| | |
|---|---|
| Alabama | 41,120 |
| Arizona | 10,659 |
| Arkansas | 26,360 |
| California | 270,180 |
| Colorado | 14,208 |
| Connecticut | 49,352 |
| Delaware | 7,239 |
| District of Columbia | 9,800 |
| Florida | 31,461 |
| Georgia | 34,075 |
| Idaho | 9,800 |
| Illinois | 151,108 |
| Indiana | 56,883 |
| Iowa | 14,888 |
| Kansas | 15,515 |
| Kentucky | 39,365 |
| Louisiana | 37,734 |
| Maine | 18,790 |
| Maryland | 55,348 |
| Massachusetts | 106,396 |
| Michigan | 144,113 |
| Minnesota | 54,972 |
| Mississippi | 20,752 |
| Missouri | 46,038 |
| Montana | 15,037 |
| Nebraska | 10,340 |
| Nevada | 6,185 |
| New Hampshire | 7,762 |
| New Jersey | 133,046 |
| New Mexico | 6,398 |
| New York | 385,154 |
| North Carolina | 47,902 |
| North Dakota | 8,399 |
| Ohio | 129,619 |
| Oklahoma | 21,532 |
| Oregon | 33,880 |
| Pennsylvania | 334,672 |
| Rhode Island | 21,841 |
| South Carolina | 17,387 |
| South Dakota | 4,309 |
| Tennessee | 45,900 |
| Texas | 69,629 |
| Utah | 9,162 |
| Vermont | 5,046 |
| Virginia | 28,449 |
| Washington | 55,316 |
| West Virginia | 46,411 |
| Wisconsin | 43,972 |
| Wyoming | 5,086 |

Mr. CLARK. Mr. President, I ask also to have printed in the RECORD at this point as a part of my remarks a telegram signed by George Meany, president of the AFL–CIO, which, in effect, states that the House bill is practically meaningless, and urging our support of the bill of the senior Senator from Michigan, Senate bill 1323.

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

WASHINGTON, D.C., *March 23, 1959.*

Hon. JOSEPH S. CLARK,
*Senate Office Building,*
*Washington, D.C.:*

As reported by finance committee, H.R. 5640 would do absolutely nothing for any person exhausting unemployment compensation benefits after March 31 and for those unprotected by present State laws. Continuing mass unemployment with hundreds of thousands exhaustions monthly requires changes in H.R. 5640 along lines of S. 1323 which will be offered on Senate floor. AFL–CIO urges your support for S. 1323.

GEORGE MEANY,
*President, AFL–CIO.*

Mr. CLARK. The Governor of Pennsylvania, David L. Lawrence, sent a telegram to me which was presented for the record before the Senate Finance Committee, pointing out the critical situation with respect to unemployment in the Commonwealth of Pennsylvania. I ask unanimous consent that the telegram be printed in the RECORD at this point as a part of my remarks.

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

HARRISBURG, PA., *March 19, 1959.*

Hon. JOSEPH S. CLARK,
*Chairman, Senate Finance Committee, Senate Office Building, Washington, D.C.:*

My I request your good offices in urging immediate passage of Senate bill 1323?

Without such action, 50,000 Pennsylvanians who now are receiving these payments would be arbitrarily dropped from the benefit rolls on April 1. Abrupt termination of this program would increase the already difficult situation in Pennsylvania since persons are not eligible to file claims under the temporary unemployment compensation program unless they have no State benefit entitlement. It would mean the cessation of income to this very sizable group of our unemployed citizens.

Pennsylvania's need is most urgent. As of February 15, 492,000 Pennsylvanians were without jobs. This is over 10 percent of the national unemployment and almost 11 percent of our State's labor force. Over the past 9 months, 237,000 people here have applied for benefits under this program and payments have totaled $66.7 million.

This very appreciable sum has not only served to relieve individual hardships but has been a very real factor in bolstering the purchasing power and the general economy of the State as a whole. This is not a highly restrictive program which benefits one small segment of our population, but a widespread and helpful program which reaches into every corner of our Commonwealth.

We believe it would be most damaging to Pennsylvania and its people if it were to be suddenly terminated while our unemployment total remains at such a high level. I am sure that all of our people who are unemployed, and their families, will be deeply appreciative of any efforts you may exert to extend this most worthwhile program.

Senate bill 1323 would allow new claims for temporary compensation for the more than 200,000 Pennsylvanians who already have exhausted their State benefits. These would not be eligible under the 3-month extension proposed in the bill which recently passed in the House unless they were currently drawing benefits. Provisions should be made for them.

DAVID L. LAWRENCE,
*Governor of Pennsylvania.*

Mr. CLARK. Finally, four able members of the Committee on Finance signed supplemental views on House bill 5640. I ask unanimous consent that the supplemental views be printed in the RECORD at this point as a part of my remarks.

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

SUPPLEMENTAL VIEWS ON H.R. 5640

The undersigned have voted with the majority of the committee to report H.R. 5640

in order to have before the Senate at the earliest possible time a proposal for some emergency or temporary extension of unemployment compensation.

In our opinion, however, H.R. 5640 falls far short of what is needed today. For the reasons we shall outline, therefore, we hope the Senate will approve the strengthening amendments which the undersigned presented in committee, but which were rejected by the majority.

The simple fact that there are today more than 4.7 million persons unemployed is ample proof that a measure offering scanty assistance to less than 10 percent of that total is wholly inadequate to meet the emergency.

This bill, H.R. 5840, would simply provide a continuation of the temporary unemployment compensation benefits for those who have established their first claim to such benefits prior to April 1, 1959. The new cutoff date would become July 1, 1959.

The bill would, at the very maximum, provide temporary benefits to approximately 405,000 unemployed. However, since this figure includes those who had established eligibility under the 1958 Temporary Unemployment Compensation Act and who have since returned to work, it is unlikely that enactment of H.R. 5640 would benefit more than 300,000 persons, and perhaps only as many as 265,000.

Some of these may be made eligible to draw as little as 1 additional week. Labor Department estimates set the probable average extension of benefits at only about 6 weeks.

There is no provision in H.R. 5640 to assist the 900,000 persons who have already exhausted their rights under existing temporary unemployment compensation programs, or the 1 million persons who were not engaged in covered employment. Nor does it provide any aid for the estimated 1.6 million persons who will exhaust their benefits under State programs during the balance of this year.

Assistance to the unemployed is a problem that must be viewed as a whole and not in such an arbitrary, fractional part as in H.R. 5640.

Results of unemployment—dissipation of savings, forced reliance on community welfare, injury to the overall economy due to decreased purchasing power—are not selective in that they affect only certain groups of jobless workers.

The worker who has exhausted his entitlements under the regular State plan and under TUC, and who is still unemployed through no fault of his own, has as many desperate problems, if not more, than the current TUC recipient whose benefits would be cut off on April 1 if no further action were taken.

Further, there is the too often overlooked fate of the jobless worker whose employment was not covered by regular State unemployment insurance. The hunger of this man and his family is just as great as that of the man who has covered employment; yet, his only recourse is to community welfare.

We think it is vitally necessary to assist the 265,000 to 405,000 persons who could draw meager benefits under the provisions of H.R. 5640. But we also believe that the fate of the several million other workers cannot be ignored.

It is for this reason that we support an emergency program such as is provided in S. 1323 and proposed it as a substitute for H.R. 5640.

This bill would provide up to 16 weeks of additional benefits for all persons who had exhausted their regular or emergency benefits as well as those unemployed who were not in covered employment. In this last category, however, it is important to note that S. 1323 would require such persons to have a substantial work record to be eligible for benefits, and to be ready and willing to work if suitable employment is offered. Benefit amounts would be based on those under existing programs. The extended benefits would be paid only under agreements with the States. The program would run to July 1, 1960.

If the recovery of the national economy does not materialize, and approximately the same number of persons remain unemployed during the year, it is estimated that the program envisioned by S. 1323 would cost $875 million.

However, an estimated $206 million remains under the TUC Act, thus reducing the total of new money needed under S. 1323 to about $670 million.

An emergency program such as this is by no means a "dole." For the administration to characterize it as such is to display a callousness that is shocking in a nation that has a high regard for human life and dignity as does ours.

The "dole" will come only after the Federal Government washes its hands of its responsibility by its failure to enact a truly meaningful emergency unemployment compensation program.

The "dole" will come as already overburdened communities are forced to spread their funds still more thinly to meet the bare living requirements of the unemployed.

This is not a problem that affects only a few isolated areas of our country. More than half of the 149 major labor market areas in the United States today have unemployment of more than 6 percent. Unemployment of the same magnitude also exists in 183 smaller labor markets.

Unemployment today truly is a national problem, begging for national solution.

One part of that solution is the enactment of a temporary program similar to that proposed in S. 1323. This would serve better to meet the current emergency and to provide a form of insurance for the next year as we wait for the long-expected pickup in the national economy.

A second part of that solution, just as vital as and closely related to the first, is the adoption of a program of minimum national standards for unemployment insurance. Only in this way can we effectively prevent the recurrence of the emergency needs encountered in 1958–59.

The preferable solution, of course, would be the adoption of programs of action to promote a full employment national economy. Undoubtedly, the unemployed would prefer jobs to unemployment compensation. So would we, but social justice requires emergency action now.

We urge, therefore, that the Senate consider and approve the objectives of S. 1323, through an amendment in the nature of a substitute. This would provide an emergency program of relief for those most severely affected by the present recession. The Congress, if the proposal in S. 1323 is enacted, will then be able to consider a more permanent improvement of our unemployment compensation laws and the other necessary long-range solutions for the economic problems which confront the Nation, in the assurance that those who now face economic disaster are, in some substantial measure, better provided for.

PAUL H. DOUGLAS.
ALBERT GORE.
EUGENE J. MCCARTHY.
VANCE HARTKE.

Mr. CLARK. Mr. President, this question will come before the Senate tomorrow. A number of the 18 Senators who joined in asking for hearings before the Finance Committee will present for the consideration of their colleagues amendments intended to make the House bill at least meaningful, to some extent, to those of us from States where unemployment is indeed serious. I hope other Members of this body will give these amendments their most earnest consideration tomorrow, and will ponder the documents which I have just placed in the RECORD.

## GREEK INDEPENDENCE DAY

Mr. DIRKSEN. Mr. President, tomorrow will be Greek Independence Day. All independence day celebrations have their symbolic significance to each nation, but some mean more to certain peoples, and because of their distant antiquity, certain ones are surrounded with a sublime halo, and their celebrations have become something like sacred national festivities. This is particularly true of Greek Independence Day, for a number of reasons. In the first place, the idea of independence, as understood in the West today, had its birth in Greece, and Greeks were the first to appreciate and enjoy its benefits to the full. It is true that they lost it in the course of their long history, and were subjected to alien rulers for many centuries. Yet they never lost sight of its value, and remained among the first struggling for freedom and national independence.

In the second place, while their oppressors have suffered defeats and loss of prestige in the community of nations, they have maintained, even when subjected to the inhumanly oppressive yoke of their alien masters, their unquenchable yearning for freedom, and have always been ready to sacrifice their all for its attainment. Therein is the true greatness of Greeks against those who have held their sway over them for centuries and administered Greek affairs as that of a conquered province.

In 1821, 138 years ago, when a band of brave and patriotic Greeks staged the revolt against the Ottoman Turks, all Greece was suffering under the heel of its conquerors, and some thought that it was most foolhardy, almost suicidal, to challenge the authority of a powerful and ruthless government. But these Greeks, through their bravery and dauntless courage, proved that their critics were wrong, and they, in their fight for a sacred cause were right. For more than 6 years they carried on the fight for freedom and independence against heavy odds, and with the aid of their friends, they succeeded in attaining their goal. After the Battle of Navarino on October 20, 1827, Greece was assured its independence, and the last of Greece's invaders were finally expelled from Greek soil.

Today Greece still clings to the independence regained 138 years ago, and all Greeks stand guard in their beleaguered homeland against Communist totalitarianism. On the anniversary celebration of their independence day, I wish them power, peace, and prosperity, and firm resolution to fight the forces of evil as manifested by totalitarianism.

## LEVYING AND COLLECTION OF TAXES AND ASSESSMENTS

Mr. MANSFIELD. Mr. President, is morning business concluded?

The PRESIDING OFFICER. Morning business is concluded.

Mr. MANSFIELD. Mr. President, what is the unfinished business?

The PRESIDING OFFICER. The unfinished business is S. 643, which, under the rule, will be laid before the Senate at 2 o'clock. However, it can be taken up at this time by unanimous consent.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. Is there objection? If not, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 643) to amend the act entitled "An Act relating to the levying and collecting of taxes and assessments, and for other purposes," approved June 25, 1938.

## HOLDING OF 1964 OLYMPIC GAMES AT DETROIT, MICH.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 111, Senate Joint Resolution 73.

The PRESIDING OFFICER. The joint resolution will be stated by title.

The CHIEF CLERK. A joint resolution (S.J. Res. 73) extending an invitation to the International Olympic Committee to hold the 1964 Olympic games at Detroit, Mich.

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

There being no objection, the Senate proceeded to consider the joint resolution (S.J. Res. 73) extending an invitation to the International Olympic Committee to hold the 1964 Olympic games at Detroit, Mich., which had been reported from the Committee on Foreign Relations, with amendments, on page 1, line 6, after the words "United States", to strike out "joins in the invitation of the United States Olympic Association to the International Olympic Committee to hold" and insert "would welcome the holding of", and, at the beginning of line 10, to strike out "at Detroit, Michigan;", so as to make the joint resolution read:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That, whereas the United States Olympic Association will invite the International Olympic Committee to hold the Olympic games in the United States at Detroit, Michigan, in 1964, the Government of the United States would welcome the holding of the 1964 Olympic games in the United States and expresses the sincere hope that the United States will be selected as the site for this great enterprise in international good will.

SEC. 2. The Secretary of State is directed to transmit a copy of this joint resolution to the International Olympic Committee.

The amendments were agreed to.

Mr. HART. Mr. President, unanimous support of this invitation to hold the 1964 Olympic games in the United States will be helpful to those who have spent much time and energy in the effort to obtain the invitation.

In these very troubled days, when it is sometimes difficult to make plans for the future, it is nevertheless well to look forward to the holding of the 1964 Olympic games at Detroit, Mich. One cannot guess what the world situation will be in 1964, but we hope that the Olympic games will be held in the United States then, and we in Michigan will be proud to act as host.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S.J. Res. 73) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "Joint resolution extending an invitation to the International Olympic Committee to hold the 1964 Olympic games in the United States."

## ONE HUNDREDTH ANNIVERSARY OF ESTABLISHMENT OF SUPERIOR COURT OF MASSACHUSETTS

Mr. SALTONSTALL. Mr. President, after consultation with the minority and majority leaders, I ask unanimous consent to have the Senate consider at this time, without reference to committee, House Concurrent Resolution 109, commemorating the 100th anniversary of the establishment of the Superior Court of Massachusetts. I do so in the name of the junior Senator from Massachusetts [Mr. KENNEDY] and myself. The House agreed to the resolution yesterday.

The PRESIDING OFFICER. The Chair lays the concurrent resolution before the Senate. Is there objection to its present consideration?

There being no objection, the concurrent resolution (H. Con. Res. 109) was considered and agreed to as follows:

*Resolved by the House of Representatives (the Senate concurring),* That the Congress extends its greetings and felicitations to the Commonwealth of Massachusetts upon the occasion of the one hundredth anniversary of the establishment and existence of the Superior Court of Massachusetts, and expresses the appreciation of the American people for its outstanding leadership in the never-ending struggle to achieve the ideal of liberty and justice for all.

The preamble was agreed to.

## INTERNATIONAL COURT OF JUSTICE

Mr. HUMPHREY. Mr. President, as I understand, morning business has been concluded and the Senate is now proceeding to the consideration of regular legislative business. Is that correct?

The PRESIDING OFFICER. The Senator from Minnesota is correct.

Mr. HUMPHREY. Mr. President, I desire to speak today on the need for strengthening the United Nations as an effective instrument of world peace, and to propose a way in which the United States may contribute to this end.

In these days of great world crisis and strife, with nations armed with deadly weapons of mass destruction, our attention must be focused on the peaceful means of settlement of international disputes.

I believe that the United Nations represents our greatest hope for a just and lasting peace and a world in which the rights of mankind are protected and nations will work together to elevate the living standards of the people.

The United Nations, since its chartering in 1945, has achieved a record of significant accomplishments. I have spoken on the fine record of the United Nations many times in the past several years, and I shall not review this record here today.

Rather, I wish to discuss one of the most disappointing aspects of the work of the United Nations. I refer to the United Nation's Court—the International Court of Justice. This Court, established as a forum whereby international disputes would be resolved by law, has had all too little opportunity to fulfill this function. In the 13 years since it was established, the International Court of Justice has in fact decided only 10 cases. I repeat, 10 cases in 13 years.

By any standard, this is somewhat less than an impressive record of accomplishment. Here is a court made up of 15 judges who are each paid $20,000 a year, and yet it has decided less than one case a year.

Of all the United Nations organs, the International Court of Justice has by far the least impressive record. To me this is indeed tragic. For in this day and age the rule of law in international affairs should be looked upon as one of the main ways of peacefully settling disputes between nations.

More and more people are coming to the realization that the terrible alternative to the settlement of international disputes by law is suicidal warfare.

The words of the President of the United States in his state of the Union message of this year deserve our careful and thoughtful consideration:

All peoples are sorely tired of the fear, destruction and the waste of war. As never before, the world knows the human and material costs of war and seeks to replace force with a genuine rule of law among nations.

It is my purpose to intensify efforts during the coming 2 years in seeking ways to supplement the procedures of the United Nations and other bodies with similar objectives, to the end that the rule of law may replace the rule of force in the affairs of nations. Measures toward this end will be proposed later, including a reexamination of our own relation to the International Court of Justice.

It is this rule of law and examination of our own relation to the International Court of Justice which I wish to discuss today.

As the leader of the free world nations, the United States has a major responsibility to give its full support to the United Nations. Indeed, without such support, the United Nations would be severely weakened as an effective instrument for the advancement of international peace, justice and cooperation.

That this is true is evidenced by the dismal record to date of the International Court of Justice to which I have already referred. A record due in large measure to the United States refusal to give full backing and support to the Court. The damage was done, I regret to say, by the U.S. Senate when in 1946 it added to the so-called Morse resolution, Senate Resolution 196, which

declared our acceptance of the compulsory jurisdiction of the International Court of Justice, six words—"as determined by the United States."

I want the RECORD to be quite clear, Mr. President, that the Morse resolution, the resolution for which the Senator from Oregon [Mr. MORSE] worked, did not contain those six words "as determined by the United States," so my reference to the Morse resolution is not to be considered in any way critical of that particular resolution, but rather of the amendment which was affixed thereto during the discussion on the floor of the Senate.

Before discussing in detail this 1946 resolution and the reservation clause, I believe it would be well to very briefly give some background information on the International Court of Justice.

The first court to settle international disputes on a worldwide basis was the Permanent Court of International Justice as established by the League of Nations. Forty-two nations accepted this Court's compulsory jurisdiction. Unfortunately, the U.S. Senate refused to accept such jurisdiction, thereby severely crippling the effectiveness of the Court in settling of international disputes.

Mr. President, it goes without saying that if an international instrument is to be effective, it must have the support of the great powers, and indeed it must have the support of the leader of the free nations, the United States of America.

In 1945, the United Nations Charter was approved. Chapter XIV of the charter provided for establishment of the International Court of Justice to replace the Permanent Court of International Justice. Under article 93 all members of the United Nations are ipso facto parties to the statute of the International Court of Justice. However, no member nation is bound by compulsory jurisdiction of the Court without a specific declaration accepting such jurisdiction.

Less than half of the 81 member nations of the United Nations have by declaration accepted compulsory jurisdiction of the Court in specified areas of international law stated in the statute of the Court. It is of interest to note that none of the Communist nations in the United Nations, including the Soviet Union, has accepted compulsory jurisdiction of the Court.

Senate Resolution 196, which gave the consent of the Senate to the United States accepting compulsory jurisdiction of the court, was introduced by the distinguished senior Senator from Oregon [Mr. MORSE], in November of 1945; it was cosponsored by 14 other Senators from both parties. On December 17, 1945, our present Under Secretary of State, Christian Herter, then a Member of the House of Representatives, introduced a joint resolution, House Joint Resolution 291, under which the President would be authorized and requested by the Congress to deposit a declaration with the United Nations accepting the jurisdiction of the Court as outlined in article 36 of the statute. The limitations imposed upon the grant of jurisdiction were in essence the same as those provided for in the Senate resolution offered by the Senator from Oregon [Mr. MORSE].

Hearings were held on Senate Resolution 196 in July of 1946 by a subcommittee of the Foreign Relations Committee. Not a single witness appeared before the subcommittee to oppose the resolution. Moreover, not a single letter or telegram was received in opposition to the resolution.

Strong support for the Morse resolution came from such organizations as the American Bar Association, the American Society of International Law, the Federal Bar Association, the Federal Council of Churches, the General Federation of Women's Clubs, the National Education Association, the National League of Women Voters, the American Association of University Women, the National Council of Catholic Women, and the National Council of Jewish Women.

It was against this backdrop of overwhelming public support that the subcommittee decided to report the resolution favorably to the full Foreign Relations Committee with only one minor amendment. On July 24, 1946, by a unanimous vote, the committee reported the resolution to the Senate for favorable action in exactly the form recommended by the subcommittee.

The resolution was considered by the Senate on August 1 and 2; it was approved August 2 by a vote of 62 to 2 and the Senate adjourned sine die some 2 hours later. During consideration of the resolution three amendments were adopted. The resolution as adopted by the Senate reads as follows:

*Resolved (two-thirds of the Senators present concurring therein)*, That the Senate advise and consent to the deposit by the President of the United States with the Secretary General of the United Nations of a declaration under paragraph 2 of article 36 of the Statute of the International Court of Justice recognizing as compulsory ipso facto and without special agreement, in relation to any other state accepting the same obligation, the jurisdiction of the International Court of Justice in all legal disputes hereafter arising concerning—

(a) The interpretation of a treaty;

(b) Any question of international law;

(c) The existence of any fact which, if established, would constitute a breach of an international obligation;

(d) The nature or extent of the reparation to be made for the breach of an international obligation: *Provided*, That such declaration shall not apply to—

(a) disputes the solution of which the parties shall entrust to other tribunals by virtue of agreements already in existence or which may be concluded in the future;

(b) disputes with regard to matters which are essentially within the domestic jurisdiction of the United States as determined by the United States; or

(c) disputes arising under a multilateral treaty, unless (1) all parties to the treaty affected by the decision are also parties to the case before the Court, or (2) the United States specially agrees to jurisdiction: *Provided further*, That such declaration shall remain in force for a period of 5 years and thereafter until the expiration of 6 months after notice may be given to terminate the declaration.

The most controversial amendment, offered by former Senator Connally, added to paragraph (b) the words "as determined by the United States" to the language of the resolution which excluded from cases on which compulsory jurisdiction would be accepted "matters which are essentially within the domestic jurisdiction of the United States." This amendment was adopted by a vote of 51 to 12.

Referring to the action of the Senate in 1946 on the so-called Morse resolution, many observers at the time felt that this amendment, by reserving to the United States the right to decide whether or not a matter is essentially domestic, rather than having the Court make such determination, demonstrated a lack of confidence on our part in the competence and integrity of the new Court.

The Committee on Foreign Relations in its report on the Morse resolution, stated the argument against any such restrictive clauses as follows:

> The question of what is properly a matter of international law is, in case of dispute, appropriate for decision by the Court itself, since, if it were left to the decision of each individual state, it would be possible to withhold any case from adjudication on the plea that it is a matter of domestic jurisdiction. It is plainly the intention of the statute that such questions should be decided by the Court, since article 36, paragraph 6, provides:
>
> "In the event of a dispute as to whether the Court has jurisdiction, the matter shall be settled by the decision of the Court.
>
> * * * A reservation of the right of decision as to what are matters essentially within domestic jurisdiction would tend to defeat the purposes which it is hoped to achieve by means of the proposed declaration as well as the purpose of article 36, paragraphs 2 and 6, of the statute of the Court."

Mr. Dean Acheson, who was then Under Secretary of State, in testifying on this resolution expressed the same conviction when he said:

> The rule of law becomes effective to the extent that states agree to submit themselves to the decision of the Court in all cases involving questions of law. It cannot become effective if states may reserve this decision to themselves, regardless of the degree of good faith by which they govern their actions.

At the time it was predicted by some that the U.S. Senate by accepting the Connally amendment was setting an undesirable precedent. Our present Assistant Secretary of State for International Organization Affairs, Francis O. Wilcox, made just such a prediction in an article entitled "The United States Accepts Compulsory Jurisdiction," which appeared in the October 1946 issue of the American Journal of International Law. Here is what he said on this point:

> It is, of course, one thing for a state to accept the compulsory jurisdiction of the Court and exclude from the grant of authority those disputes which relate to domestic issues. But it is a horse of an entirely different color when a state reserves to itself the right to decide whether or not a matter is essentially domestic. For in such an event it may, by the simple expedient of labeling a dispute "domestic," set itself up as judge in its own case and successfully deny the jurisdiction of the Court.
>
> Particularly impressive to some is the argument that the United States—avowedly desirous of encouraging a regime of law and order in the world—has set an undesirable precedent. Now that the ice is broken other states no doubt will want to accept article 36 under much the same conditions. Or, if we may change the figure of speech, the pebble the United States dropped into the pond may

result in an ever-widening circle of states each claiming the right to determine for itself whether the Court has jurisdiction over cases in which it is involved. And it will be difficult indeed to establish a regime of law and order in the international community so long as each state reserves to itself the right to decide what the law is. Thus it may be said that the declaration of the United States has introduced a new political element into the concept of compulsory jurisdiction—an element which may tend to weaken the authority of the Court.

It should also be pointed out that the United States will be barred in any event from proceeding against other states in cases which they consider within their domestic jurisdiction. This result stems from the reciprocal nature of article 36 which has been discussed above.

Mr. Wilcox's dire prediction has, unfortunately, been fulfilled. Other nations followed our example and have gone on record with similar reservations.

The effect of such reserve clauses has been to seriously limit the role of the International Court of Justice in settling international disputes. As I have stated, the Court has decided only 10 cases in 13 years.

I hasten to add that this sorry record is not due to any fault of the Court itself. The 15 judges are competent and qualified men. The Court is ready and willing to aid in the settlement of international disputes. The reason for the ineffectiveness of the Court lies principally in the various reservation clauses contained in the declarations of nations which have accepted the jurisdiction of the Court.

The United States, and in particular the U.S. Senate, cannot escape responsibility for the Court's ineffectiveness.

The distinguished lawyer, Charles S. Rhyne, past president of the American Bar Association, and presently chairman of the committee on world peace through law of the American Bar Association, in an address delivered on March 10, assessed the blame quite candidly when he said:

I am therefore firmly convinced that one of the major causes for the empty court room of the United Nations Court is the Connally reservation which was created by the U.S. Senate, is maintained by the U.S. Senate, and can be removed by the U.S. Senate. * * * Every report I have seen by the many experts who have studied this situation agrees that the Connally reservation has emasculated the usefulness of the Court and rendered it impotent as an instrument for world peace. The cancerous effect of the Senate's action has spread as other nations have copied it; it has an everwidening scope. The tremendous responsibility of the U.S. Senate for continuing through this reservation to stifle use of the United Nations Court is a most serious one when one considers the value of and need for any mechanism which can aid in preventing war under present world circumstances. The Connally reservation is unsound in principle and effect and should be eliminated.

Mr. President, this is a strong statement indeed. A statement of a highly respected and learned lawyer—a man not given to making reckless or rash statements. Mr. Rhyne is a sound and realistic student of international affairs, and his views cannot be casually dismissed. Mr. Rhyne's forceful address indicates a realization of the peril we face in view of the lethal weapons of mass destruction, and the absolute necessity, in the name of self preservation, that we bolster the available means of settling disputes by means of law rather than force.

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

Mr. HUMPHREY. I yield.

Mr. KEATING. I appreciate very much the courtesy of the Senator from Minnesota in yielding to me. I have been listening to his remarks with great interest. I think he is making an excellent presentation of a very important problem which we face.

I am obliged to leave the Chamber to attend another meeting. Therefore I very much appreciate the courtesy of the Senator from Minnesota in yielding to me for the purpose of introducing two bills.

(Mr. KEATING introduced two bills, which, together with remarks thereon, appear elsewhere under the appropriate heading.)

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## RECOGNITION OF JURISDICTION OF INTERNATIONAL COURT OF JUSTICE IN CERTAIN CASES

Mr. HUMPHREY. Mr. President, it is indeed unfortunate that our great Nation, which is genuinely dedicated to furthering understanding between nations and working toward a just and lasting peace, should bear responsibility for having created one of the major roadblocks to an effective International Court of Justice.

I believe that the time is long overdue for the Senate to remove this reserve clause in the Morse resolution, Senate Joint Resolution 196 of the 79th Congress, 2d session. I introduce at this time a resolution to amend the Morse resolution by deleting from paragraph (b) the words "as determined by the United States."

I do not claim that by eliminating this restrictive clause from the Morse resolution we will be assured of a peaceful world. There is no "cure all" remedy in today's troubled world. I do believe, however, that we cannot afford to leave a single stone unturned in our effort to develop the means for advancing international cooperation, understanding and peace. One of these means is through the strengthening of the international law through the International Court of Justice.

Mr. President, I believe that a nation which is based on the principle of law and on the rule of law, rather than the rule of men, surely should take the lead in establishing an International Court of Justice with the power of law.

In the absence of such action by the Senate, I fear that the International Court of Justice will remain an ineffective instrument of world peace without authority to dispose of certain disputes between nations by way of peaceful judicial determination.

It is time that we in the United States Senate acted to remove the shackles which restrict the United Nations Court. I hope most earnestly that prompt consideration will be given to this resolution I offer today.

I say most respectfully that I hope the administration will support my resolution. I hope that the State Department will come before the Committee on Foreign Relations and in its testimony offer its support to the resolution.

The resolution is submitted within the spirit of the state of the Union message of the President and is also submitted within the context of the words which the President spoke concerning the improvement of international law.

I ask unanimous consent that the resolution which I am submitting, along with the address of Charles S. Rhyne, delivered before the Ninth Annual Conference of National Organizations called by the American Association for the United Nations, on March 10, 1959, at the Statler Hotel in Washington, D.C., be inserted at this point in the RECORD.

The PRESIDING OFFICER. The resolution will be received and appropriately referred; and, without objection, the resolution and address will be printed in the RECORD.

The resolution (S. Res. 94) was referred to the Committee on Foreign Relations, as follows:

*Resolved (two-thirds of the Senators present concurring therein)*, That Senate Resolution 196 of the 79th Congress, 2d session, agreed to August 2, 1946, is hereby amended to read as follows:

"*Resolved (two-thirds of the Senators present concurring therein)*, That the Senate advise and consent to the deposit by the President of the United States with the Secretary General of the United Nations, of a declaration under paragraph 2 of article 36 of the Statute of the International Court of Justice recognizing as compulsory ipso facto and without special agreement, in relation to any other state accepting the same obligation, the jurisdiction of the International Court of Justice in all legal disputes hereafter arising concerning—

"a. The interpretation of a treaty;

"b. any question of international law;

"c. the existence of any fact which, if established, would constitute a breach of an international obligation;

"d. the nature or extent of the reparation to be made for the breach of an international obligation.

"*Provided*, That such declaration shall not apply to—

"a. disputes the solution of which the parties shall entrust to other tribunals by virtue of agreements already in existence or which may be concluded in the future; or

"b. disputes with regard to matters which are essentially within the domestic jurisdiction of the United States; or

"c. disputes arising under a multilateral treaty, unless (1) all parties to the treaty affected by the decision are also parties to the case before the Court, or (2) the United States specially agrees to jurisdiction.

"*Provided further*, That such declaration shall remain in force until the expiration of 6 months after notice may be given to terminate the declaration."

The address presented by Mr. HUMPHREY is as follows:

THE CASE OF THE EMPTY COURTROOM: THE EFFECT OF THE CONNALLY RESERVATION ON THE INTERNATIONAL COURT OF JUSTICE

(Address by Charles S. Rhyne, chairman, Committee on World Peace Through Law, American Bar Association, before the ninth annual conference of national organizations called by American Association for the United Nations, Statler Hotel, Washington, D.C., March 10, 1959)

Being asked to address this Ninth Annual Conference of National Organizations called by the American Association for the United Nations is an honor I greatly appreciate. Your discussion of the opportunities for

U.S. leadership in the United Nations in 1959 is most timely and highly important to every American. U.S. leadership never has been more greatly challenged; for today the issue of war or peace depends in large part upon that leadership.

The United Nations has performed magnificently as the most meaningful organization of its kind in the history of mankind. Though never envisioned as an absolute tranquilizer for all world frictions, the United Nations still is man's best existing hope for a peaceful world. But the world of 1959 has somewhat outrun the United Nations Charter of 1945. This informed audience knows of the areas in which the United Nations has functioned well and those in which it is inadequate and outdated. Drastic revision and strengthening are required when so many crises—Berlin, for example—are being handled outside the United Nations. Today I should like to express one lawyer's view of the most frustrating and exasperating of all United Nations experiences, that is, the United Nations Court—the International Court of Justice—the Court with the empty courtroom.

Of all the organs of the United Nations, the International Court of Justice has—through no fault of its own—the poorest record. Conceived as a forum where law would be applied to resolve international disputes, it has had little opportunity to function as such.

When a Court of 15 judges—each paid $20,000 yearly plus certain expenses—decides only 10 cases in 13 years, something is wrong, and badly wrong. Any one of our own district judges often decides that many cases—and more—in 13 hours. Admittedly United Nations Court cases are sometimes complicated, yet in that 13-year period more than 13,000 cases—many of extreme complexity—have been docketed and disposed of by the nine judges of our Supreme Court. And they have heard oral argument in more than 1,300 of those cases.

There are many ways of advancing international cooperation and peace but none is more certain to achieve abiding success in the long run than the method of able and dispassionate judicial determination. A judicial determination creates a widespread sense of confidence and trust, for it connotes fairmindedness to all men. Despite almost universal agreement on this, United Nations members have not inclined toward use of the rule of law in the International Court of Justice.

Although the rule of law has played an almost insignificant part in the deliberations and actions of the agencies of the United Nations, it is the best method yet developed to bring order and stability to the affairs of man. This truth was long in realization by man. In the beginning of human history disputes between man and man were decided by brute force. Back through the unnumbered centuries fists, sticks, stones, and finally guns constituted the mechanism for decision. But in civilized nations today thousands of courts resolve disputes between man and man under the rule of law. Millions of cases are decided yearly by courts, local, State, and national. But internationally there is only the International Court of Justice, and it stands empty 99 percent of the time. Between nations brute force still prevails as the ultimate resolver of disputes. The International Court of Justice is the most unused instrumentality for peace that exists in today's world. The stark tragedy of this empty court, and its causes, and what should be done, are my story today.

Let me first sketch for you in outline form the history of international courts. We begin with arbitration courts, which at one time seemed to offer great promise. In 1794 England and the United States signed the Jay Treaty providing for arbitration of disputes arising under the treaty which ended the Revolutionary War. In the next 100 years arbitration as a method for peaceful settlement of disputes received worldwide acclaim and impetus, and 177 international disputes were thus resolved. In 1899 a Permanent Court of Arbitration was created at the Hague. It is not actually a court but a panel of 150 persons available for selection as arbiters to decide a particular dispute. In 1905 the Hay Treaties to implement this advance toward the rule of law were submitted to the U.S. Senate. The Senate refused to ratify the treaties without including a reservation requiring the submission to it for its advice and consent of the final agreement for each arbitration. Despite efforts of successive Presidents of the United States to persuade the Senate to give up this crippling requirement, the Senate adamantly refused. The Senate's action stultified the movement toward the use of arbitration and that movement has withered and almost died. Since 1899 the Arbitration Court has handled only 24 cases, and only 4 of these since 1931.

In 1920 the League of Nations established the Permanent Court of International Justice. This was the first judicial body with even putative jurisdiction over international disputes on a worldwide basis. Forty-two nations accepted this court's compulsory jurisdiction, but the U.S. Senate refused to accept the court's jurisdiction in any respect. This action of the U.S. Senate was an almost fatal blow to the court's prestige and usefulness. Service as judges on this court by Charles Evans Hughes, Frank B. Kellogg, John Bassett Moore, and Manley O. Hudson made up in part for the action of the U.S. Senate. This league court rendered 32 judgments and 25 advisory opinions.

In 1945 the International Court of Justice replaced the Permanent Court of International Justice. All United Nations members are automatically parties to the Statute of this Court. But only 33 nations, including the United States, are at present bound by declarations accepting compulsory jurisdiction of the Court in specified areas of international law stated in the Statute of the Court. The U.S. declaration, however, contains the important Connally reservation, which was attached to our declaration by the Senate. It excepts from the Court's jurisdiction disputes with regard to matters which are essentially within the domestic jurisdiction of the United States as determined by the United States of America. The Senate amendment thus reserves to the United States the right to determine unilaterally what is a domestic issue.

No one for one moment has ever urged, or ever should urge, United Nations Court jurisdiction over domestic questions. Under the terms of the United Nations Charter the Court has no jurisdiction over domestic matters. The Court itself would summarily decline jurisdiction over any domestic subject. It is the distrust of the Court implied in the U.S. Senate's words "as determined by the United States" which destroys the prestige of, and confidence in, that Court. There is an old maxim that "no man should judge his own case." Surely we can trust the United Nations Court to decide what is domestic and what is international rather than ourselves judging each case to which we are a party.

The United Nations Court, through its procedures and in its decisions, compares most favorably with the best national courts. The emptiness of the courthouse at The Hague is not, therefore, due to a lack of an adequate and competent court, nor can it be due to a lack of international disputes. Every day the page-one headlines of every newspaper demonstrate the existence of the latter. Nations avoid the United Nations Court not because they really prefer war to resolution of disputes in that Court, but because they lack confidence in their ability to get a decision there even if they file a complaint. This brings me back to the Connally reservation:

President Truman, in urging Senate ratification of the United Nations Charter, including the Statute of the International Court of Justice, said:

"When Kansas and Colorado have a quarrel over the water in the Arkansas River they don't call out the National Guard in each State and go to war over it. They bring a suit in the Supreme Court of the United States and abide by the decision. There isn't a reason in the world why we cannot do that internationally."

Kansas would hardly file a complaint against Colorado in the Supreme Court if Colorado could kill the complaint by advising the Court that Colorado had decided not to allow the Court to pass upon the issue. Yet, this is exactly the kind of thing for which the Connally reservation provides, and under the United Nations Court's statute this reservation is a two-way street. Any time any other nation is sued by the United States in the United Nations Court all the defendant nation need do is to notify the Court that it considers the complaint to be within its domestic jurisdiction, and the Court must dismiss the complaint. The most recent illustration was the complaint for $1,300,000 in damages filed by the United States in the United Nations Court against Russia for shooting down one of our unarmed airplanes over the Sea of Japan. Russia filed an answer saying this shooting was within her domestic jurisdiction. The U.S. complaint was then summarily dismissed by the Court. It is obvious that this boomerang effect of the Connally reservation is disastrous to the rule of law internationally. The crippling and blighting effect on the United Nations Court of this reservation is clear.

I am therefore firmly convinced that one of the major causes for the empty courtroom of the United Nations Court is the Connally reservation which was created by the U.S. Senate, is maintained by the U.S. Senate, and can be removed by the U.S. Senate. Such removal has been recommended by the American Bar Association and the Attorney General of the United States. Soon, I hope, the President of the United States, as promised in his state of the Union message, will send a similar recommendation to the Senate on this subject. Every report I have seen by the many experts who have studied this situation agrees that the Connally reservation has emasculated the usefulness of the Court and rendered it impotent as an instrument for world peace. The cancerous effect of the Senate's action has spread as other nations have copied it; it has an ever-widening scope. The tremendous responsibility of the U.S. Senate for continuing through this reservation to stifle use of the United Nations Court is a most serious one when one considers the value of and need for any mechanisms which can aid in preventing war under present world circumstances. The Connally reservation is unsound in principle and effect and should be eliminated.

No one can dispute the fact that as presently operated the United Nations Court does not live up to its full potential. Changes are essential to make it more acceptable, effective and useful. And there are reasons for its present situation other than the Connally reservation. These are chiefly things the Court itself could remedy.

The statute creating the Court allows it to sit—in its discretion—anywhere in the world, and in chambers of three or more judges. So far it has sat only at The Hague. The inaccessibility of the United Nations Court causes great expense for nations litigating at a distance. An informed estimate of at least $200,000 each was given recently as the probable cost for two Latin American countries to send lawyers, witnesses, etc., to The Hague. Lack of knowledge of the

jurisdiction, procedure, and precedents of the Court are also reasons why it is not used by nations to settle their disputes.

The Court should make known its willingness to sit elsewhere than at The Hague. The entire Court, or even a chamber of the Court, should sit more or less constantly at United Nations headquarters in New York. Its advisory jurisdiction would be used then more than it is now, and law would move more to the forefront in the deliberations of the United Nations. To save expense the Court should also announce that cases will be heard henceforth in or near the place where they arise.

The movement toward a true international rule of law, like other movements, will realize its objective only through the pressure of public opinion. Just think of the possibilities for calm and considerate use of law in the United Nations Court in disputes such as the Suez crisis, the border incident between Spain and Morocco, the fishing rights controversy off Iceland, and similar differences now fought out in the arena of power politics and backstage diplomacy or by armed might. The focused power of world opinion which forced an end to the use of arms at Suez could—if properly and justifiably directed—so crystallize as to force reluctant nations to take their disagreements to the United Nations Court for decision. The spotlight of public opinion must be cast upon the Court's potential so that people will cry out "Go to Court, not to war," when war-causing disputes flare up. At present, the public at large does not even realize that the Court exists. That situation must end.

Our world of today has outgrown many concepts of the past in the fields of science and technology, and so it is with law and court machinery. They too can grow to meet modern needs. In a world of disorder law can provide security. Law cannot be remote from reality. We must burst the bounds within which law has been applied in the past and thereby put bounds around war in a gradual way until it is erased. To put the rule of law above nations internationally is essential to peace in the world.

Making the United Nations Court more effective would be a giant step forward toward world peace. As the Court proves its usefulness in resolving disputes in the world community this experience will have an irresistible pull on the neutral and uncommitted nations of the world to take part in such an application of the rule of law. Substituting law in the Court for war's bloodbath is an idea that all men everywhere can comprehend and applaud. Underdeveloped nations want peace as they know war would obliterate their plans and hopes for quick economic and other progress. These nations will be greatly drawn to any system that can achieve and maintain peace, thus insuring the order and stability they need.

What about Russia? As a nation which operates under the rule of force, Russia has never welcomed application to her international disputes of the rule of law in courts. She has violated nearly every international agreement to which she is a party but never agreed to have the United Nations Court or any impartial body pass upon her violations. She relies upon a system of force, subversion, and blackmail threats of war. That system the application of the rule of law would destroy and she knows it. Russia constantly seeks prestige and respectability in the eyes of the world. If Russia failed to use international law courts when others were doing so, this failure would prevent Russia from achieving and maintaining that much desired status of respectability—and Russia knows that it would.

In visits with lawyers of Asia and Africa this January, I learned that Russia's propaganda aimed at these nations is being blunted and destroyed by the appeal of the rule of law. Law to these realists stands in stark contrast to what communism offers. These lawyers emphasize their recognition of the fact that Russia's plan to end war is to make the world 100 percent Communist. They scorn communism as a system built upon constant and continuous domestic and international conflict. Law to them means individual freedom, order, peace, and stability for all men who live under its rules. Communism offers slavery and constant turmoil. We must highlight this message in every possible way. One way is to spotlight the rule of law as our plan for peace.

Russia can, indeed, be stripped naked of friends by the powerful appeal of an effective plan for world peace through law. In fact this plan might even shrink or make a few holes in the Iron Curtain itself. When in Yugoslavia last summer we were led to believe that lawyers there respect and want to expand the rule of law, and increase use of the United Nations Court. While Russian lawyers and judges advised us during our visit there last July and August of their interest in exploring an expanded role for the U.N. Court they hardly spoke for the Kremlin. Lawyer influence is now small in the U.S.S.R. By snuffing our war-causing disputes among our friends and allies, by its pull on the neutrals and uncommitted, and by its undoubted adverse effect on the international Communist conspiracy an expanded role for the U.N. Court would be a success despite the Kremlin's opposition.

Nations which have been accustomed to settling their disputes by hard bargaining with little regard for justice or law must be made to realize that it is to their advantage in the long run to submit their disputes for decision by impartial judges under the rule of law. The idea of the supremacy of law over physical violence must ultimately be decisively accepted and put into practice by mankind.

The U.N. operates now as an alliance of sovereign nations with each nation maintaining its sovereign right to do exactly as it pleases. Nations by adopting the rule of law as the standard of conduct for nations internationally would not give up their cherished sovereignty but would exercise it affirmatively for the benefit of mankind. Sovereignty is therefore not a bar to the application of law in the U.N. Court to international disputes. In our shrunken world, unlawful action igniting war by any nation is something we can no longer afford.

Of all the ideas advanced for a peaceful world none has greater promise than the rule of law. Secretary of State Dulles, on January 31, 1959, in the last speech he made before his illness, called for "the substitution of justice and law for force," saying: "This is a relatively recent concept and even today many do not accept it." But the Secretary and many of the world's great men are urging acceptance of this concept to save the world from nuclear annihilation.

Mr. Henry R. Luce recently told the fellows of the American Bar Foundation:

"The people of the world feel—and feel deeply—that today's sinister balance of power, this peace-by-mutual-terror in which we live, is a dead end. Literally a dead end. And what question is more urgently asked—from New York to New Delhi, from Akron to Accra—than: Is there no way out?

"The rudely realistic answer, of course, is: No; there is no way out. The invention of the most horrible weapons of destruction is that fateful aspect of human ingenuity which is irreversible. The secrets unlocked can never be sealed again.

"But if there is no way out, there must be something else; a way forward. This must be a way that leads toward mastery and control, in the name of justice and liberty, over the new forces unleashed by science.

"This is the way of the law."

Mr. Luce's statement echoes the words of one of America's most revered lawyer-statesmen, Elihu Root, who in 1915 said:

"It was during the appalling crimes of the Thirty Years War that Grotius wrote his De Jure Belli et Pacis and the science of international law first took form and authority. The moral standards of the Thirty Years War have returned again to Europe with the same intolerable consequences. We may hope that there will be again a great new departure to escape destruction by subjecting the nations to the rule of law."

President Woodrow Wilson put our task well when he said:

"What we seek is the reign of law based upon the consent of the governed and sustained by the organized opinion of mankind."

President Eisenhower, in his state of the Union message of this year, said:

"All peoples are sorely tired of the fear, destruction, and the waste of war. As never before, the world knows the human and material costs of war and seeks to replace force with a genuine rule of law among nations.

"It is my purpose to intensify efforts during the coming 2 years in seeking ways to supplement the procedures of the United Nations and other bodies with similar objectives, to the end that the rule of law may replace the rule of force in the affairs of nations. Measures toward this end will be proposed later, including a reexamination of our own relation to the International Court of Justice."

Earlier the President, in a message to the International Law Association, said:

"The world no longer has a choice between force and law; if civilization is to survive, it must choose the rule of law."

We pride ourselves in the United States on being a nation which operates under the rule of law, a nation where law is supreme over government. We also pride ourselves on looking forward, not backward. If the world is to move forward from operation under the rule of force (that is, operation under the threat of nuclear extinction) to operation of governments of nations under the rule of law, the United States must take the lead. No other leader appears on the horizon to take up President Eisenhower's challenge and lead nations to a choice of the rule of law, rather than extinction of civilization through continuing to choose the rule of force. Certain it is that the Kremlin will never assume such leadership, as the rule of law and communism are antitheses. If the United States is unwilling to operate under the rule of law internationally, how can we persuade others to do so? Our promise of leadership must not be that we will keep on building more and more dreadful weapons to destroy the world. Our promise of leadership must be that we will develop the formula to place nations internationally under the rule of law.

This is said with full realization that we must keep on winning the arms race until something replaces arms as a preventive of world conflict. As Mr. Luce has said so well, law can be that preventive by providing mastery and control in the world community in the name of justice and liberty and humanity. Mankind yearns overwhelmingly for something more than even more horrible weapons for his destruction. Let us answer this yearning by concrete plans for world peace through law. And actions speak louder than words. One place for quick, meaningful action which will lead toward law and away from force is for the U.S. Senate to tell the world that at long last it has eliminated the Connally reservation. That would be a message to the people of the world that we are now willing to put our Nation under law both nationally and internationally. Other nations who sincerely desire peace, who have copied the Connally reservation,

would surely be inspired by our example to eliminate it, and law would begin to replace weapons before the current arms race ends—as have all such races—in the explosive holocaust of war.

The lawyers of the world are now engaged in the greatest concentrated effort in world history to formulate a program of substantive action to achieve world peace through law. No such worldwide marshaling of lawyer brainpower and manpower to put nations under law internationally has ever before been attempted. The American Bar Association's Committee on World Peace Through Law is cooperating with the legal profession of other countries in this great effort. Experts on language, literature, religion, education, architecture, art, science, and medicine have thought universally for many years. Lawyers are now doing the same. The meaning of this movement to mankind's future is incalculable.

The program to put nations under the rule of law internationally involves many more steps beyond the proposed first step, which is removal by the U.S. Senate of the Connally reservation as a barrier to the door of the U.N. Court. The world's lawyers are putting together a whole program of procedures and institutions which in sum total should enable nations to so exercise their sovereignty as to create a lawful world. We of the legal profession are wholeheartedly dedicated to this big push for peace through law. A concentration of technological and medical brains brought a cure for polio, split the atom, put satellites aloft, and accomplished many of the great scientific advances of our day. Who can say that the same technique in the field of law will not now achieve a breakthrough in man's age-old quest for peace?

I urge as a program for our 1959 U.N. leadership with respect to the International Court of Justice that:

1. The U.S. Senate be urged to remove from the Connally reservation the words "as determined by the United States."

2. The U.N. Court be urged to move to U.N. headquarters in New York.

3. The U.N. Court be urged to announce that henceforth all complaints will be heard in or near the country or countries where they arise.

Supremacy of the rule of law within nations has transferred sovereignty from ruler to the ruled and has created man's most cherished possession, individual freedom under law. Supremacy of the rule of law between nations—placing supremacy of law over supremacy of capacity to destroy internationally—can be a most meaningful exercise of national sovereignty to achieve freedom from the scourge of war. Let us hope and pray and work together for the arrival of a law day for the world—a day when law will replace weapons in the control of the fate of humanity.

Mr. JAVITS. Mr. President, I compliment my colleague from Minnesota on the speech he has just made and on the resolution he is submitting. I know Mr. Rhyne, former president of the American Bar Association. He has been for a long time a spokesman for the idea of rule of law in the world rather than the rule of force.

There are tremendous possibilities in juridical action in settling questions of dispute which perplex the world. Interestingly enough, the Russians themselves have a considerable interest in juridical matters and in the way in which courts determine controversies. There may be possibilities in that connection, even with them, which yet remain unexplored.

I am therefore delighted to note that my distinguished colleague from Minnesota, who occupies such an important place on the Committee on Foreign Relations, should raise this very important and interesting question. I hope we may all have an opportunity to cooperate and to help him in this effort.

Mr. HUMPHREY. It is my understanding that the State Department has demonstrated considerable interest in this kind of proposal. I believe it is a proposal which will receive vast public support in the United States.

At a time when the Soviet Union seems literally to be blackmailing its way with threats and forces in central Europe, it would be a good time to invoke the rule of law and obedience to law and justice through law.

That is exactly what Mr. Rhyne is attempting to do. I am deeply grateful to the distinguished Senator from New York, who is an outstanding attorney, for his very helpful and friendly contribution.

Mr. JAVITS. I thank the Senator from Minnesota.

Mr. HRUSKA. Mr. President, I should like to join with the Senator from New York in his words of commendation just spoken concerning the article and the viewpoint of Mr. Rhyne. When Mr. Rhyne was president of the American Bar Association, he carried this message of the rule of law to many bar associations, including that of Nebraska, incidentally, where I first heard him speak on this subject. It is heartening to know that he, and others with him, are taking this step into international spheres, where there is so much need for the type of philosophy he espouses and action based upon it.

## HOW TO GET ELECTED TO CONGRESS

Mr. HUMPHREY. Mr. President, there were a good many highly interesting political campaigns last fall. One in particular was that of KEN HECHLER, who was elected to Congress from West Virginia's Fourth District. KEN HECHLER, in winning, had to overcome the distinct handicap of having lived in the State for little more than a year when he announced as a candidate in the Democratic primary against two native-born sons.

The story of KEN HECHLER's campaign to victory appears in the April issue of Pageant magazine. It is fascinating reading and should give encouragement to others who have wanted to take an active role in politics.

Last Saturday it was my privilege to address the Democratic Women's Day program in Charleston, W. Va. I always enjoy visiting the Mountain State. It is truly a lovely part of our country, and its people are warm and generous. West Virginia can be proud of the men and women who have represented the State in the Congress throughout the years. They can take special pride in our colleagues, Senator BYRD and Senator RANDOLPH, and of men in the House such as Representative KEN HECHLER.

I ask unanimous consent, Mr. President, that the article from Pageant magazine entitled "How To Get Elected to Congress" be inserted at this point in the RECORD.

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

### HOW TO GET ELECTED TO CONGRESS

(By Howard Cohn)

There is a theory that college teachers are cloistered, impractical men. Like theatrical critics who write no plays and book reviewers who write no books, they are suspected of being head-in-the-clouds idealists who could never successfully practice what they preach.

It is easy to visualize, then, the smiles that creased the faces of seasoned politicians in West Virginia early last spring when a lanky, effervescent political science professor named KEN HECHLER, who had lived in the area only a year and had never run for office in his life, boldly declared himself a candidate for the Democratic nomination for Congress in the State's Fourth Congressional District.

The skeptical smiles have since disappeared. For the professor is Representative HECHLER now, as the result of what one veteran newsman called "the shrewdest personal electioneering I've seen in 23 years of campaign coverage."

Mr. HECHLER went to Washington, where he is now starting his 2-year term, despite the absence of many of the qualifications practical politicians clutch closest to their hearts. He was a stranger in a section of the State where residents take deep pride in local ancestry. He was a plain-looking, bespectacled bachelor of 44 with no pretty wife or adoring children to parade before the television screens. He entered the primary against two native-born sons without the backing of any local politician and lacking the support of organized labor, which is a power in West Virginia Democratic circles.

Opposing HECHLER in the general election was a two-time Republican Congressman who was also a distinguished obstetrician. Dr. Will E. Neal had been bringing West Virginia babies into the world for more than 50 years. "I delivered the voters," the incumbent Representative would remind his campaign audiences. "It is up to you to deliver the votes."

Because HECHLER overcame all of these handicaps—and even managed to turn some into assets—it is safe to say that if he ever finds time to teach another class in political science, the front-row seats will be filled with hard-bitten politicians anxious to absorb knowledge from a person who proved that his theories about winning elections are as valid as their rules ever were.

KEN HECHLER—he never uses his baptismal name of KENNETH—says that the incredible idea of his running for Congress probably took root in the give and take of teacher-student discussions that have always featured his college classes.

He had come in January 1957 to Marshall College in Huntington, W. Va., as a substitute for a political science professor who was taking a one-semester leave of absence. HECHLER's arrival was greeted with interest because he already had a sturdy and rather picturesque reputation in academic circles.

Born in Roslyn, N.Y., of parents who were and are stanch Republicans, HECHLER received his bachelor's degree from Swarthmore College in 1935, and a master's the following year from Columbia University in New York. His master's thesis, titled "Will Roosevelt Be Re-elected?" is remembered at Columbia both for its great over-all length—350 typewritten pages—and the brevity of its final chapter, which contained the single word: "Yes."

In 1937 HECHLER became an instructor in political science at Columbia. A friendly, informal man, he made a practice—which

he continued throughout his teaching career—of developing unusual stunts to enliven his subject matter. One of his most popular gimmicks was making phone calls to leading political figures which his classes could overhear by means of an amplifier hooked onto the telephone.

While teaching at Columbia, the young instructor earned a Ph. D., making him Dr. HECHLER, and went on to aid Judge Samuel Rosenman, Franklin Roosevelt's principal speech writer, in compiling several long volumes of F.D.R.'s public papers and addresses. HECHLER already had left the party of his parents to become a confirmed Democrat.

HECHLER entered the Army as a private at the outbreak of World War II, earned a commission in the tank forces, and eventually became a major and combat historian in the European Theater of Operations. After the war he taught at Princeton where, again, his classes were tremendously popular. There followed, in succession, jobs as a researcher-writer on President Truman's White House staff, associate director of the American Political Science Association, and research director for Adlai Stevenson's 1956 Presidential campaign.

It was with this varied and impressive scholarly background that HECHLER accepted his temporary assignment at Marshall, a medium-sized, State-supported college in southwestern West Virginia. When surprised friends asked why, HECHLER replied that he had wanted for a long time to savor life in a small community. In his White House job, he had prepared briefs on every area the President planned to visit. West Virginia, with its mountainous scenery and natural resources, had struck him as a State with an undeveloped, potentially great future.

HECHLER quickly became a student favorite at Marshall. Though Dr. HECHLER in class, he was usually "KEN" outside.

"He was," says a fellow faculty member, "the type of professor students consider a regular guy. But while he may have won some of his popularity with gimmicks—once he served breakfast in class—he never forgot his role as a teacher. The students really worked for him."

HECHLER's cardinal principle as a political science instructor was to try to make his students active participants in the processes of government, regardless of which party they supported. "You are in politics whether you like it or not," he'd say. "If you sit it out on the sidelines, you are throwing your influence on the side of corruption, mismanagement, and the forces of evil."

"But as I urged my students to become active politically, my conscience started to bother me because I was not participating very directly myself," HECHLER says. "I liked Huntington and its people and had decided to settle in the city permanently. When a few students started suggesting—some laughingly and some seriously—that I should run for Congress, I brushed off the idea. Actually, though, I began to find the notion pretty appealing.

"I had been on the fringes of politics, except for the war interval, for almost 20 years without ever once experiencing the excitement that only a candidate for elective office can have. I felt I knew the congressional ropes because of my work in Washington, I had firm political ideas, and I frankly thought that I could be a valuable servant to the people of West Virginia if given the opportunity. Besides, I was intrigued by the possibility of seeing how well some of the theories I stressed as a teacher would work in a real campaign."

But under the pressure of earning a living, these thoughts almost faded from HECHLER's mind in the autumn following the end of his teaching semester at Marshall. Settling down in Huntington as he had said he would, he served as a public affairs commentator on a local weekly television program. More important financially, he completed a book he had been writing about the dramatic crossing of the Ludendorf Bridge at Remagen, Germany, which gave Allied troops their first foothold on the east side of the Rhine in World War II.

"The Bridge at Remagen," published late in 1957, was an immediate success. A movie option was taken on it and it was sold to network television. With money coming along in sizable amounts, HECHLER began thinking again about politics. West Virginia was slated to be an important State nationally in the 1958 elections. There were two Senate seats at stake, in addition to the State's six seats in the House of Representatives.

HECHLER began suggesting to friends and local politicians that he might want to run for a House seat. They said the idea was crazy. Then, late in March 1958, with the primaries 4 months off and election day more than 7 months away, the Huntington Advertiser listed him as a possibility for the race.

HECHLER reviewed the situation briefly. He had lived in West Virginia only 14 months. He was barely known outside Huntington. No one, except for a few students, had shown any interest in seeing him run.

The day after the newspaper speculation appeared he gave the Advertiser a statement. "I never sat on the fence on any issue in my life and don't intend to start now," he said. "Sure I plan to run for Congress. That is definite. I will file for the Democratic nomination in the August primary."

The Fourth Congressional District of West Virginia sprawls over 10 counties in the western part of the State and touches both the Ohio and Kentucky borders. It is a diversified region of heavy and light industrial plants and a large farm population. Huntington, with some 90,000 residents, is by far its largest city and generally favors the Democratic line, but the district as a whole usually has gone Republican.

No sooner did he announce his intention to make the race than HECHLER proceeded to startle the district again by displaying the tireless energy of a professional basketball player. He was up every morning at dawn, rarely went to bed before midnight. In the long hours between, he toured every cranny of the 10 counties, ringing doorbells and stopping at stores, plants, on street corners to introduce himself to voters.

"Like everyone else," says Robert Burford, Democratic chairman of Cabell County, where Huntington is located, "I hadn't given KEN a chance for the nomination. Then one day in Charleston, I dropped in to chat with one of our candidates for State office. "Who in hell is this HECHLER?" he asked me. He went on to say the KEN had been dropping into creeks and hollows of his home county that no candidate for anything had bothered to visit in years. For the first time it dawned on me that he might win."

In some respects HECHLER was the prototype of the old-fashioned political campaigner. He toured the district in an attention-getting, red-and-white convertible covered with bold lettering announcing his name and candidacy. He had a campaign song to the tune of "Sugar in the Morning" that was as delightfully corny as campaign songs have been for generations. Sung usually by four Marshall coeds, it went in part:

"Put your 'X' on the ballot,
And if you do your part,
You'll have a darned good Congressman,
Who's for the young at heart."

There was no sense of conformity, however, in other HECHLER maneuvers. "I had always felt from my studies," he says, "that a candidate could win a good many more votes by stressing his own virtues than by leveling personal attacks on the opposition's character."

HECHLER not only refrained from attacking his opponents personally—he praised them. He described his two foes in the primary as "good, fine Democrats." In the general election HECHLER termed Republican Dr. Neal "an honest man of conviction. I respect him for his principles, even if I may not always agree with what he stands for."

HECHLER also took pains to stress his virtues in unique ways. By passing out hundreds of free copies of his book, "The Bridge at Remagen," he emphasized that he was an author of note. He ran newspaper ads carrying letters of praise from Harry Truman and former members of the White House staff to indicate his familiarity with national affairs. He referred again and again to his primary campaign as "the lonely battle" to point up the fact that he was running without any organized support, to win the sympathy he figured would be given an underdog. He produced character references showing that he had compiled a splendid war record and was an assiduous churchgoer.

The college professor who had launched his campaign without a prayer of success won the Democratic primary by carrying 7 of the district's 10 counties.

"And you know what he did the next morning?" says one surprised Huntington politician. "Why, he was standing outside a factory at 5 o'clock in the morning, thanking men who were reporting for work for voting for him and asking for support in the general election."

By winning the primary, HECHLER now had the backing of the regular Democratic organization and organized labor. He responded by forgetting his "lonely battle" to go straight down the line for the entire Democratic ticket.

Politically, HECHLER was a professed liberal Roosevelt-Truman Democrat who spoke frequently on the need to elect Democrats to cure "the Republican recession." And he still had a number of new tricks to unveil. He had campaign cards printed on the cheapest stock available. Printed under his name was the notation: "The recession makes it tough to print a better card."

When campaign funds ran low, he bought 10-second television spots instead of the 5-minute shows Dr. Neal was putting on. "We can't afford more television time," HECHLER would tell audiences solemnly in the few seconds at his disposal, "but I hope you'll vote for me anyhow."

The maneuvers brought appreciative smiles from the electorate. They also brought the kind of retaliation HECHLER expected and almost welcomed.

Early digs that he was a Johnny-come-lately, suitcase politician became more strident. In contrast to HECHLER's courteous references to Dr. Neal, the Republicans made it a point to misspell his name at times as "Heckler," and one GOP campaign song ran in part:

"Visitor Heckler, we've been thinking,
What a State we'd really be,
If all the New York office seekers
Came to save us just like thee."

Replied HECHLER sweetly: "Isn't it wonderful that we live in a country where we are able to circulate such poems about our present and prospective public officials?"

Late in October, a Republican woman member of the State legislature leveled the bitterest attack yet. Asserting in a statement "that New York already has 43 Congressmen; why should we give them another one?" She charged that HECHLER had been sent to West Virginia by Americans for Democratic Action, the extreme left wing of the Democratic Party, to run for Congress.

HECHLER answered with a paid newspaper advertisement. He was not, he said, a member of ADA, and no individual or group had sent him to the State to run for Congress or any other purpose. Moreover, he expressed deep regret that the lady, "who was not herself born in West Virginia," had seen fit "to make statements which becloud the real issues." He also managed to weave in the Biblical commandment: "Thou shalt not bear false witness against thy neighbor."

HECHLER believes that his statement caused the attack against him to backfire into one of the most effective issues of his campaign.

Undaunted, the Republican leadership saved their heaviest ammunition until 4 days before the election. Now it was the Governor himself, Republican Cecil Underwood, who called a press conference to cut HECHLER down to size.

An investigation had shown, said the Governor, that campaign literature for HECHLER and copies of his book had been stuffed into surplus food packages the State distributed to the needy. Calling this "the most despicable display of political chicanery I've ever seen," the Governor said that "anybody who would play on the hardship of our people for his own benefit isn't worthy of West Virginia citizenship."

HECHLER still feels badly about this particular attack. He thinks it was pretty rough politics of the sort that keeps too many capable people from seeking public office. But publicly, the would-be Congressman again treated observers to the value of the nice-guy, high-level reply.

First of all, HECHLER disclaimed responsibility for putting campaign literature in food packages. Then he said that the Governor was a very fine gentleman who unfortunately had stooped to using words thrust in his hands by mud-slinging ghost writers. Finally, he brought out an autographed picture Underwood had given him before he entered the congressional race. "To Dr. HECHLER," read the inscription, "with appreciation for intellectual leadership you are giving to West Virginia—Cecil H. Underwood, Governor."

HECHLER spent most of election night and morning sweating out the returns at the Democratic county headquarters in Huntington. For several hours the race seesawed, but around midnight HECHLER forged into the lead. The professor from New York who had launched his campaign with little more than his own ballot to count had received more than 60,000 votes and won by 3,500.

After the election, HECHLER was back on the road again. Now the signs on his convertible had been changed to read: "Dr. KEN HECHLER—Your Servant in Congress," and he was busy thanking voters and asking them about their problems. "He's the only successful candidate I know who spent as much time seeking out people after the election as he did during the campaign," says County Chairman Burford.

Excluding money he would have earned if he had been working rather than campaigning, HECHLER figures the election cost him about $5,000–$6,500 for the primary in which he did not receive a single financial contribution, and another $1,500 in personal expenses for his battle against Dr. Neal.

He considers that the money was well spent for what he terms "the most exciting adventure of my life." And now that he has won his seat in Congress, he says that the campaign taught him nothing that differed very greatly from what he had observed in his years as a political science professor.

"Sure you need luck to win an election, and I had my share of it," he says. "But I believe more strongly than ever that, whatever the odds against him, a candidate has his best chance of winning by waging a clean campaign; by anticipating and taking advantage of attacks which are made by the opposition and by remaining honest to himself and his personality."

HECHLER says his goal now is to be an effective representative for the people of West Virginia's Fourth District. "After what he showed us as a candidate," says Burford, "we're expecting he'll prove to be quite a Congressman."

KEN HECHLER'S 10 RULES FOR CAMPAIGNERS

1. Pay attention to the average person.
2. Be true to your own personality.
3. Be constructive and campaign cleanly.
4. Turn every attack on you into an asset. Couple an immediate answer with your own constructive approach to the problem.
5. Remember—your most effective workers are under 20 (they're enthusiastic) and over 60 (their word is respected).
6. Avoid "strategy meetings" that cause dissension, waste time.
7. Venture forth around the district every day. Don't be "deskbound."
8. Don't tie your hands with job promises.
9. Don't promise the moon to pressure groups.
10. Be able to laugh at yourself and enjoy it.

Mr. KEFAUVER. Mr. President, I join with the distinguished Senator from Minnesota [Mr. HUMPHREY] in congratulating Representative KEN HECHLER and to commend the fine article about him published in Pageant magazine. It was most fitting that Mr. HECHLER be recognized in this fashion, because he represents what a real citizen should be in this country of ours. KEN HECHLER, before he was elected to Congress from West Virginia, gained widespread recognition as a stimulating and outstanding professor in the field of political science.

Throughout his teaching career, he used the vivid device of making phone calls to leading political figures which his classes could overhear by means of an amplifier hooked onto the telephone. This was an effective method of breathing life into issues of the day and bringing political leaders and students into close contact.

Time and again, he pounded home the basic lesson of good citizenship to his students in many classes:

You are in politics, whether you like it or not. If you sit it out on the sidelines, you are throwing your influence on the side of corruption, mismanagement, and the forces of evil.

Then KEN HECHLER took his own advice and ran for office himself. His honest and forthright campaign won the respect of the voters in his district—and won him the seat he now holds. I have known KEN HECHLER personally for many years. His is an example of citizenship that is well worth the praise of his constituents, his fellow citizens all over America, and of his colleagues in Congress.

## THE BUDGET

Mr. BUSH. Mr. President, I ask unanimous consent that there may be printed in the RECORD following my remarks an editorial from the Washington Post of March 24 entitled "Stop the Games—Now."

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

STOP THE GAMES—NOW

The obvious Democratic attempt to unbalance President Eisenhower's 1960 budget by deferring various supplemental appropriations for the current year does the party little credit. Superficially, this strategy would enable the majority to say, "We're not the 'spenders'—look at all the cuts we made in the 1959 program." Later on, with the 1960 budget unbalanced, the same politicians could say, "It's not our fault. All we did was appropriate what the President asked for."

This is all very clever but much too clever and too tricky to be good politics. The fact that the President invited such monkey-business by his tortuously contrived balanced budget proposal— which depends in part upon similar bookkeeping legerdemain—is no excuse. The way to have dealt with this was to expose it forthrightly, and to vote the funds—and the taxes—that are needed.

As might be expected, the appropriation items that lack a "constituency" are taking the biggest beating. Thus the District of Columbia is faced with an early school closing and a cutback in such essential services as police protection if the irresponsible House Appropriations Committee actions are not reversed. Of much broader importance, the Development Loan Fund which is charged with carrying forward a vital aspect of foreign policy in many critical areas of the world, is threatened with a virtual shutdown for half a year or more—and a probable loss of momentum that would take much longer to regain.

Similarly, the Senate's decision to charge the new American subscription to the International Monetary Fund to the 1960 budget rather than the 1959 budget, as proposed, reeks with shortsighted political motivation. To time this important move, which is to be taken in concert with other IMF member nations, for narrow partisan purposes is demeaning to the whole fabric of American foreign policy.

When the House takes up the badly butchered supplemental appropriations bill today it ought to be aware of the exceptional and questionable procedures by which it was prepared. Instead of obtaining the judgment of the various regular expert subcommittees on these requests, the usual practice, the Appropriations Committee rigged up a special subcommittee to handle all of them—apparently to insure that the aforementioned political strategy would be carried out without fail.

The result is a most unrealistic bill based on gross misconceptions and distortions. For example, much is made of the fact that the Development Loan Fund has not actually expended much of its present $700 million fund and that a third of it is not even technically "obligated." But many Federal programs, like this one, have a long leadtime built into them. The fact is that virtually every penny of the Fund's money is firmly committed and that applications, carefully screened, are on hand for many times the $225 million in new authority sought for the current year.

Some liberal Democrats who would ordinarily be expected to support economic development assistance apparently seek to "teach the President a lesson" by slashing foreign aid in retribution for budget cutbacks in certain domestic programs. This would be bad politics, too, for it bespeaks an all-around insincerity of purpose and unstable judgment. Speaker RAYBURN's agreement of yesterday to seek elimination by the House of some of the Appropriations Committee's cuts is welcome—if sadly belated.

At best the sponsors of this political maneuver have succeeded in thoroughly confusing the public at large, while they have disgusted those who follow these matters in some detail. Although it is late to undertake a graceful retreat, the congressional majority has an obligation to the country that it can sidetrack no longer. It ought to

begin today to vote funds on a basis of what is required, program by program, and after due appraisal of the economic outlook, consider revenue measures to match. The country is in no mood for bookkeeping games.

Mr. HUMPHREY. I wish to say that I, too, have read the editorial, and that I think it makes a great deal of sense.

Mr. BUSH. I am delighted to hear the Senator say that.

## FEDERAL COMMUNICATIONS COMMISSION DELAY IN BOOSTER INQUIRY

Mr. McGEE. Mr. President, on February 11 the Federal Communications Commission asked their staff to prepare proposals for a modified rulemaking which would look toward the licensing of low-power VHF booster and translator systems. The February 11 ruling also called for proposals to modify sections 318 and 319a of the Communications Act by further legislation if this proved necessary.

Six weeks have passed since this announcement was promulgated. Thousands of people throughout the Rocky Mountain West are waiting for action. When is it going to be undertaken?

I ask unanimous consent that the report of Commissioner T. A. M. Craven, submitted to the FCC on November 4, 1957, be printed in the RECORD so as to demonstrate that the Commission has for some time been aware of the inequity of their policy of making all booster systems illegal.

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

FEDERAL COMMUNICATIONS COMMISSION
INTEROFFICE MEMORANDUM

For: TV agenda.
To: The Commission.
From: Commissioner T. A. M. Craven.
Subject: Television boosters.
Recommended action: Adopt suggestions contained herein.

1. This memorandum summarizes the oral statement made by me to the Commission at its meeting on Wednesday, October 30, 1957, at which time, based on information obtained during my recent trip to Denver, Colo., for the purpose of investigating the situation with respect to television boosters allegedly being operated in the State on an illegal basis, I made certain procedural and rulemaking recommendations.

2. I should state at the outset that this memorandum does not treat of those forms of boosters which are installed by station licensees or by entrepreneurs for the purpose of extending existing service or for providing service for hire. Rather, it deals specifically with so-called boosters which are utilized in mountainous country to bring television programs to those areas which are denied reception because of the rugged terrain.

3. In the company of Mr. Bruce Longfellow, Chief of the Commission's Technical and Allocations Branch, I conferred on the subject of television boosters with Governor McNichols, ex-Governor Ed Johnson, Colorado Television Broadcasters, representatives of television broadcasters from the States of Wyoming and Montana, the president of a community antenna association, and the Commission's resident engineers in the Denver Office. All of those persons and groups are vitally concerned, in one way or another, in this electronic device which has become so important to many areas of the West in the past 2 years, during which time the Commission has used all the means at its disposal to put these boosters off the air.

4. In the course of its drive to achieve this end, the Commission has plagued outstanding residents of many Western States with legal action and threats thereof, instead of recognizing the dire necessity which has inspired them to use their ingenuity to bring television to outlying areas, and instead of taking constructive steps to assist them in their endeavor.

5. The Commission's activities in this connection have aroused such resentment throughout 12 Western States that the Governors thereof have conferred in Denver and stamped the Commission's course of action in this regard as grievous error. The situation in Colorado has become so critical that its Governor has been driven to challenge the Commission's jurisdiction in this matter. Rightly or wrongly, he has asserted State jurisdiction and is now licensing these boosters.

6. Based upon my observations and conferences in Colorado, it is my opinion that the Commission's first approach to this problem was precipitous, unduly rigorous, unrealistic, and was based upon a narrow interpretation of the Communications Act. Unfortunately, even its present proposals for correcting the situation fall far short of the mark. I am forced to agree with the Colorado television broadcasters and their engineers whose opinion it is that the stringent rules proposed by the Commission, after it belatedly recognized the absolute need for television boosters in certain rugged terrain, are infeasible, unrealistic, and totally unacceptable to the public. In fact, as I see it, the present proposals are so unrealistic that they will do nothing toward solving the problem.

7. Because the Commission failed to recognize promptly the overwhelming public interest factor involved in providing practicable procedures for establishing television service to small communities in the mountainous areas of the West, it is my opinion that this agency has failed thus far to discharge its statutory obligation to make available, insofar as possible, to all the people in the United States, a rapid, efficient, nationwide radio system. Apparently, the Commission did not recognize soon enough that these low-power boosters are the only practicable way in which the people residing in these isolated areas can secure any television service whatsoever. We have been shortsighted in this connection, as remedial steps could have been and should have been taken long ago. If necessary, changes in legislation should be requested.

8. The Commission has approached the solution to this problem by insisting that these boosters be classified as television broadcast stations rather than essential elements of the receiving system. Actually, these boosters are of such low power that they approach (without quite achieving it) a restricted radiation device classification. It is true that, while the low-power television booster has interference capabilities in terms of a very few miles, the restricted radiation device permitted by the Commission has interference capabilities in terms of only a few hundred feet. However, properly installed and operated, the low-power booster should not cause harmful interference to interstate radio communications. It seems appropriate, therefore, to classify them as limited radiation devices.

9. Accordingly, I submit the following recommendations:

RECOMMENDATIONS

(1) Reclassify small power boosters into a special category of "limited radiation devices."

(2) The rules should confine the use of these limited radiation devices to mountainous areas and to the localities therein which do not receive direct radio service.

(3) The rules should provide for a simplified application form and for a certificate of authorization which is not classified as a "station license."

(4) The application form should require a certified statement from the broadcast station licensee whose programs are utilized by the limited radiation device that he has investigated the location, is familiar with the type of equipment proposed, and definitely is of the opinion that the proposed operation will not cause objectionable interference to the service provided by the licensee station.

(5) The station licensee of (4) above should state that he will designate a qualified engineer to make periodical inspections to the limited radiation devices authorized pursuant to the requests passed upon by each licensee.

(6) The proposed rules should provide for type acceptance for this equipment. The standards for these types of equipment should be moderate and should include only those restrictions which are deemed essential to insure safeguards against out-of-hand interference and to insure limited radiation.

(7) The proposed rules should recognize only cochannel limited radiation devices.

10. If the Commission is unable to construe the Communications Act of 1934 as I suggest, it is recommended that the Commission seek immediate remedial legislative action, and at the same time issue a press release informing the public of its action.

T. A. M. CRAVEN,
*Commissioner.*

## THE ARAB REFUGEES—A KEY TO SOLUTION OF MIDEAST TURMOIL

Mr. JAVITS. Mr. President, following the visit of so distinguished a person as Prime Minister Macmillan, we have a new face in Washington, that of young King Hussein, of Jordan. It gives us an opportunity to welcome this colorful young king and also to consider Mid-East policy, which I think has been sort of blacked out in this country as a result of our preoccupations with Berlin. Indeed, there is some opinion that Berlin is a Communist diversion to distract us from the Mid-East. I must say I do not agree with that opinion. I think it is a very critical and intense issue on its own; nevertheless, it is an indication of the fact that we have not been considering Mid-East policy, while the Mid-East remains just as explosive, just as much a tinderbox, as it has been for a very long time.

The visit of King Hussein to the United States affords us one very important opportunity for a discussion of the Arab refugee question.

Arab refugees constitute about half the population of Jordan, some 517,388 being there now, and constituting the most volatile portion of the population of that strife-torn land.

Mr. President, I have a report of an investigation by a subcommittee of the Senate Committee on the Judiciary dated March 16, 1959. It was a special subcommittee to investigate the problems connected with refugees and escapees. I ask unanimous consent to have printed as a part of my remarks the reference in the report to the Arab refugee situation.

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

The refugee situation in the Middle East is the most critical in the world today. Mr. Henry Labouisse, the Director General of the Arab refugee program, has recently made a study and according to his figures, nearly 1 million uprooted Arabs are condemned to the grim death-in-life existence in refugee camps. These refugees from Palestine are distributed as follows:

| | |
|---|---|
| Gaza | 221,058 |
| Jordan | 517,388 |
| Lebanon | 102,586 |
| Syria | 92,524 |
| Total | 933,556 |

Mr. JAVITS. Mr. President, King Hussein has proved himself truly a monarch in his own land, but his enemies continue to endeavor to exploit the unrest among the Arab refugees as a means to subvert the Hussein regime. The best aid we can give this young king is to seek with him an early solution to the Arab refugee problem, which continues to be a most vexing question in the Mid-East.

The United States, as everyone knows, continues to have a prime interest in Mid-East peace.

We are beginning to understand a little better the picture which has surrounded the matter of peace in the Mid-East. President Nasser, in a speech broadcast from Damascus only the other day, chided the Iraqi regime of Premier Kassim for not joining with Nasser's armies to wage war against Israel late last year. This certainly contradicts the repeated propaganda contention of President Nasser that it is Israel which threatens the peace of the Mid-East.

Here we see President Nasser talking about plotting war itself in respect of this very area. This revelation follows closely on the heels of President Nasser's announced refusal to allow neutral ships passage through the Suez Canal in instances where they carry cargoes from or to an Israeli port, in violation of the principle of free passage through the Suez Canal.

The continued pressure by President Nasser on his brother Arabs in other states has confirmed that the Arab-Israel dispute is not the major issue which is the basis for Mid-East unrest. It rests, perhaps, on the ambitions of President Nasser himself. The Tunisians, the Sudanese, and the Jordanians have most recently, for example, rebuffed Egypt's own strong man.

The United Nations General Assembly will next meet in September of this year. It is expected that the General Assembly will at that time have in hand the study authorized by the Secretary General last year on the Arab refugee question in anticipation of the expiration of the United Nations Works and Relief Agency, now handling the Arab refugees, which expires on June 30, 1960. So the consideration of the Arab refugee question is most critical and most timely right now. Also, such consideration will be in keeping with the World Refugee Year, beginning in June 1959, which was established by a resolution of the United Nations General Assembly last December.

We should not avoid the consideration of the nettling problem of the Arab refugees simply by awaiting the results of studies and the fall meeting of the United Nations General Assembly. The intervening 6-month period allows too much time for the Communists to make further mischief in a sensitive area, as they have done in the past. The visit by King Hussein to the United States offers an excellent opportunity for a discussion of the problem. The fact that Congress is now in session, as it probably will not be in September, affords an excellent opportunity for the development of policy and for the enactment of legislation.

Settlement of the Arab refugee question is a step which can be achieved, and any step representing the initiative is important to us. Our great problem in international affairs is to take the initiative and act rather than to react to Communist pressure when it comes. By seizing the initiative in the Mid-East now, we can hope to overcome the handicap attributable to the Communist capability to strike with the totalitarian weapons of speed and surprise.

What is the situation with respect to Arab refugees? As I have said before, the United Nations Works and Relief Agency now handles Arab refugees. I am urging that the United States take the initiative and sponsor a resolution in the United Nations General Assembly calling for a resettlement agency to succeed the Works and Relief Agency when that agency expires on June 30, 1960; and that the maintenance of the Arab refugees thereafter, other than for resettlement, be made the responsibility of the Arab States in which the refugees are now located. I do not speak of the payments for maintenance. Payments for such maintenance, if any, would be made to these states by the new United Nations Resettlement Agency. The United States should make its contribution, as it has done before, to their maintenance. We are not talking about money; we are talking about responsibility. The reason for talking about responsibility is that that is the way in which to bring about a resettlement primarily in the Arab lands, where there is plenty of room, and where resettlement is not only practical but also constructive in economic terms.

I hasten to add that I believe, and believe very strongly, that Israel will need to make room for a fair portion of the Arab refugees. But not all the Arab refugees can continue to be sent to Israel now, as the Arabs have been contending all along.

A resettlement plan should have the following parts: First, it should require the Arab States to assume responsibility. Second, it should require Israel to assume responsibility. Third, it should require the world to take some responsibility.

Mr. President, it seems to me that just as heretofore we have tried to resettle refugees throughout the world by having various nations take their fair share, certainly we should try again in respect of the present situation, because that is the way in which we have successfully brought about resettlement in other cases—notably, in the case of the European displaced persons. I point with pride to the fact that in the Refugee Relief Act which we passed a few years ago we provided for the admission to the United States of several thousand Arab refugees from Palestine. So that inherent plan would also be the basis for some worldwide action, just as we acted in respect of the displaced persons of Europe.

Whatever may be the objections of Arab spokesmen to the proposition that the Arab refugees were made to leave what is now Israel by exhortations of the Arab leaders, who in 1948 asked them to get out of the way of the invading Arab armies in preparation for a triumphant return after the Jews had been pushed into the sea,—and that is a grim and ugly fact in connection with the 1948 exodus of the Arabs from Israel, who were induced to leave by the statement to which I have just referred—the unfortunate fact is that for 10 years there has been no Arab cooperation in their resettlement, and they have been used largely as a political dagger pointed at the heart of Israel. Recent reports indicate that 1,400 jobs for refugees went unfilled when exit permits were denied them by Arab host governments—host governments which also have rejected plans for extensive development programs for resettlement. Mr. President, there are other cases of embarrassment of the United Nations' agency—UNWRA—which is charged with the administration of this matter—for instance, when it was compelled by Syria and Lebanon to transport supplies for the refugees by railroad, rather than by the less expensive truck method—all directed toward making the work of the agency somewhat more difficult.

Mr. President, I believe it very proper that we recognize that a very much changed attitude is needed on the part of certain of the Arab governments. I repeat that the presence in the United States of King Hussein, who has aroused so much interest in our country, gives us an opportunity for discussion and reorientation in connection with this very important question. Such consideration and reorientation could be extremely valuable for us.

As I have stated, Arab refugees constitute almost half the population in Jordan, about 512,388 being there, with 221,058 in the Gaza strip, 102,586 in Lebanon and 92,524 in Syria, with an annual net increment of 25 to 30 thousand due to a continuing high birth rate. It is clear that the problem must be settled now.

The second most likely point of exploitation by the Communists in the Mid-east is the shutting off of the vital oil supplies from that area which furnishes 80 percent of free Europe's imports. The West has had one dramatic lesson in this regard when the Suez Canal was blocked for 5 months; minor crises occurred when the oil pipeline was temporarily disrupted during the revolutions last July in Iraq and Lebanon. It is clear that establishment of alternative oil supply routes is absolutely necessary if we are to be free from the policy shifts

of President Nasser or the ferment stirred up by the Communists in the Near East area.

Israel has evidenced willingness to negotiate compensation for Arab properties, notwithstanding its heavy counterclaims against the Arab states which ejected 300,000 Jews since 1948 and deprived them of their property.

The problem of land could be quickly settled by the Arab governments, particularly Iraq, which has the resources in land and water and is underpopulated, and whose new revolutionary regime we have just recognized. A major effort by the United Nations and the United States to enlist its participation could prove most fruitful at this time.

Mr. President, let us consider, in turn, the various parts of the plan I have mentioned—first, in the case of the Arab countries themselves.

The problem of land could be quickly settled by the Arab Governments—particularly I may say, by Iraq, which has resources of land and water, and is underpopulated; and its new revolutionary regime has an opportunity to do new things in that country—things which perhaps the previous regime did not have an opportunity to do. A major effort by the United Nations, including the United States, to enlist the participation of the new regime in Iraq could prove most helpful at this time.

Also, in Jordan itself there are opportunities for public works, irrigation, and reclamation which can provide a basis for a fundamental resettlement of a very substantial number of the Arab refugees who are there.

Mr. President, I may say that all our efforts with respect of working out a suitably adapted and adequately financed Mid-East economic plan based on self-help and mutual cooperation can very well be tied into the whole matter of Palestine-Arab resettlement. For example, an Arab development corporation has been under discussion for a considerable period of time. It has not yet come to fruition. It seems to me that we cannot wait for that forever; and it may be necessary to start a new initiative in that regard and to cooperate with the Arab States which wish to cooperate in this effort, leaving the others, who did not wish to cooperate, out of any economic effort of this character. Somehow or other, the work must be gotten off the ground; and it is necessary to make a start with what we have.

As to Israel's position in this matter, I believe that Israel will take a reasonable number of Arab refugees suitable for repatriation, giving due consideration to the danger to its security by a possible fifth column.

Furthermore, it is estimated that as many as 100,000 former Arab refugees have, in one way or another, found their way back into Israel.

While we are on that subject, let me say that Israel has also evidenced its willingness to negotiate compensation for Arab properties, notwithstanding Israel's heavy counterclaims against the Arab States which have ejected 300,000 Jews since 1948, and have deprived them of their property.



Also Israel has already repatriated 25 to 30 thousand Arabs and in reuniting Arab families and by other means it is estimated as many as 100,000 former Arab refugees are now located in Israel.

Obviously the resettlement of the Arab refugees and providing alternate oil supply routes is not a complete policy for the Mid-East, but it is a key to unlock the door. It represents an initiative upon which the other elements of a policy even if more important can be built. The other elements of this policy should include the following:

First. A clear guarantee of Mid-East borders against direct or indirect aggression, preferably under U.N. auspices implemented by a U.N. peace maintenance force.

Second. A suitably adapted and adequately financed Mid-East regional economic plan based on self-help and mutual cooperation, and started with those who choose to cooperate even if this does not include all the Arab States.

Third. Special efforts to deal with the problem created by the nonviability of Jordan and by internal instability in Lebanon.

Fourth. Recognition of Israel as a strong Mid-East ally of the free world through an agreement under the Mutual Security Act allowing it to receive military assistance.

Fifth. Broad-scale activities in person-to-person exchanges and the establishment of technical training institutes and other institutions of higher education in the Mid-East.

One of the primary aspects of an initiative by the United States would be in respect of a regional economic plan for the area if this is taken up and implemented. There is every assurance that other governments will cooperate in the financing of such a plan. Notably, the United Kingdom, Italy, and Germany have already indicated their interest; and so has the International Bank for Reconstruction and Development.

It would also be essential to bring into Mid-East economic development and the resettlement of the Arab refugees the oil revenues of the Mid-East and the oil companies which pay them. These oil revenues aggregated $1.026 billion in 1957, and are an indispensable element of any Mid-East program.

Mr. President, it is argued, in conclusion, that the Arab States might not work with us, due to Arab nationalist pressure. However, in efforts to bring about regional economic development, and to settle the Arab refugees, we are not confined to the Arab States alone, but we should include the economic region involved, which would also bring in the cooperation of Iran, Libya, the Sudan, Tunisia, and Turkey, leaving the problems of an economic bridge to Israel to be solved for the present through the United Nations. Mr. President, I point out that the leaders of those other countries—Iran, Libya, the Sudan, Tunisia, and Turkey, which are outside the Arab bloc—have also led their peoples out of colonial status, yet with acceptance of their responsibilities in the civilized world, and without seeking to build personal power hegemonies.

Mr. President, I think that in connection with the present visit of King Hussein to the United States, the initiative which can be stimulated in respect of the resettlement of the Arab refugees—thus giving us a head start in connection with the situation which in September will be considered by the United Nations—is very valuable and very important; and not only do I hope very much that this matter will interest the administration, which will be conferring with the young King and his advisers; but I also hope it will again stimulate in our country an awareness and a discussion of our policy in the Mid-East, which still remains the tinderbox of the world and still is in a very serious condition. Mr. President, I trust very much that we shall not overlook it in our preoccupation with the real crisis which exists in Berlin or with other crises which the Communists may endeavor to foist upon the world.

## CURRENT ECONOMIC POLICY

Mr. BENNETT. Mr. President, on March 18, the Senator from Tennessee [Mr. GORE] delivered a long and what I considered to be a very significant speech on the floor of the Senate. In the speech he indicated that he intended to have other things to say on the general subject of current economic policy; and he encouraged other Members of the Senate to make speeches in regard to this subject.

The speech of the Senator from Tennessee appears on pages 4440–4450 of the CONGRESSIONAL RECORD. Obviously his speech was very long. It covered a great many phases of our economic, fiscal, and monetary problems.

I am responding, in part, to his invitation to join in the discussion, and, in part, to my feeling that many of the things the Senator from Tennessee said in the course of his speech need amplification, and that as to many of them there are obviously differences of opinion.

The Senator from Tennessee indicated that he was anxious to have the problem discussed objectively. Certainly that is my basic approach.

As I read the 10 pages of the speech made by the Senator from Tennessee, I was impressed by the tremendous scope of subjects which is opened up by it. From reading the speech, it is understandable that the Senator from Tennessee did not have time for anything except generalities.

So I hope that in the weeks and months ahead the Senator from Tennessee will amplify and document his speech and, when necessary, will submit offers of proof for the material he presented.

Today, as I analyze the speech, it seems to me that it had three parts. Two related to each other, and the third was a kind of partisan political interlude. The first part of the speech was a statement of economic goals for our country as the Senator conceived them. The second part was a program he proposed for each of those goals.

Mr. President, I am happy to observe at this point that my friend from

Tennessee has come into the Chamber. I told him I was going to make this speech, and invited him to be present. I am happy he is here.

As I started to say, as I analyze the speech, part one was a statement of economic goals. Part two was a program to reach those goals. In between was material which, from my point of view as a Republican, was a more or less typical Democratic folk tale or fable. It was performed by a ballet, with chorus, with several other colleagues of the Senator joining in. As I get the plot of the fable, it is that the Republican "bad guys" used high interest rates to injure the little "good guys," whom the Democrats promised to rescue. That is particularly in character with the modern rage for "westerns" which separate the "good guys" from the "bad guys."

In making these observations, I should like to discuss first the objectives, then the proposed program to reach them, and, in the end, I wish to rewrite the folk tale and present my characterization of the "good guys" and the "bad guys."

The Senator listed three goals, with which I am in essential agreement. I quote from his own words. When I quote the remarks the Senator made during his statement, I shall not attempt to identify the page in the RECORD from which the quotation comes, since I have already identified the pages which contain the whole speech. The Senator stated as his first goal:

> A rate of economic growth sufficient to meet the requirements of national security and to provide full employment for our people.
>
> Second. The maximum degree of price stabilization and overall inflation control.
>
> Third. Efficient and equitable distribution of goods, income, and wealth.

In general, I think all Members of the Senate, and all officials of Government, and all private citizens would agree that these goals are significant, important, and worthy of the finest efforts of everyone who can make a contribution to them—growth, price stabilization, distribution of wealth—but I am sure the Senator from Tennessee will pardon me if I note that there are some significant omissions in these goals.

In goal 3, the distribution of wealth, there was no inclusion of the distribution of responsibility, the cost of government, the burden of production, and the general responsibility for creating the wealth which is to be distributed. I think those items belong properly in this general goal of distribution.

And more important than that, I feel the list of goals is incomplete without the addition of a fourth—the preservation of the American economic system, based on freedom and private capital, and on free markets, responding, to the greatest possible extent, to the law of supply and demand.

The only reference in the speech to free enterprise is toward the end, and comes in the Senator's comment on some remarks of the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Alaska [Mr. GRUENING], who were among those who interrupted.

In making this comment, the Senator from Tennessee [Mr. GORE] could be interpreted as having contradicted himself. He said:

> And while it (Government) is hampering the potential of the great free enterprise economy of our country, which, if released from such artificial and restrictive policies—

I underline the words "artificial and restrictive policies"—

> could grow and afford employment opportunities to our people.

On the one hand the Senator from Tennessee asks us to free the economy so it can grow, and on the other hand, as I shall show in other references to his speech, he proposes programs which would have the effect of putting more restrictions on the economy.

I realize that in a speech of this type, which again I say is an introductory speech, to be followed by others in a series, it is impossible for one to cover the whole waterfront; but I hope, if my friend is to make more speeches, he will consider my interest in the preservation of the free enterprise system as one of the fundamental goals of our economy, along with growth, stabilization, and distribution.

I should like to turn now to the eight-point program which the Senator from Tennessee suggests should be adopted to assure success in meeting these goals.

The first point of his eight-point program calls for the Government to "unequivocally assert its sovereignty in the monetary field."

Point 6 asks for Government regulation of the prices of basic metals.

In fact, every point of his program calls for increased Government intervention—at least, that is the way I read it. If I have misinterpreted the speech of the Senator from Tennessee, I shall be happy to correct my statement.

So I say to the Senator from Tennessee, on the one hand he wants the removal of governmental intervention, and on the other the interposition of more Government intervention. Or perhaps he wants a reshuffling of the areas and weight of intervention.

I think it is especially important that these points be cleared up. In the first place, the American people love freedom and want it preserved. Certainly, it is one of their basic goals.

Second, some of the things the Senator from Tennessee has said in connection with other ideas might, unless corrected, leave the wrong impression. For instance, in talking about the ideas of Government economists to fight inflation, the Senator from Tennessee mentioned direct credit, wage and price controls, and commodity allocations. I read the statement carefully, and the Senator from Tennessee did not openly endorse such a program. He was not clear as to whether he was advocating it. So I am somewhat puzzled as to whether the Senator from Tennessee supports this approach or whether he opposes it, as I do.

It is interesting that on the same date, on page 4408 of the RECORD, appears the introduction of a bill by the junior Senator from Oregon [Mr. NEUBERGER] to give the President standby controls over prices, wages, and rents. So perhaps before the session is over we shall be able to have an opportunity to vote on that issue.

I referred a moment ago to the statement the Senator from Tennessee made with respect to ideas of some persons whom the Senator identified simply as economists. As I said, the Senator from Tennessee did not advocate or indicate his lack of interest in these proposals.

The Senator from Tennessee said:

> A second method of fighting inflation, according to the economists, is by imposition of direct controls on credit, wages, prices, and commodity allocations. Some of these, such as regulation of installment credit, have proven effective but to some extent unpopular. For various reasons, including its unpopularity, the direct controls approach is not being tried.

I hope it will never be tried in peacetime, but there is a nebulous area which I hope the Senator from Tennessee in the future will attempt to clear up. The Senator does not say he agrees with and advocates these things, nor does he say he opposes them. The very fact that the Senator brought them up and did not include freedom and free markets among his goals leaves him wide open to the suspicion that perhaps these are a part of the program.

I am sure the people have not forgotten the evils which grew out of the hated controls when we moved from wartime to peacetime. I believe the people will oppose them, and in fact reject any attempt to impose them again, particularly in peacetime.

With respect to the three basic goals which the Senator does include in his proposal, there are no specifics. I hope the Senator will tell us, for instance, what he considers to be an adequate rate of growth in this country, both vis-a-vis Russia and also with respect to the needs of our growing population and our hope for maintaining an increasing standard of living.

One of the phrases which is kicked around a great deal these days is the concept of "full employment." I think that should be spelled out, if the Senator can do so, so that we can relate it to the problem of growth.

Another question which occurred to me is, how does the Senator rate these goals in order of importance? It is obvious there must be some contradiction among them. Which does the Senator consider to be paramount? There are many other questions.

I should like to move on now to the questions which have been raised in my mind by the Senator's program. I should like to read the eight points which were contained in the statement and then discuss the points separately.

The Senator from Tennessee first said:

> To begin with, the Government of the United States—and I mean here the legislative branch, the executive branch, and independent agencies—must unequivocably assert the sovereignty, the prerogatives and the constitutional responsibility of the U.S. Government in the monetary field. So long as the Government itself proclaims its helplessness, we can expect to be victimized.

The Senator then said:

There is no such thing as a free money market, and there cannot be so long as the Federal Government is faced with the problem of financing and refinancing a public debt of the present magnitude.

That is the first step. The second is that the Government can stabilize interest rates.

Next, it is absolutely necessary for the Government, the whole Government, not just one agency of Government, to adopt a policy of interest rate stabilization and to let it be known far and wide that this policy will be vigorously prosecuted. A firm policy for stabilization will, in itself, have a stabilizing influence. This, in itself, might be sufficient. Without it, nothing will suffice.

The third step in the Senator's program is: All Government agencies must cooperate and coordinate on interest rate policies.

Third. The interest rate on Government bonds cannot be considered in isolation. All Government agencies must cooperate; and Government policies, economic and monetary, must be coordinated toward the goal of stabilization.

* * * * *

When obligations of the U.S. Government, not only those connected with the FHA and veterans' home loan programs, but others also—and a number of Federal agencies issue interest-bearing securities or guarantee payment of securities—compete with one another rather than cooperate with one another toward a national goal, then we have instability instead of stability.

The fourth step is the reasonable control and regulation of credit.

Fourth. To avoid undue pressure on the monetary system while interest rates are being stabilized, some reasonable control and regulation of credit, particularly consumer credit, would, in my view, be a helpful, if not necessary, part of a program for monetary stabilization.

The fifth suggestion is a new direction for Federal Reserve Board powers.

Fifth. It may be necessary to establish new machinery for the implementation of the policy I have outlined. At the very least, it will be desirable to modify and give new direction to the exercise of the broad, sweeping, regulatory powers which the Federal Reserve Board has arrogated to itself in the general field of attempted economic regulation through monetary controls. Nothing short of this will properly satisfy the constitutional responsibility of Congress in the monetary field.

At this point let me say that I am very much interested in the use of the word "arrogated," because I am sure the officials of the Federal Reserve Board will contend they are doing nothing which is not within the powers and responsibilities conferred on them by the Congress. As I shall try to develop in a little greater detail later, if this situation needs a change we in the Congress should change it. This is not a matter within the whim of the present members of the Board.

The sixth idea is the utility regulation of basic metals iron and steel—

Sixth. The Congress should promptly consider the application of utility-type governmental regulation of the price of basic heavy metals. I refer particularly to iron and steel. I am not today prepared to suggest the details of procedure and guidelines of such a utility-type regulation of basic metals or to reach a final conclusion as to its advisability. Only a careful committee study of such a legislative undertaking could properly develop such guidelines and final conclusions. I do suggest that we have found such utility-type regulation of railroads, airlines, trucklines, and electrictiy in the national interest and that this might be an effective means of stopping the inflationary rise of administered prices in the field of basic metals.

Seventh, the Senator proposes to establish a Monetary Commission.

Seventh, I suggest the creation of Monetary Commission, composed of the best minds available, from the Congress, from the executive branch of the Government, and from various walks of life. Such a commission could, in due course, present recommendations for other or additional steps and procedures.

Finally, the Senator presented a proposal for tax revision.

Mr. President, now I come to the eighth suggestion, which concerns action which Congress should take—and take soon. The Congress should promptly consider appropriate tax revision, to assure sufficient revenue for essential Government expenditures.

Mr. President, I should like to comment on these proposals not exactly in the order in which the Senator from Tennessee suggested them, because many of them are so related to each other, covering the broad problem of monetary policy, that I think they should be considered together.

Nos. 1 to 5 and No. 7 all refer to monetary policy. No. 6 refers to the utility type regulation. No. 8 refers to tax revision.

No part of the proposed program is directly related to the goal of growth, or the efficient distribution of goods. I am sure the Senator from Tennessee may feel that, indirectly, all these factors impinge on growth; and I agree with him. But I hope that since growth was the No. 1 goal, in his later presentations he will consider the economic climate and the economic policies which are necessary to produce the most desirable rate of growth, in the light of other considerations.

Since the Senator from Tennessee did not mention the goal of the preservation of the typically American free economic system, obviously he had nothing directly bearing on that subject. I hope that subject also will be discussed later.

Having presumed to suggest that the goals needed amplification, I venture to suggest that the Senator's program might well have further amplification. Even in that part of the program which refers to the goal of price stabilization, which absorbs most of the program, I feel that there is a very important omission.

All economists seem to agree that Government fiscal policy affects inflation, just as monetary policy does. The proposed program makes no mention of Government fiscal policy, except that in part 8 the necessity of tax revision is referred to.

In another part of the speech, as a passing comment, the Senator from Tennessee suggests the need for tax increases to reduce spending and/or produce price depressing budget surpluses.

Then he proceeds to discuss—and, from my point of view, attacks—the President's balanced budget goal. This is a problem on which there has been, is currently, and will continue to be, a great deal of discussion. I know that balanced budgets are politically vulnerable, perhaps, and to some extent politically distasteful to some of our Democratic colleagues, because the President continually refers to them. I note, too, that it is more pleasant to borrow and spend than it is to save and pay back on the account.

Within the past 10 days the senior Senator from Illinois [Mr. DOUGLAS] and I had the privilege of appearing on an hour-long television program, in which we found ourselves discussing the question of balanced budgets. We did not agree as to the pattern in which the balance should be achieved, but we did agree that, over a period of time, the budget must be balanced, and that it must be balanced on the average. In other words, we cannot continue going downhill forever.

It is interesting to observe that only 5 times since 1932 has our Federal budget been in balance. If we leave out the actual war years of World War II, our average annual deficits for this period have been about $3 billion. That figure is arrived at after accounting for the surpluses, after the peacetime surpluses are figured in. The question which bothers me is, How long can we continue on that basis?

The budget has been balanced five times in 27 years, five times in 20 peacetime years. I think the American people realize that, while we can occasionally live beyond our income, the day of reckoning cannot be forever postponed. Sooner or later it will confront us. I hope that in a later speech the Senator from Tennessee will make clear to us what his feeling is as to how often, or over what period of time, or in what pattern, the budget of the Federal Government should be balanced.

I should like to discuss briefly the ideas of the Senator from Tennessee with respect to monetary policies. They are involved in parts 1 to 5, and 7 of his program. First I should like to discuss part 7. That suggests the establishment of a Monetary Commission, which I assume to mean a bipartisan commission.

I am sure the Senator from Tennessee knows that the President has been suggesting such a procedure for several years, and he has attempted to persuade Congress to follow his suggestion. The Senator from Tennessee and the Senator from Utah are members of the Finance Committee, and for parts of 2 years, we engaged in an investigation by that committee which evolved in part from the unwillingness of Congress to establish the kind of bipartisan commission which I think we both have in mind.

This is what the President said in his economic state of the Union message in January 1957:

Essential to the stable economic growth we seek is a system of well-adapted financial institutions. I believe that the time has come to conduct a broad national inquiry

into the nature, performance, and adequacy of our financial system, both in terms of its direct service to the whole economy and in terms of its function as the mechanism through which monetary and credit policy takes effect. I believe the Congress should authorize the creation of a commission of able and qualified citizens to undertake this vital inquiry. Out of their findings and recommendations the administration would develop and present to the Congress any legislative proposals that might be indicated for the purpose of improving our financial machinery.

At the moment the Joint Committee on the Economic Report is beginning an inquiry. But I assume that that does not meet the standards of the Senator's suggestion; nor does it meet mine. I think we may well have reached the point in our economic history where we need the kind of broad study which was conducted in the first decade of this century and which eventuated in the creation of the Federal Reserve System and some other changes.

I turn now to the first part of the Senator's program and reread this much of it:

To begin with, the Government of the United States—and I mean here the legislative branch, the executive branch, and independent agencies—must unequivocally assert the sovereignty, the prerogatives, and the constitutional responsibility of the U.S. Government in the monetary field.

I am one of those who feel that each of the respective agencies or parts of Government—the legislative, the executive, and the independent agencies, where they are involved—is trying to carry out the responsibilities given to it, either by the Congress or by the Constitution.

I believe that the executive department is sincerely trying to live up to its responsibility for the management of the debt, and for the balancing of the budget. I assume the Senator from Tennessee may not agree with me, but I am sure that if the situation were reversed and we had a Republican Congress and a Democrat in the White House, the Republicans would probably be critical of the manner in which the Democrats were managing our program.

It is my point of view that the Federal Reserve is also living up to its responsibility.

I am a little disturbed by the use of the word "arrogate." I am surprised that it would be recommended that we scrap the mechanism of the Federal Reserve System for one more responsive to public pressure.

It has always been a matter of regret to me that the Senator's party, which properly takes the major share of the credit for the judgment and foresight which went into the Federal Reserve Act, should now be so critical of it. I have no knowledge that the Federal Reserve Board has arrogated to itself any responsibilities not provided in the Federal Reserve Act.

Testifying before the Committee on Finance on August 13, 1957, Chairman William McChesney Martin stated:

Broadly, the Reserve System may be likened to a trusteeship created by Congress to administer the Nation's credit and monetary affairs—a trusteeship dedicated to helping safeguard the integrity of the currency. Confidence in the value of the dollar is vital to continued economic progress and to the preservation of the social values at the heart of free institutions.

The Federal Reserve Act is, so to speak, a trust indenture that the Congress can alter or amend as it thinks best. The existing System is by no means perfect, but experience prior to 1914 suggests that either it or something closely approximating it is indispensable. * * *

That is the point of view of the Chairman of the Board of Governors. I am sure he considers himself a member of a group who are in favor of those principles, and I am sure that he is very careful to live within the responsibilities imposed by Congress. If new powers should be assigned, or a new pattern should be developed, that is the responsibility of Congress.

I should like to turn now to points 2 and 5 of the Senator's proposed program. Point 2 is that the Government must stabilize interest rates. Point 5 is that there must be a new direction for Federal Reserve power.

As I read the speech of the Senator from Tennessee the question which kept forcing itself into my mind was the one which I believe was very obvious during the hearings of the Committee on Finance: Have we reached the point where we should consider taking away the present independence of the Federal Reserve System and making it again subservient to the Treasury?

Between 1941 and 1951 it was subservient to the Treasury. This action was taken voluntarily by the members of the Board of Governors of the Federal Reserve System on Pearl Harbor Day, in order to make completely sure that the Government would be able to finance the war at the lowest possible cost, and that the time would never arrive when a Government bond issue could go without full subscription.

It took about 5 years after the war ended for the Federal Reserve to regain its independence. That was a long fight, and the man who led it, so far as the Senate is concerned, is our colleague from Illinois [Mr. DOUGLAS]. I am mentioning his name now, not to involve him in any debate, but to acknowledge his activity in that important undertaking.

If the Senator from Tennessee or anyone else feels that the time has come to go back to the relationship which existed in those 10 years, then I believe someone should introduce a bill providing for it; that we should discuss the bill in the Committee on Banking and Currency, and that the Senate should then face the challenge. Such action would repudiate Woodrow Wilson, the great Senator from Virginia, Carter Glass, and the lessons of many other countries that have taken what seems to me to be a fatal step in making their central banks subservient to the temporary fiscal policies of the party or government in power.

The second proposal of the Senator from Tennessee is that the Government must stabilize interest rates. As I read the speech, it seemed to me that this was the most striking, and that probably it could be described as the newest and most daring, idea in the speech.

Instead of stabilizing the value of the purchasing power of the money, the Senator from Tennessee proposes to stabilize its rent cost, that is, its interest. Because of the tone of the whole speech, I assume that in stabilizing the interest rate the Senator from Tennessee would stabilize it, if he could, at a rate lower than the present rate. That is borne out by what I called the folk tale or the fable. This raises a great many questions. This is, as I have said, the most startling and most challenging of the Senator's suggestions, and the one on which my mind has dwelt more than on anything else.

I should like to raise these questions and place them in the RECORD, with the thought that the Senator might wish to study his idea in opposition to them. The first is: How could the rates be stabilized? The only idea I could suggest is that the Federal Reserve be again required to support Government issues at par, which would make it possible for the Federal Government, the administration in power, to fix the interest rate on any of its offerings at any point at which it wished to fix it, with the assurance that the central bank would take them if the private market did not.

My second question is: At what rate would interest rates be stabilized? If we review the wartime experience, we find rates substantially lower than the present ones.

If political pressure—and I am not now pointing the finger at anyone—can be used to support the idea that rates of interest should be stabilized, then no matter at what point the rates are fixed the same pressure could be used to lower them beyond the initial point. It would become, in my opinion, a rather open target. A man could run for election by saying, "I support a rate of 2 percent interest for Government bonds." His opponent could say, "I support an interest rate of 1½ percent. I will save one-half percent on the interest charges." That is the problem, and I think it could be expected to arise.

If such a program were adopted, what would the effects be during the transition period? At the present time, many Government bonds are selling below par and thus matching the current interest rates. If under the proposed program of interest rates the new offerings were stabilized at 2 percent, for example, it would automatically increase the value of all bonds outstanding with 4-percent coupons. Such a suggestion could make a very substantial profit possibility for the holders of many Government bonds. If the change were made abruptly, it might completely disrupt the pattern of our trading in bonds. If it were desired to spread it out, how could it be spread out?

Can we find one or more examples in recent history of other nations stepping in and setting their interest rates at a particular point? What can we learn from our wartime experience with interest rates kept low deliberately by the arrangement with the Federal Reserve System?

Finally, are stabilized interest rates the same as stabilized purchsing power of currency. It is my opinion that stabi-

lized interest rates would produce exactly the opposite effect and would greatly unstabilize the pattern of the purchasing power of our currency. I believe that if interest rates were stabilized at a point substantially below the free market point, they would produce tremendous inflationary pressures.

Here is another list of questions. If this proposal were adopted, what effect would it have on the principle of free markets? The Senator from Tennessee has stated that he doubts we have a free market for money. What would this proposal do to the whole concept of a free market, both for money and for commodities? What would it do to commodity prices? What effect would it have on consumer inflation? What would it do to the market value of other bonds—industrial, State, and municipal?

I am wondering, especially if we embarked on a permanent program of pegged bond prices, which I think would be necessary to make stabilized interest rates, if it would be necessary to peg prices for municipal and State bonds? Such bonds have an advantage because they are tax free. The lower the rate at which interest rate on Federal borrowing would be stabilized the less significant would become the tax-free privileges.

What would happen to real estate mortgages? In fact, what would happen to the whole housing program? These questions intrigue me very much.

What would happen to our foreign exchange, our foreign trade, and the foreign investment of American capital? There is already what is to me rather disturbing and alarming evidence that American capital is being exported to manufacturers in other countries; that goods designed and developed by American research brains, are being priced out of world markets because of high costs and inflation. Some day I hope someone will make a study of the relationship between the increased price of American automobiles and the impact of foreign importations. From such a study, it would be interesting to learn what proportion of the foreign importations were actually made through the investment of American capital abroad. I think it is substantial.

What effect would the proposal of the Senator from Tennessee have on the business cycle? What effect would it have on taxation and spending in the Government fiscal policies? What effect would it have on the savings programs of individuals?

I was an officer of a small savings bank during the 1930's and through the war years. We reached the point, as the Senator from Tennessee may remember, where savings banks paid no interest on savings. They could not earn enough to pay any interest. If that situation should come about again—in fact, if it should threaten to become permanent—what would happen to life insurance programs, pension systems, savings banks, and building and loan associations? What would happen on that basis to the formation of new capital for expansion? Who will make capital available at low rate for the private market, if and when private savers are persuaded that there is no profit in saving?

I mention economic growth again in this list, because that was the Senator's first goal. I would be interested to know what effect it might have on labor-management relations.

The Senator discussed the problem of agricultural surpluses in his statement. I wonder what effect this kind of program would have on our agricultural program.

I repeat: I think the proposal to stabilize interest rates is the most important one the Senator from Tennessee makes. I hope he will have opportunities later, even involving one or two lengthy speeches, to develop the question. I have suggested areas in which I hope he can provide satisfying answers.

I shall read his proposal No. 3:

> All Government agencies must cooperate; and Government policies, economic and monetary, must be coordinated toward the goal of stabilization.

I am glad to see that the Senator has come out so strongly in favor of coordination in the matter of Federal monetary policies. Some financial legislation by Congress is inconsistent with other legislation. Under some circumstances bills are passed which have the effect of increasing the inflationary pressures on our program. Then Congress turns around and passes other bills which are intended to control such pressures. I think that is one of the problems which belongs to the Monetary Commission which the Senator has suggested should be established. So long as we operate in an atmosphere of catch-as-catch-can legislation, without any overall, long-range program into which we try to fit particular bits of legislation, then I think it is important that some agency undertake to develop that kind of program. Until that is done, I do not think it will be possible to eliminate the inconsistencies or the lack of coordination among the various functions of Government.

The Senator's fourth proposal suggests "some reasonable control and regulation of credit." I assume that must mean the passing of laws which would have the effect, under certain circumstances, of limiting the extension of credit. It seems to me that the Senator faces the task of resolving a contradiction, because if a permanent low interest rate monetary policy is adopted, it can only be maintained by making credit easier. Then if Congress turns around and adopts programs to control credit, we shall be working at cross-purposes.

At present a mechanism is provided in the Federal Reserve System, which is supposed to control credit by its power to restrain or to permit expansion of the volume of money. I should be very much interested to learn the Senator's reasons for abandoning the present program, if that should be what he proposes, and for adopting a new one.

I certainly recognize that if the program to stabilize interest is to be adopted, there will be a period of great unsettlement. In that period rather carefully worked out controls would be needed; otherwise I think there would be chaos.

It has been said that it is easy to get into the market. Anyone can do that. The smart person is the one who knows when to get out. I should think that would apply to the question of credit controls. It is easy to apply them, but it difficult to get rid of them. I remember how hard it was to get rid of the price, wage, and rent controls at the end of World War II. In fact, we did not get rid of them until the administration changed.

In another proposal, the Senator from Tennessee [Mr. GORE] has suggested a reshuffling of the makeup of the Federal Reserve Board—in other words, a new direction in the selection of the membership of the Federal Reserve Board.

For the record, Mr. President, let me say that the present Board of Governors of the Federal Reserve has seven members. They are recommended by the Chairman, and are appointed by the President, subject to confirmation of the Senate.

Section 10 of the Federal Reserve Act requires that in choosing the members, the President must give due regard to a fair representation of the financial, agricultural, industrial, and commercial interests, as well as the geographical divisions of the country. The Board members are appointed for 14 years, putting them beyond the reach of reappointment by the same President. The Chairman and the Vice Chairman are chosen for 4 years, but still keep their 14-year Board membership.

I would be interested to know how the Senator from Tennessee would change that set of specifications. That is not spelled out in his speech, and I assume it will come later.

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

The PRESIDING OFFICER (Mr. MCGEE in the chair). Does the Senator from Utah yield to the Senator from Louisiana?

Mr. BENNETT. I yield.

Mr. LONG. Does the Senator from Utah have any knowledge of a time when the Federal Reserve Board has actually pursued policies diametrically opposed to those of the administration, during the administration of any President in recent times?

Mr. BENNETT. I think all through the period from 1946 to 1951 the Federal Reserve Board could be said in general to have been in opposition to the administration, because it was fighting as hard as it could to get its independence. In those days, the policy of the administration was to require the Board to continue in the relationship which the Board had voluntarily assumed at the beginning of World War II. So for those 5 years, in general, I think it fair to say that the Board was opposing the policy of the administration.

Mr. LONG. But I believe the Senator from Utah will agree that during that period the Board was following the policies of the Truman administration, although the Board, or certainly certain members of the Board, might have disagreed with those policies. Nevertheless, the Board was following the policies laid down by that administration.

Mr. BENNETT. It had no choice; it was bound by an agreement which the Board itself had voluntarily made. But it was doing the best it could to put itself in a position where it would no longer have to follow those policies.

Mr. LONG. But certainly the Senator from Utah will agree that the period 1946–51 was one in which the Board was, nevertheless, following the policies of the then President.

Does the Senator from Utah know of a period during which the Board has actually pursued a policy at variance with the policy of the occupant of the White House?

Mr. BENNETT. Obviously, I did not come here prepared to answer that question today. I shall be very happy to explore the answer to it, and to give the Senator from Louisiana whatever information I can obtain regarding it.

But I am quite confident in my own mind that we can find specific examples of divergencies between the policy of the administration and the policy of the Board.

Mr. LONG. I raise this question because of my own view of the matter. Frankly, it is my view that the Board should be responsive to someone other than its own members.

Mr. BENNETT. It is responsive to the Congress.

Mr. LONG. Personally, I have yet to see the Congress assert itself in this field. Perhaps the Congress will do so. But without leadership from the executive, I have not seen it during the 10 years that I have served in the Senate. The Congress has done some investigating, as the Senator from Utah knows. But I imagine that even at this moment the policies pursued by the Board are not in accord with the views of a majority of the Members of Congress.

I do believe the policies of the Board are in accord with the policies of the Executive.

In view of the enormity of this problem and the tremendous consequences of the Board's decisions upon the economy and the people of the country, I believe that the Board should be responsible to someone. Personally, I would like to see the Board responsive to Congress, if the Congress will accept that responsibility and will act upon it; otherwise the Board should be responsive to the Executive.

If the Board is pursuing a policy which is contrary to the views of the Executive who appoints the Board, and contrary to the views of a majority of the Members of the Congress, then it is the duty either of those who created the Board or of the one who appointed it to take the responsibility for the program, so we shall know where the responsibility lies.

At this point let me say——

Mr. BENNETT. Mr. President, I have been happy to yield for a question. But I have a long and rather involved text which, in part, is a sort of comment by me on the speech made by the Senator from Tennessee [Mr. GORE]. Although I have no wish to be rude, I hope the Senator from Louisiana will permit me to develop my material. If at the end of my presentation he wishes to present his own point of view, certainly I shall be glad to have him do so.

I believe the Senator from Louisiana was not in the Chamber earlier today when I tried to make plain my feeling in regard to this matter. I am sure it is clear that under the law the Federal Reserve Board was created by the Congress and is responsible to the Congress; and the Banking and Currency Committees of the two Houses have jurisdiction over the activities of the Federal Reserve Board.

I suggested to the Senator from Tennessee—and I am happy to include the Senator from Louisiana—that I am sure our Banking and Currency Committee will immediately go to work on any proposed legislation calling for a change in the basic law under which the Federal Reserve operates.

But I do not think it is possible for the Federal Reserve to do its work properly if, every time there is a meeting of the Board, it has to report to these two congressional committees, and to ask them, "Is this decision all right with you, today?" The members of the Board must work under established rules, as laid down by Congress. Congress has the power to change the rules. Congress can change them at this session or at any other session.

Furthermore, I would say to my friend from Louisiana that if any Senator feels that the Federal Reserve Board is exceeding its authority, and if such Senator can show the Banking and Currency Committee—after pointing out, by chapter and verse, what the authority of the Board is—how the Board is violating its authority, I am sure the committee will take immediate cognizance of the problem and will go to work on it.

Mr. LONG. But it seems to me that during the 10 years that I have served in the Senate the Federal Reserve Board has adopted policies consistent with the views of the President. I believe that has been the case through the years. If that has not been the case, I should like to know it.

Frankly, it seems to me that has been the situation. I do not quarrel that it has been the situation or that it should be. I only say that if that is the situation, the Executive should assume his share of the responsibility in connection with those policies.

Mr. BENNETT. Mr. President, the Senator from Louisiana is again raising the question which the Senator from Tennessee raised, namely, whether the relationship of the Federal Reserve Board to the Congress and to the Executive needs reexamining, or whether what the chairman calls the trust indenture under which he operates should be rewritten.

I am one of those who think it need not be rewritten. But I recognize that many take the opposite point of view.

Since the Federal Reserve Board is a creature of the Congress, it is possible to require a review of the situation by the enactment of a bill to make specific changes in the Federal Reserve program.

Mr. LONG. It seems to me that the issue involving interest rates and the availability of credit generally is rapidly developing divergent views as between the two parties, the prevailing view of the Democratic Party being one in favor of lower interest rates and easier credit, and the generally prevailing view in the Republican Party being one in favor of the existing policies, with stringent credit and higher interest rates.

Mr. BENNETT. But I am sure the Senator from Louisiana will find that many of the Members on his side of the aisle are not sold on the idea of the controlled interest rates which the Senator from Tennessee suggested in his speech. Again, that could be brought out into the open, and we could ascertain just what the temper of Congress is, by means of a proposal to take away from the Federal Reserve Board its power to act independently with respect to the purchase of Government bonds.

Mr. LONG. If the Senator will yield further, there is one other way, it occurs to me, whereby we might get a decision. That would be by the election of a President who favors a policy of keeping interest rates lower, as was true prior to 1953, in contrast to the policy, now being pursued, of keeping interest rates high.

I am of the opinion that someone is going to control the general level of interest rates. It is either going to be controlled by the Goverment, for the general welfare of the economy, or by someone speaking for the investing interests, in New York or elsewhere, who want to benefit themselves by a higher general level of interest rates.

Mr. BENNETT. I am sure that is the Senator's view. I have some other comments to make on that question before I conclude.

Perhaps I should not say what I am about to say, but I am tempted. One of the colleagues of the Senator from Tennessee, in the discussion with the Senator last week, said, "We are going to put the monkey of high interest rates bang on the back of the administration." Perhaps if in 1960 we get a Democratic President, and on his back is laid the responsibility of financing the cost of the Government, he may find that monkey a burden, and that the position he has to take, having that responsibility, is different from the position which one who has no responsibility in the matter can take in discussing the question.

Mr. LONG. The general attitude of the junior Senator from Louisiana on that subject is that, whatever administration may be in power, it should have and should accept the responsibility for the general level of interest rates and all results which flow therefrom.

Mr. BENNETT. There is a simple way to do that. If the administration wishes to take independence away from its central bank in this country, as has been done in other countries, and say it is going to fix the interest rates for bonds—and the bonds are in sufficient volume so that the interest rates on them will affect interest rates on other securities—that is the way to do it.

Mr. LONG. The attitude of some persons is that if credit were made more freely available, a situation which the Federal Reserve Board certainly has the power to bring about, and if the Federal

Reserve Board used its power and its open market operations to make credit more freely available, the desired result would be attained. Some persons think such action is undesirable. But the administration does have a tremendous amount of influence, and is using it today, at least, to permit interest rates to go to the level to which they have ascended; and the administration has, and should have, the power to bring the interest rates lower.

In my judgment, it is a matter of either one group or the other controlling interest rates. Either the President, or the Congress, speaking for the Government, can and should use its power to hold interest rates down. They can stand aside and let others do what they please. There is no question that the others, if left free to do it, would make interest rates as high as the traffic would bear. That is what they have been doing.

Mr. BENNETT. I suggest that when the Senator from Tennessee made his speech he was not interrupted, except by his friends on his side of the aisle. I am trying to develop what I consider to be a reasonable analysis of the speech of the Senator from Tennessee. I hope the Senator from Louisiana will allow me to go back to it. There was much I had to say that the Senator from Louisiana did not hear, and I have some other things to say that bear on the subject on which the Senator is commenting.

Mr. LONG. I shall be most happy to accede to the Senator's wishes. I hope I have not trespassed on his time unduly. I shall endeavor to read the remainder of his speech tomorrow.

Mr. BENNETT. I may say to the Senator, and to all who will listen, that my speech is being made in response to an invitation by the junior Senator from Tennessee, who wanted the subject opened up and discussed. I hope my reaction to the speech of the Senator from Tennessee will cause many Senators to be led to try to develop their views on the particular questions he discussed. But I would appreciate the opportunity to go forward with my material.

Mr. President, this discussion came up at approximately the time I had completed my discussion of the six points among the proposed program of the Senator from Tennessee which have to do with monetary policy. I should like to move on to proposal No. 6, which had to do with utility type regulation of basic metals, iron and steel.

I shall not reread the statement of the Senator. I have read it once. I ask unanimous consent that the statement of the Senator from Tennessee appear in the RECORD at this point in my remarks.

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

Sixth, the Congress should promptly consider the application of utility type governmental regulation of the price of basic heavy metals. I refer particularly to iron and steel. I am not today prepared to suggest the details of procedure and guidelines of such a utility type regulation of basic metals or to reach a final conclusion as to its advisability. Only a careful committee study of such a legislative undertaking could properly develop such guidelines and final conclusions. I do suggest that we have found such utility type regulation of railroads, airlines, trucklines, and electricity in the national interest and that this might be an effective means of stopping the inflationary rise of administered prices in the field of basic metals.

Mr. BENNETT. Mr. President, the Senator from Tennessee was discussing two completely different types of regulation. Utilities producing electricity are regulated because they are monopolies. Such regulation is generally handled at the State level. The regulation has some interesting facets. A utility is a monopoly. As a part of the pattern of regulation, utility companies are permitted to make a profit, and the rates they charge can be changed if a profit is not made. That can be done in the course of the regulation of a monopoly utility. On the other hand, the railroads are not subject to that kind of regulation. The Interstate Commerce Commission over the years has built up a pattern intended to regulate rates which has helped create a situation under which many railroads in the country today are going broke financially, because their competitors have an opportunity to adjust their rates competitively, whereas such an opportunity is not available to the railroads.

I hope the Senator from Tennessee will have time to study this proposal in greater detail. He admitted in his speech he had not examined the exact form that regulation should take. I think it is going to be very difficult to develop a form of Federal regulation which will apply to basic metals.

The Senator from Tennessee mentioned iron and steel. Two questions occur to me. There are companies, such as United States Steel and Bethlehem, whose chief products are iron and steel. The manufacture of iron and steel could be isolated and studied and, I suppose, a regulatory program could be established; but there are some companies which make iron and steel as a part of their overall production. How would the Senator regulate such companies, because they do not sell the iron and steel they make; they sell the finished product, which contains iron or steel? How would the Senator regulate competitive products of iron and steel, such as plastics, glass, and aluminum? In other words, when the Senator from Tennessee starts to pick out a particular product and says, "This is basic and must be regulated," what is going to happen to a product which, at the beginning, may not seem to compete, but which may be left free to compete with regulated products?

Where does one stop? The Senator from Tennessee quoted Woodlief Thomas, economist of the Federal Reserve Board. The Senator noted the problem of administered prices, which led to the suggestion about regulating prices. I assume it did, for at least it seemed to be a confirmation of if not the motivation for the suggestion. I do not think the Senator went all the way with Mr. Thomas. I should like to read the entire quotation the Senator put into the RECORD:

Mr. Woodlief Thomas, chief economist of the Federal Reserve Board, in a letter to the Washington Post and Times Herald which was published on March 12 of this year, acknowledged that there were "unstabilizing forces in pricing actions of the private economy—on the part of both management and labor—that cannot be effectively controlled or corrected by governmental actions in the area of fiscal and monetary policies."

The Senator from Tennessee has proposed a program to regulate and control the prices of products, but I do not find anywhere in his statement anything to do with the other half of the parallel, to regulate the prices of labor. I shall not open up that question today, but I suggest that, since the Senator quoted Mr. Thomas, the program will not be complete until the Senator deals with that problem.

I should like to sum up this part of the speech. In the beginning the Senator from Tennessee mentioned three goals: growth, stability, and distribution of wealth. I suggested that freedom, as a part of our American economic system, is to many, a goal of equal importance.

To reach these goals the Senator suggested an eight-part program. In that eight-part program there was no suggestion of a program aimed specifically at growth. To me this is a conspicuous omission, because in his speech the Senator not only listed growth first but he began his speech with a reference to the Russian threat and our need to maintain high levels of growth to combat it.

There is only one proposal affecting the distribution of wealth, which is the proposal for tax revision. The other proposals refer to stability, and I have been discussing them at great length.

Frankly, I will say to the Senator from Tennessee, I am delighted that he made the speech. I think we need a starting point in this session from which to discuss these fundamental problems, and I am grateful to the Senator for providing the starting point. I hope the Senator understands that I am trying to be reasonably objective in suggesting the things which I think need amplification and the areas which I think need to be added.

Fortunately, all the problems the Senator has suggested have been problems of all governments for a long time. Many ideas for solving the problems have been tried in one form or another. Therefore, as the program is spelled out in greater detail I think it will be possible for us to examine it in terms of experience which we or other countries have had.

In the beginning I said that as I analyzed the speech there were two main parts and what I called a little partisan political folklore. In the best of humor now, I should like to turn to that.

This is the plot of the little folk story, as I read it: The Eisenhower administration, the big bad guy, is conspiring with the Federal Reserve Board, now bad but capable of being reformed and capable of repenting. The bad guy uses high

interest rate policies to hurt the little good guys—the farmers, the small businessmen, the home buyers, State and municipal governments—all for the benefit of an evil accomplice or accomplices identified as corporations, banks, financial institutions and moneylenders.

I will say to the Senator, I am disappointed that Wall Street did not get into the list. I hope the Senator does not mind if I put Wall Street on the list, because traditionally that is one of the characters.

Mr. GORE. I accept the amendment.

Mr. BENNETT. I thank the Senator.

It goes without saying—or at least it did when the Senator made the speech—that only Democrats can rescue the little good guys from the big bad Republicans.

To quote the Senator from Minnesota [Mr. HUMPHREY] accurately—I tried to quote him from memory a little while ago—

> It is about time we put the monkey of inflation smack bang on the back of the Eisenhower Republican administration.

That is the plot. I hope Senators can understand that to me this seems like a kind of fairytale. I should like to look into it, to see if perhaps it does not need correcting.

Let us consider the high interest rates. Are interest rates really high? What is high and what is low with respect to interest?

There are two ways to consider interest, I think. One way is to go back over the history of our own country to observe how the present interest rates compare with rates at other periods in our history when we were not at war.

Mr. President, I ask unanimous consent to insert in the RECORD at this point two tables. One shows the trend of discount rates at the New York Reserve Bank 1914–58. The other shows yields on long-term U.S. Government bonds, by months, 1919–58.

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

TABLE 1.—*New York Federal Reserve Bank discount rates on eligible paper, as of December, 1914–58*

(Percent per annum)

| | |
|---|---|
| 1914 | 5½ |
| 1915 | 4 |
| 1916 | 3 |
| 1917 | 3½ |
| 1918 | 4 |
| 1919 | 4¾ |
| 1920 | 7 |
| 1921 | 4½ |
| 1922 | 4 |
| 1923 | 4½ |
| 1924 | 3 |
| 1925 | 3½ |
| 1926 | 4 |
| 1927 | 3½ |
| 1928 | 5 |
| 1929 | 4½ |
| 1930 | 2 |
| 1931 | 3½ |
| 1932 | 2½ |
| 1933 | 2 |
| 1934 | 1½ |
| 1935 | 1½ |
| 1936 | 1½ |
| 1937 | 1 |
| 1938 | 1 |
| 1939 | 1 |

TABLE 1.—*New York Federal Reserve Bank discount rates on eligible paper, as of December, 1914–58*—Continued

(Percent per annum)

| | |
|---|---|
| 1940 | 1 |
| 1941 | 1 |
| 1942 | 1 |
| 1943 | 1 |
| 1944 | 1 |
| 1945 | 1 |
| 1946 | 1 |
| 1947 | 1 |
| 1948 | 1½ |
| 1949 | 1½ |
| 1950 | 1¾ |
| 1951 | 1¾ |
| 1952 | 1¾ |
| 1953 | 2 |
| 1954 | 1½ |
| 1955 | 2½ |
| 1956 | 3 |
| 1957 | 3 |
| 1958 | 2½ |
| Mar. 23, 1959 | 3 |

Source: Federal Reserve Board.

TABLE 2.—*Yields on long-term U.S. Government bonds—monthly—1919–58*

| | |
|---|---|
| 1919: | |
| January | 4.63 |
| February | 4.70 |
| March | 4.73 |
| April | 4.72 |
| May | 4.67 |
| June | 4.69 |
| July | 4.72 |
| August | 4.78 |
| September | 4.73 |
| October | 4.71 |
| November | 4.81 |
| December | 4.90 |
| 1920: | |
| January | 4.93 |
| February | 5.05 |
| March | 5.09 |
| April | 5.28 |
| May | 5.38 |
| June | 5.54 |
| July | 5.57 |
| August | 5.67 |
| September | 5.43 |
| October | 5.08 |
| November | 5.21 |
| December | 5.40 |
| 1921: | |
| January | 5.23 |
| February | 5.28 |
| March | 5.27 |
| April | 5.24 |
| May | 5.25 |
| June | 5.27 |
| July | 5.26 |
| August | 5.22 |
| September | 5.12 |
| October | 4.83 |
| November | 4.64 |
| December | 4.47 |
| 1922: | |
| January | 4.45 |
| February | 4.50 |
| March | 4.41 |
| April | 4.28 |
| May | 4.26 |
| June | 4.24 |
| July | 4.14 |
| August | 4.12 |
| September | 4.19 |
| October | 4.30 |
| November | 4.33 |
| December | 4.32 |
| 1923: | |
| January | 4.32 |
| February | 4.33 |
| March | 4.38 |
| April | 4.39 |
| May | 4.37 |
| June | 4.34 |
| July | 4.34 |
| August | 4.35 |
| September | 4.36 |

TABLE 2.—*Yields on long-term U.S. Government bonds—monthly—1919–58*—Con.

| | |
|---|---|
| 1923: | |
| October | 4.40 |
| November | 4.37 |
| December | 4.35 |
| 1924: | |
| January | 4.30 |
| February | 4.28 |
| March | 4.28 |
| April | 4.23 |
| May | 4.15 |
| June | 3.98 |
| July | 3.94 |
| August | 3.91 |
| September | 3.92 |
| October | 3.87 |
| November | 3.90 |
| December | 3.96 |
| 1925: | |
| January | 3.96 |
| February | 3.95 |
| March | 3.96 |
| April | 3.93 |
| May | 3.87 |
| June | 3.79 |
| July | 3.79 |
| August | 3.85 |
| September | 3.85 |
| October | 3.82 |
| November | 3.79 |
| December | 3.80 |
| 1926: | |
| January | 3.77 |
| February | 3.71 |
| March | 3.71 |
| April | 3.70 |
| May | 3.67 |
| June | 3.67 |
| July | 3.68 |
| August | 3.70 |
| September | 3.70 |
| October | 3.68 |
| November | 3.62 |
| December | 3.56 |
| 1927: | |
| January | 3.51 |
| February | 3.48 |
| March | 3.37 |
| April | 3.35 |
| May | 3.31 |
| June | 3.34 |
| July | 3.36 |
| August | 3.32 |
| September | 3.30 |
| October | 3.29 |
| November | 3.23 |
| December | 3.17 |
| 1928: | |
| January | 3.18 |
| February | 3.19 |
| March | 3.17 |
| April | 3.20 |
| May | 3.24 |
| June | 3.29 |
| July | 3.42 |
| August | 3.48 |
| September | 3.46 |
| October | 3.47 |
| November | 3.38 |
| December | 3.95 |
| 1929: | |
| January | 3.52 |
| February | 3.62 |
| March | 3.74 |
| April | 3.64 |
| May | 3.64 |
| June | 3.69 |
| July | 3.64 |
| August | 3.71 |
| September | 3.70 |
| October | 3.61 |
| November | 3.35 |
| December | 3.36 |
| 1930: | |
| January | 3.43 |
| February | 3.41 |
| March | 3.29 |
| April | 3.37 |

TABLE 2.—*Yields on long-term U.S. Government bonds—monthly—1919–58*—Con.

| | |
|---|---|
| **1930:** | |
| May | 3.31 |
| June | 3.25 |
| July | 3.25 |
| August | 3.26 |
| September | 3.24 |
| October | 3.21 |
| November | 3.19 |
| December | 3.22 |
| **1931:** | |
| January | 3.20 |
| February | 3.30 |
| March | 3.27 |
| April | 3.26 |
| May | 3.16 |
| June | 3.13 |
| July | 3.15 |
| August | 3.18 |
| September | 3.25 |
| October | 3.63 |
| November | 3.63 |
| December | 3.93 |
| **1932:** | |
| January | 4.26 |
| February | 4.11 |
| March | 3.92 |
| April | 3.68 |
| May | 3.76 |
| June | 3.76 |
| July | 3.58 |
| August | 3.45 |
| September | 3.42 |
| October | 3.43 |
| November | 3.45 |
| December | 3.35 |
| **1933:** | |
| January | 3.22 |
| February | 3.31 |
| March | 3.42 |
| April | 3.42 |
| May | 3.30 |
| June | 3.21 |
| July | 3.20 |
| August | 3.21 |
| September | 3.19 |
| October | 3.22 |
| November | 3.46 |
| December | 3.53 |
| **1934:** | |
| January | 3.50 |
| February | 3.32 |
| March | 3.20 |
| April | 3.11 |
| May | 3.02 |
| June | 2.98 |
| July | 2.92 |
| August | 3.03 |
| September | 3.20 |
| October | 3.10 |
| November | 3.07 |
| December | 3.01 |
| **1935:** | |
| January | 2.88 |
| February | 2.79 |
| March | 2.77 |
| April | 2.74 |
| May | 2.72 |
| June | 2.72 |
| July | 2.69 |
| August | 2.76 |
| September | 2.85 |
| October | 2.85 |
| November | 2.83 |
| December | 2.84 |
| **1936:** | |
| January | 2.81 |
| February | 2.78 |
| March | 2.73 |
| April | 2.70 |
| May | 2.68 |
| June | 2.69 |
| July | 2.68 |
| August | 2.64 |
| September | 2.65 |
| October | 2.68 |
| November | 2.60 |
| December | 2.59 |

TABLE 2.—*Yields on long-term U.S. Government bonds—monthly—1919–58*—Con.

| | |
|---|---|
| **1937:** | |
| January | 2.56 |
| February | 2.54 |
| March | 2.66 |
| April | 2.83 |
| May | 2.80 |
| June | 2.81 |
| July | 2.78 |
| August | 2.78 |
| September | 2.82 |
| October | 2.82 |
| November | 2.78 |
| December | 2.73 |
| **1938:** | |
| January | 2.69 |
| February | 2.68 |
| March | 2.67 |
| April | 2.66 |
| May | 2.56 |
| June | 2.58 |
| July | 2.58 |
| August | 2.57 |
| September | 2.63 |
| October | 2.55 |
| November | 2.56 |
| December | 2.56 |
| **1939:** | |
| January | 2.54 |
| February | 2.51 |
| March | 2.43 |
| April | 2.38 |
| May | 2.27 |
| June | 2.22 |
| July | 2.23 |
| August | 2.27 |
| September | 2.67 |
| October | 2.60 |
| November | 2.46 |
| December | 2.35 |
| **1940:** | |
| January | 2.30 |
| February | 2.32 |
| March | 2.26 |
| April | 2.26 |
| May | 2.39 |
| June | 2.40 |
| July | 2.30 |
| August | 2.31 |
| September | 2.25 |
| October | 2.21 |
| November | 2.09 |
| December | 2.01 |
| **1941:** | |
| January | 2.12 |
| February | 2.22 |
| March | 2.12 |
| April | 2.07 |
| May | 2.04 |
| June | 2.01 |
| July | 1.98 |
| August | 2.01 |
| September | 2.02 |
| October | 1.98 |
| November | 1.95 |
| December | 2.06 |
| **1942:** | |
| January | 2.10 |
| February | 2.17 |
| March | 2.10 |
| April | 2.44 |
| May | 2.45 |
| June | 2.43 |
| July | 2.46 |
| August | 2.47 |
| September | 2.46 |
| October | 2.45 |
| November | 2.47 |
| December | 2.49 |
| **1943:** | |
| January | 2.46 |
| February | 2.46 |
| March | 2.48 |
| April | 2.48 |
| May | 2.46 |
| June | 2.45 |
| July | 2.45 |
| August | 2.46 |

TABLE 2.—*Yields on long-term U.S. Government bonds—monthly—1919–58*—Con.

| | |
|---|---|
| **1943:** | |
| September | 2.48 |
| October | 2.48 |
| November | 2.48 |
| December | 2.49 |
| **1944:** | |
| January | 2.49 |
| February | 2.49 |
| March | 2.48 |
| April | 2.48 |
| May | 2.49 |
| June | 2.49 |
| July | 2.49 |
| August | 2.48 |
| September | 2.47 |
| October | 2.48 |
| November | 2.48 |
| December | 2.48 |
| **1945:** | |
| January | 2.44 |
| February | 2.38 |
| March | 2.40 |
| April | 2.39 |
| May | 2.39 |
| June | 2.35 |
| July | 2.34 |
| August | 2.36 |
| September | 2.37 |
| October | 2.35 |
| November | 2.33 |
| December | 2.33 |
| **1946:** | |
| January | 2.21 |
| February | 2.12 |
| March | 2.09 |
| April | 2.08 |
| May | 2.19 |
| June | 2.16 |
| July | 2.18 |
| August | 2.23 |
| September | 2.28 |
| October | 2.26 |
| November | 2.25 |
| December | 2.24 |
| **1947:** | |
| January | 2.11 |
| February | 2.11 |
| March | 2.19 |
| April | 2.19 |
| May | 2.19 |
| June | 2.22 |
| July | 2.25 |
| August | 2.24 |
| September | 2.24 |
| October | 2.27 |
| November | 2.36 |
| December | 2.39 |
| **1948:** | |
| January | 2.45 |
| February | 2.45 |
| March | 2.44 |
| April | 2.44 |
| May | 2.42 |
| June | 2.42 |
| July | 2.41 |
| August | 2.45 |
| September | 2.45 |
| October | 2.45 |
| November | 2.44 |
| December | 2.44 |
| **1949:** | |
| January | 2.42 |
| February | 2.39 |
| March | 2.38 |
| April | 2.38 |
| May | 2.38 |
| June | 2.38 |
| July | 2.17 |
| August | 2.24 |
| September | 2.22 |
| October | 2.22 |
| November | 2.20 |
| December | 2.19 |
| **1950:** | |
| January | 2.20 |
| February | 2.24 |
| March | 2.27 |
| April | 2.30 |
| May | 2.31 |

TABLE 2.—*Yields on long-term U.S. Government bonds—monthly—1919–58*—Con.

| | |
|---|---|
| 1950: | |
| June | 2.33 |
| July | 2.34 |
| August | 2.33 |
| September | 2.36 |
| October | 2.38 |
| November | 2.38 |
| December | 2.39 |
| 1951: | |
| January | 2.39 |
| February | 2.40 |
| March | 2.47 |
| April | 2.56 |
| May | 2.63 |
| June | 2.65 |
| July | 2.63 |
| August | 2.57 |
| September | 2.56 |
| October | 2.61 |
| November | 2.66 |
| December | 2.70 |
| 1952: | |
| January | 2.74 |
| February | 2.71 |
| March | 2.70 |
| April | 2.64 |
| May | 2.57 |
| June | 2.61 |
| July | 2.61 |
| August | 2.70 |
| September | 2.71 |
| October | 2.74 |
| November | 2.71 |
| December | 2.75 |
| 1953: | |
| January | 2.60 |
| February | 2.83 |
| March | 2.89 |
| April | 2.97 |
| May | 3.12 |
| June | 3.13 |
| July | 3.14 |
| August | 3.05 |
| September | 3.00 |
| October | 2.87 |
| November | 2.56 |
| December | 2.79 |
| 1954: | |
| January | 2.69 |
| February | 2.62 |
| March | 2.53 |
| April | 2.48 |
| May | 2.54 |
| June | 2.55 |
| July | 2.47 |
| August | 2.48 |
| September | 2.52 |
| October | 2.54 |
| November | 2.57 |
| December | 2.59 |
| 1955: | |
| January | 2.68 |
| February | 2.77 |
| March | 2.78 |
| April | 2.82 |
| May | 2.81 |
| June | 2.82 |
| July | 2.91 |
| August | 2.95 |
| September | 2.92 |
| October | 2.87 |
| November | 2.89 |
| December | 2.91 |
| 1956: | |
| January | 2.88 |
| February | 2.85 |
| March | 2.93 |
| April | 3.07 |
| May | 2.97 |
| June | 2.93 |
| July | 3.00 |
| August | 3.17 |
| September | 3.21 |
| October | 3.20 |
| November | 3.30 |
| December | 3.40 |
| 1957: | |
| January | 3.34 |
| February | 3.22 |
| March | 3.26 |

TABLE 2.—*Yields on long-term U.S. Government bonds—monthly—1919–58*—Con.

| | |
|---|---|
| 1957: | |
| April | 3.32 |
| May | 3.40 |
| June | 3.58 |
| July | 3.60 |
| August | 3.63 |
| September | 3.66 |
| October | 3.73 |
| November | 3.57 |
| December | 3.30 |
| 1958: | |
| January | 3.24 |
| February | 3.26 |
| March | 3.25 |
| April | 3.12 |
| May | 3.14 |
| June | 3.19 |
| July | 3.36 |
| August | 3.60 |
| September | 3.75 |
| October | 3.76 |
| November | 3.70 |
| December | 3.80 |
| 1959: | |
| January | 3.90 |
| February | 3.92 |

Source: Federal Reserve Board.

Long-term series consist of average of yields on all outstanding partially tax-exempt Government bonds due or callable after 8 years, from 1919 to 1925; after 12 years, from 1926 to 1934; after 15 years, January 1935 to March 1942; 15 years and over fully taxable bonds, April 1942 to March 1952; after 12 years, April 1952–March 1953; and in 10 years or more beginning April 1953.

Mr. BENNETT. I think interest rates are high or low in comparison, and it is not accurate to say that 4 percent or 2 percent or 6 percent is the dividing line and that any higher or lower rate is high or low. The above tables show that we are still well below some earlier rates, and if longer comparisons were available the picture would be even more clear that current rates are not out of line.

There is another basis of comparison. Are American interest rates higher or lower than the interest rates being paid today in other countries, under today's circumstances?

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the table from which I am about to read.

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

*International interest rate comparisons*

| | Rediscount rates (as of Mar. 23, 1959) | Treasury bills (as of January 1959) | Long-term bond rates (as of December 1959) |
|---|---|---|---|
| United States | 3.0 | 2.82 | 3.80 |
| Belgium | 3.25 | ---------- | 4.29 |
| Canada | 4.47 | 3.34 | 4.76 |
| France | 4.25 | [1] 6.07 | ---------- |
| Germany | 2.75 | 2.25 | 3.83 |
| Italy | 3.5 | ---------- | ---------- |
| Japan | 6.94 | ---------- | ---------- |
| Netherlands | 2.75 | 2.04 | 4.31 |
| Sweden | 4.5 | ---------- | 4.27 |
| Switzerland [2] | 2.0 | 2.50 | 3.00 |
| United Kingdom | 4.0 | 3.12 | 4.89 |
| Average | [3] 3.8 | [4] 3.16 | [5] 4.14 |

[1] France recently involved in heavy inflation.
[2] Switzerland has a fantastic surplus of capital—serves as a haven for foreign funds.
[3] 11 countries.
[4] 7 countries.
[5] 8 countries.

Source: Federal Reserve Board.

Mr. BENNETT. Mr. President, this is a table with three columns. The first column refers to the central bank rediscount rates. I list the United States, Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Sweden, Switzerland, and the United Kingdom, the largest of the countries outside the Iron Curtain.

In that list there are three countries whose rediscount rates are lower than ours. There are 10 other countries, 3 of which have a lower rediscount rate, and 7 of which have a higher rediscount rate.

As of the 23d of March, our rediscount rate was 3 percent. The lower ones are: Germany, 2.75; the Netherlands, 2.75; and Switzerland, 2. The highest rate is for Japan, 6.94. Canada's rate is 4.47, and the United Kingdom's rate is 4.

The next column is the rate being paid for Treasury bills in January 1959. In that list, three countries are shown to have lower rates than the United States. They are Germany, the Netherlands, and—we can guess the third—Switzerland. Our rate was 2.82. Germany's rate was 2.25. The Netherlands' rate was 2.04. The Switzerland rate was 2.5, not much below ours.

The third list is a list of long-term bond rates as of December 1958. In this list there was only one country with a rate lower than ours, namely, Switzerland. Our rate was 3.8. The highest rate was 4.89, for the United Kingdom. So I think it would be well, before we get lost in the discussions about high interest rates or lower interest rates, to satisfy ourselves on these two points: First, are they higher or lower in relation to our historical pattern? Second, are they higher or lower in relation to present rates abroad?

Is the Eisenhower administration really the high interest rate bad guy? Or if all those who pay high interest rates are good guys is not the Eisenhower administration a big good guy?

In the Senator's speech he made the statement which is repeated very frequently among some other members of his party, to the effect that the administration is responsible for the present high interest rate program, and that what is done is done as a deliberate matter of policy.

For may weeks in the Finance Committee this question was pursued with the Secretary of the Treasury, the Under Secretary of the Treasury, and the Chairman of the Federal Reserve Board. I cannot find any point in those hearings at which those responsible members of the administration made the statement that they were embarked on a deliberate policy of high interest rates.

If there is a villain, it seems to me it must be the Federal Reserve Board, which is doing its duty to regulate the supply of money. I believe that any changes in interest, up or down, are results, and not causes. They are the effect of policy, and not the policy itself. We have already gone at great length into the question of the relationship of the Federal Reserve Board to interest rates. I should like to quote very briefly from the statement of Ralph Young, of

the Federal Reserve Board staff, in his testimony before the Kefauver committee. This is what he said:

If monetary policy should undertake to finance whatever demands for credit are made upon the banking system, or permit itself to be used to justify all decisions made by producers, whether correct or faulty, it would become an engine of inflation, not a force for stability and sustainable growth.

Monetary policy must be concerned with the interests of all the people, consumers as well as producers, not with particular interests or industries.

Obviously, monetary and credit policy cannot do everything needed to attain stable growth; it must be supported by appropriate fiscal and other public policies, as well as by prudent private policies. During periods of expanding demands, accompanied by speculative psychology and expectations of creeping inflation, monetary policy has no option but to assume a restrictive posture. If it did not assume such a posture, widespread expectations that prices and costs would be steadily raised might indeed lead to further spiraling of costs and prices. Individual or group efforts then to hedge against or by escalation to protect against inflation would tend to aggravate inflationary forces rather than to bring them into balance.

I am quoting Mr. Young because the Senator from Wisconsin [Mr. PROXMIRE] referred to him, and I have great respect for Mr. Young's responsibility, both as an economist and as a member of the Federal Reserve Board staff.

The other Federal Reserve Board economist quoted by the Senator from Tennessee was Mr. Woodlief Thomas. He had this to say in a letter to the Washington Post and Times Herald of March 12 of this year. This is the last paragraph in Mr. Thomas' letter:

In conclusion, the objection to administered prices and wages is not so much that they create inflation, but that they tend to retard growth and to increase unemployment. Inflation might be created if monetary and fiscal policies attempt to validate such prices, but eventually these attempts will only make the inevitable collapse more disastrous.

Interest is a two-way deal. Interest is one man's cost and another's income. Are banks, corporations, and financial institutions the real and only money lenders? I was interested to see corporations in the list, because my experience is that most corporations are money borrowers. Corporations which lend money are banks, insurance companies, building and loan associations, and other similar financial organizations; but most corporations organized for production and distribution are borrowers. It should be emphasized that bankers and building and loan associations mostly loan their depositors' money, not their own. They, as brokers, may benefit temporarily from changes in interest rates, but what about the little fellows who buy life insurance, or who put money in savings and loan associations which the home buyer borrows? What about those who live on pension funds? They benefit when interest rates rise. Are they bad guys? I do not think they are—certainly not to us Republicans, and I do not think they are to Democrats.

So I think this little folk tale needs some correction; and I believe that during the remainder of the session we can have a continuing "story conference," so to speak, in an effort to hammer out a new plot. There is a real need for objective discussion on the level of economic principle.

I congratulate the Senator from Tennessee for his contribution, and have charity in my heart for his descent to the political fleshpots. I thank him for the basic outline of his speech. It suggests a number of important economic areas which all of us can and should explore. I thank him for it, and eagerly await his future, more definite statements. I assure him that it is my intention, as opportunities develop, to make some further detailed and amplified statements of my own. I expect to adopt for myself the suggestion which I have been trying to make to my friend, namely, further work.

Mr. GORE. Mr. President, will the distinguished Senator yield?

Mr. BENNETT. I am delighted to yield.

Mr. GORE. It is extremely gratifying that the remarks of the junior Senator from Tennessee have provoked this scholarly analysis by the senior Senator from Utah. It is the kind of discussion which I had hoped might ensue from the initiation of this debate.

It is further gratifying that the able Senator finds himself in agreement with the three goals which I fixed as my personal goals in the development of a program for economic governmental policy.

I assure the Senator that the very heart of the policies which I have undertaken to advocate is the achievement of an equitable, fruitful, dynamic operation of our free enterprise economy, the preservation of which the distinguished Senator lists as a fourth goal.

The able Senator has raised a considerable number of important questions, some of which are not within my power to answer at the moment, some of which may always escape my limited grasp of this great and important field, and some of which perhaps can be developed only by careful committee study and inquiry. However, the fact that he has engaged in a scholarly discussion, backed by erudition which springs from his experience and his training and ability, is a source of gratification. I am glad that he has accepted my invitation to debate the question. In turn, I shall accept his invitation in due course to give further amplification to my views in this field which, I take it, he and I agree to be one of the most important.

I wish to conclude my remarks with these few words. The Senator asked what in my opinion would be a desirable rate of national growth. I say to him in all candor that I do not know. However, I am disturbed, and convinced that the rate of growth we have experienced since the period of the Korean war has been wholly inadequate for our national security and for the promotion of a full employment economy.

Again I thank the able Senator for his very generous remarks and for the provocation which his analysis of my own humble efforts has occasioned.

Mr. BENNETT. I appreciate the Senator's response. I assured him before I began my discussion that it was going to be carried on in an atmosphere of complete friendliness, and, to the extent possible in this kind of forum, objectively.

I repeat that the Senator's speech has started me to thinking in many directions. But I shall try to follow up the ideas his speech suggests, as well as those which I have suggested in responding. I hope that in the months ahead we can have many more repetitions of this kind of objective discussion.

Mr. President, before I close my remarks, I ask unanimous consent to have printed in the RECORD, for the information of the Senate, the first half of the Whaley-Eaton Service's American Letter of March 21, 1959, on problems facing the American economic system.

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

DEAR SIR: The American economic system is being attacked with growing violence by leftwing economists, pseudo-economists and other liberals. The same faces reappear constantly on the Washington scene. The group includes convincing speakers and forceful writers. Their preachments in favor of the developing system of state-welfarism are no longer even thinly veiled.

Washington is the forum from which these messiahs can speak to the widest possible audience. Congress, press, and the airwaves are being bombarded with tirades against neglect of the jobless, inadequate defenses, overemphasis on budget balance, ruthless credit policies, favoritism to big business, and retarded economic expansion.

Particular targets vary from day to day as these opportunists see new weaknesses to probe. No longer is this now merely the gabble of the do-gooders. It has become an all-out attack on the free-enterprise system, and the attackers are using every weapon at their command.

The new offensive against the Federal Reserve is symptomatic of their tactics. The U.S. credit-control mechanism is one of the last remaining obstacles to the new economics. The administration of monetary policy is a complex art. Opportunities for error are infinite. Federal Reserve action when taken is invariably subject to criticism as too early or too late, as excessive or as inadequate. Consequently, the Board's independence is equated with callous disregard for the public welfare.

The American inflation problem is an immediate and urgent one, though liberals make it appear as only a worry for the indefinite future. This is the essence of the argument Eisenhower seeks to get across to Congress and the people, and it is the essence of monetary policy. Three economic-political forces are at work to keep the budget permanently unbalanced:

1. Welfarism: Congress appears both ready and anxious to swallow the spend-for-expansion argument at face value. A constant rise in welfare costs is thereby assured, with resulting disregard for fiscal integrity.

2. Defense: Costs—now at $46 billion—are only beginning to reflect accurately the rising curve of outlays scheduled for many years ahead. Expenditures for missiles alone are set to reach fantastic amounts.

3. Taxation: Congress is completely unwilling to face up to the need for higher revenues to keep pace with rising outlays. The old rationale was that deficits incurred in the recessions would be wiped out in good times. With taxes already too high, Congress backs away from this.

Eisenhower fails to make headway meeting the liberal challenge because the issue is difcult to explain. Utopian promises are more glamorous.

The easy way out of inflation is to give the Government direct authority to control it, liberals are declaring. Rather than impose restraint on Federal spending or credit expansion, they argue, Washington should be prepared to clamp on wage-price-rent controls whenever things seem to be getting out of hand. Senators GORE, Democrat of Tennessee, and NEUBERGER, Democrat of Oregon, have made these proposals in various ways, and so have liberal economists.

How seriously any of these spokesmen take their own proclamations is an open question. There is little doubt that Congress as a whole is most unlikely to make any such moves. Yet this is no ground for ignoring the implications of the leftwing assault on economic orthodoxy.

The freedom of the marketplace is a myth, these thinkers argue, and the Government ought to stop pretending otherwise. Supply and demand no longer establish price in major industries; prices are administered. A greater and greater share of the economy is under Government domination. Farm prices, for example, are determined largely by Washington. Subsidies, open and concealed, have become an integral factor for most of industry.

Even the Federal Reserve accepts a limited version of the administered price thesis to help explain the fact that prices in steel and autos either rose or at least held steady in the face of the recession. It also is trying to show why its own moves have less than blanket effect.

The overall impact of this theorizing is twofold: It diverts attention from the central problem of Federal fiscal sanity toward makeshift solutions. It also helps load the onus of inflation onto management and away from labor. And that sets the stage for this year's round of wage demands (as in steel). Unions will insist company earnings provide for liberal boosts without price increases. Proving otherwise will not be easy.

The longterm effect is to weaken support for free-enterprise capitalism and to enlist backing for socialistic theories. Thus, Government deficits would be covered by expanding the money supply (the Federal Reserve becoming an instrument of inflation instead of regulator). Political economists in Washington would dictate wage-price levels.

Termites in the woodwork of the U.S. economic system nibble at other sectors. Examples are the current effort to push through a national fair trade bill and the half-hearted revival of good-faith price discrimination legislation. The former is justified as a means of protecting small retailers from cut-throat price competition. Its effect is to put Government into a producer-marketer-retailer conspiracy to stifle discounting.

The antidiscrimination bill, a perennial favorite of Senator KEFAUVER, Democrat of Tennessee, would virtually ban spot price-cutting as a means of meeting competition. Neither measure is given much chance of passage.

Meanwhile, New England Congressmen are voicing their genuine fears of oil price increases as a result of Eisenhower's import-quota system.

Business as a whole weakens itself against the onslaughts of leftwing thinking when it plumps for fractional self-interest protections of this kind. To sum up the theme of this discussion, Washington is just as confused as the country over how to fight inflation. But leftwingers have a clear-cut goal: Substitute Government control for the market economy.

The planners and spenders will continue to dominate the headlines in forthcoming Washington studies. Administered prices of the steel and auto industries, as we point out on the previous page, already have been singled out as a principal villain in the battle against inflation. Carefully chosen witnesses can always slant the tone of any survey. Administration efforts to emphasize conservative views may be snowed under.

The Joint Economic Committee is virtually committed by its chairman, Senator DOUGLAS, Democrat, Illinois, to espousing the liberal argument. Preliminary hearings assign the lead-off positions to such advocates as Harvard Economist Slichter and former Washington Official Keyserling.

The conservative viewpoint will be reflected when Vice President NIXON gets his special Cabinet Committee on Price Stability for Economic Growth in operation. The committee will (1) look into U.S. prices in relation to world markets, (2) make productivity studies of specific industries, and (3) go into both wage policies of labor and pricing policies of management.

NIXON'S group will have a political-economic ax of its own to grind, but he will not have the same sort of rostrum congressional liberals have. His operation will be largely White House staffed and dominated.

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## THE GARNISHMENT LAW OF THE DISTRICT OF COLUMBIA

Mr. LANGER. Mr. President, I see on the floor my distinguished colleague from South Carolina [Mr. JOHNSTON]. I understand that he will today introduce a bill to abolish the garnishment law of the District of Columbia. I know of no Senator who is better fitted by experience than the senior Senator from South Carolina to deal with this important subject. I hope he will get many cosponsors on his bill. I am delighted to be one of them, and I have assured him I would be one of them. I hope his bill will lie on the table so that a great many other Senators may also join in cosponsoring the bill if they wish to do so.

Mr. President, the antiquated and unworkable garnishment law of the District of Columbia must be repealed.

Mr. President, as acting chairman of the subcommittee of the Senate Subcommittee on Antitrust and Monopoly, I conducted investigations into the rackets conducted by the small loan sharks who charged outlandishly usurious interest rates and forced the borrowers to buy credit life and credit health and accident policies at exorbitant rates in order to get the small loans.

On March 5, I made a speech on the Senate floor pointing out the tremendous profits that some of these credit life and credit health and accident insurance companies earned, which insurance companies are subsidies of the finance companies.

Two years ago when we were in Montgomery, Ala., holding hearings on the small loan sharks, the U.S. Attorney Hartwell Davis was telling me, what was worse than the small loan rackets in his area, was the practice of these easy credit clothing stores in Montgomery, Ala., which charged the poor and unsuspecting public—mostly poor and illiterate negroes—exceeding high prices for the products that they purchased and on top of that charged them usurious rates forcing the debtor to be constantly indebted to these easy credit concerns.

Recently I have been noting the hearings that have been conducted by the House District Committee on a proposed amendment to the garnishment law of the District of Columbia.

Mr. President, last month Mr. Morton Mintz, a staff reporter of the Washington Post, ran a series of articles on easy credit extended by seven clothing stores on Seventh Street and the tremendous amount of garnishments filed against debtors, the unbelievable practices of persuasion exercised against the purchasers, the hardships resulting to the debtors and their guarantors, the burden placed upon employers by repeated garnishments, and the tremendous strain placed upon the municipal court clerk's office and the U.S. marshal's office. For example, one headline used by Mr. Morton Mintz is, "Debtors Dilemma: 47,877 Garnisheed Under Antique Law."

Mr. President, I reiterate that the antique garnishment law of the District of Columbia must be repealed. I compliment Mr. Morton Mintz for a rather thorough job of getting the facts on this easy credit clothing store racket.

Congressman JOHN L. MCMILLAN, a Democrat of South Carolina, has introduced a bill amending the garnishment law which is supported by the District Bar Association, after an investigation and study by the bar's municipal court committee. I fully realize that a lot of study has been made on this problem by the bar committee and by the Senate and House District Committees. The Senate District Committee held hearings in 1957 but without much success in retarding these unbelievable practices by these easy credit business places.

Senator JOHN MARSHALL BUTLER in a statement to the subcommittee referred to this handful of easy credit operators as "credit racketeers—they are nothing more." Municipal Court Judge Milton S. Kronheim, Jr., said the handful of easy credit retail merchants have made a garnishment mill out of the court.

Chief Judge Leonard P. Walsh, of the municipal court and recently nominated to the U.S. district court says the garnishment law breeds this disrespect because the court is "used as a collection agency. Rightly or wrongly, the employer and employee receive mandatory demands on them in the name of the court. The court appears to be in cahoots with the seller." Senator JOSEPH S. CLARK in commenting on the garnishment law exemptions states:

> It is unworkable and economically unsound in that the majority of defendants never take advantage of it and it promotes a coercive influence on defendants due to the holdup of the defendant's salary until the litigation is determined.

Mr. President, I ask unanimous consent that the entire seven series of articles by Mr. Morton Mintz, which are so descriptive and which amount to a condensation of testimony that would be received in a hearing on this subject, be placed in the CONGRESSIONAL RECORD at the completion of my remarks.

Mr. President, I believe that if Congress should repeal the District of Columbia garnishment law, it would be doing great service for the many poor and needy people in this community who

are at the mercy of easy credit racketeers. This is far worse than the loan sharks that I investigated and reported to the U.S. Senate. Some will say that by repealing this law, we will be giving aid to some deadbeats who will be avoiding payment of honest debts. The answer to that is, are we to permit 50,000 garnishments a year which torment the debtor, his guarantor, and his employer and at the same time is costly to the District and Federal Government and places undue and excessive burden upon the court, the clerk's office, and U.S. marshal's office.

It should be pointed out with emphasis here that under existing law, the employees of the District and Federal Governments cannot have their wages garnished. If the business people and the creditors of the District of Columbia can survive without garnishment law being applicable to Federal and city employees, they can adjust their collection practices to protect themselves from extending credit to people who do not pay their debts.

The court's record substantiates the fact that the garnishment law is a law for the protection of these easy-credit racketeer business houses and I mince no words in calling them that. Let me cite, from the articles by Mr. Mintz, this illustration to point out what is happening to these poor purchasers:

Thousands of writs served on employees of one person (a maid, for example) up to those who have thousands working for them—have their roots in a few—not all—easy-credit stores in the 700 block of Seventh Street NW. A Washington resident who shopped but did not buy in these stores reports some of these sights, sound, and practices:

Temptations: "Credit as you like it." "No money down." "One dollar for each new account you bring in." "Free shoes for all the children." "Free, big, juicy, delicious ham for your Easter dinner with every purchase amounting to $15 or more, when opening a new account or reopening an old one."

A prospect looks in the window and a man grabs him by the arm and whisks him inside. "What can I show you?"

"An overcoat."

"Where do you work? Not a Government employee? OK, we'll fix you up. Do you have an account here? No? That's all right, we'll fix you up. Let's open an account first; we have what you want."

"What's the price on this coat?"

"Don't worry about prices; we have what you want to pay. Let me show you this one at $59."

TEN DOLLARS DOWN, MONTHS TO PAY

So saying, he unbuttons the prospect's coat.

"I know you'll like this one—just sold one like it to the famous orchestra leader," so-and-so.

"I saw the same one at ——— for $45."

"How much can you pay down? About $10? Fine. Pay $2 or $3 a week for 6 months, mind you, not 6 weeks."

"That would come to $82."

"But we're not charging you any interest. Can you pay $2.50 a week? You look like a person who could pay $2.50 a week. If you can pay cash you can have it for $40. Let's go back and talk to the gentleman back here."

The gentleman back here: "All right, step right up—$10 down, $2.50 a week for 6 months."

"That would be $70."

"Well, look, we gotta have some interest. * * * We can work this thing out, any way you want to do it."

The prospect starts to leave but is hailed at the door by a third man: "You like the coat, you want the coat, don't be ridiculous; we can work this out to suit you. We're in business to make a profit, but still we're willing to practically give it away to you."

The prospect gets away and goes to another store.

Mr. President, in conclusion, I join Senator JOHNSTON in a bill to repeal the garnishment law of the District of Columbia for the reasons cited above. Mr. President, I shall speak from time to time on this subject.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. LANGER. I yield to my distinguished friend from South Carolina.

Mr. JOHNSTON of South Carolina. I thank the Senator from North Dakota for what he has had to say about me. I can truthfully say even more about him in reference to his activities on behalf of the people whom we call underdogs.

I believe the kind of bill I am introducing is much needed in the District. When I was Governor of the State of South Carolina, on several occasions I said that if the legislature sent to me proposed legislation dealing with this subject, of the type which is on the statute books and which affects Washington, D.C., I would veto it.

Only a few days ago my wife was insulted because someone working for us had not made prompt payments. She was threatened. I did not tell the man involved, but certainly that experience has awakened me to what is going on in the District of Columbia.

I hope something can be done to relieve the situation. There are many instances in which milk is literally taken out of babies' mouths through the operation of the garnishment law which is now on the statute books in the District of Columbia.

Mr. President, I send the bill to the desk and I ask that it be held open until Thursday of the next week the Senate shall be in session, so that other Senators may join as cosponsors if they wish to do so.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from South Carolina.

The bill (S. 1524) to provide that the wages, salaries, commissions, or other remunerations for personal services performed by certain employees shall be exempt from garnishment in the District of Columbia, introduced by Mr. JOHNSTON of South Carolina (for himself and Mr. LANGER), was received, read twice by its title, and referred to the Committee on the District of Columbia.

Mr. LANGER. Mr. President, as acting chairman of the Subcommittee on Antitrust and Monopoly, I conducted investigations into rackets. Among them was an investigation of the small loan sharks and the outlandishly high interest rates they charge.

The Washington Post, through one of its writers, Mr. Morton Mintz, has conducted a full investigation of the garnishment law in the city of Washington. I ask unanimous consent that Mr. Mintz' articles be printed in the RECORD at this point in my remarks.

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

[From the Washington Post, Feb. 1, 1959]

EASY CREDIT IS WRIT LARGE ON SEVENTH STREET

(By Morton Mintz)

(First of a series)

About 190 times every working day, a deputy U.S. marshal hands a District employer a writ of attachment—a municipal court paper ordering him to freeze the wages owed an employee and turn them over to a creditor.

Some of these writs are the last resort of creditors who have acted in good faith and exhausted every other means of collection from deadbeats. But a huge share originates with a few easy credit stores.

Most of the easy credit stores' customers are such poor risks that they cannot get ordinary credit. At least 9 out of 10 wage attachments are against poor Negroes (earning roughly $30 to $60 a week), uneducated and unequal to both the inner and outer pressures to buy more than they can possibly afford. And when their pay is attached, they often are left with nothing for necessities.

NO CASH, PLEASE

The easy credit stores, unlike other merchants who extend credit, balk at selling for cash, and extremely few of their customers can pay cash. A common denominator of their operation is interest charges concealed in the sales price and little or no concern with whether the buyer is a reasonable credit risk.

What these operators are concerned with is that the customers, or another person whose name gets on the account as a guarantor, is privately employed. This is because they can and do, under the District's bad-debt or garnishment law, use the municipal court and private employers as their collection agents. The pay of Federal and District employees cannot be attached.

The District's garnishment law, which will be detailed in later articles, permits a creditor to get successive attachments for the same debt, to attach every cent of wages a man has coming to him, to have a man's wages frozen while he seeks an exemption, to give their demands priority over a court order for support of a man's family. If a head of a household earned more than $400 in the preceding 2 months, some judges understand the law to direct that not a penny of this shall be exempt for food, shelter or anything else.

Thousands of writs served on employers of one person (a maid, for example) up to those who have thousands working for them—have their roots in a few—not all—easy credit stores in the 700 block of Seventh Street NW. A Washington resident who shopped but did not buy in these stores reports some of these sights, sound and practices:

Temptations: "Credit as you like it." "No money down." "One dollar for each new account you bring in." "Free shoes for all the children." "Free—big, juicy, delicious ham for your Easter dinner with every purchase amounting to $15 or more, when opening a new account or reopening an old one."

A prospect looks in the window and a man grabs him by the arm and whisks him inside. "What can I show you?"

"An overcoat."

"Where do you work? Not a Government employee? OK, we'll fix you up. Do you have an account here? No? That's all right, we'll fix you up. Let's open an account first; we have what you want."

"What's the price on this coat?"

"Don't worry about prices; we have what you want to pay. Let me show you this one at $59."

TEN DOLLARS DOWN, MONTHS TO PAY

So saying, he unbuttons the prospect's coat.

"I know you'll like this one—just sold one like it to the famous orchestra leader" so-and-so.

"I saw the same one at ——— for $45."

"How much can you pay down? About $10? Fine. Pay $2 or $3 a week for 6 months. 6 months, mind you, not 6 weeks."

"That would come to $82."

"But we're not charging you any interest. Can you pay $2.50 a week? You look like a person who could pay $2.50 a week. If you can pay cash you can have it for $40. Let's go back and talk to the gentleman back here."

The gentleman back here: "All right, step right up. $10 down, $2.50 a week for 6 months."

"That would be $70."

"Well, look, we gotta have some interest * * * we can work this thing out, any way you want to do it."

The prospect starts to leave but is called at the door by a third man: "You like the coat, you want the coat, don't be ridiculous; we can work this out to suit you. We're in business to make a profit, but still we're willing to practically give it away to you."

The prospect gets away and goes to another store.

"What are your prices?"

"Forget about prices. We've got a coat you can buy. We don't sell prices. Do you have an account?"

"No."

"We can open one up for you. Where do you work? A private outfit? Good."

The salesman shows a coat he says is priced (there is no price tag) at $69.50.

"I can't pay that," the prospect says.

"You can have it for $60."

"Is it wool?"

"All wool. Pure wool, wool."

The prospect cannot find a label certifying the fabric is all wool.

The salesman whispers secretively: "Look, you want the coat? I'll let you have my profit. I'll let you have it for $55, but for heaven's sake, don't go out on the street and tell other people."

The prospect still balks.

"You look like an intelligent, clean-cut young man, and I want you to have a break."

"I saw a gray tweed I like at ——— for $45."

"Gray tweed? That's an old man's coat."

"But this one is dark blue."

"There's a difference between an old man's coat and a conservative coat. This is conservative. How much money do you have on you? Can you pay $15 down?"

"Maybe $10."

"Ten dollars, OK, fine."

Instantly someone nearby starts filling out a sales contract, but the prospect is still hesitant.

The owner approaches; his tone is harsh: "You like the coat, take the coat, take the coat, fellow, for heaven's sakes."

The salesman: "Oh, come on, come on, come on."

The owner, as the prospect leaves: "We just want to talk to you. Nobody's going to hold a gun to you. We'll work out whatever terms you want to work out."

Prices: A conservative estimate is that such stores average on clothing about 50 percent more than for the same or comparable articles elsewhere. However elastic, they include provision for interest and intricate bookkeeping. The merchandise is often shoddy.

From the bag of tricks:

A customer on the phone: "I can't make my payment this week. I'll pay next week."

An employee who calls himself "Jack" replies: "Perfectly all right."

The next day a suit is filed against the customer which could lead to garnishment of his wages. He goes to the store to find out who gave the oral assurance.

"I'm Oscar, he's Joe, she's Wilma. There's no Jack here."

A customer goes to an easy credit store to complain that he is "paying and paying, and I can't seem to see the end." He asks for a copy of his account. This brings on laughter—and a refusal.

A person opens an account. Another name, usually the husband's or wife's, is put on the account as a guarantor.

The purchaser becomes delinquent. A suit is filed. The summons, under rule 4 of the municipal court, is served on an adult on the premises. It happens that the summons is served on the very person who made the purchase, and he tears it up.

Twenty days pass, and no answer is made in court. The court therefore declares a default judgment.

The innocent party—the guarantor—gets his first knowledge of all this when his pay is attached. If the creditor has waited 90 days after the default judgment, it cannot be attacked. Even if it asks more than what is owed, even if otherwise there would have been no legal liability. The guarantor is stuck, and that's it.

The actual purchaser—or one of those innocent guarantors—pleads with the easy credit store not to attach his wages because if it does he will be fired. He promises to pay, say $2 a week.

A garnishment is filed despite assurances that none would be. He tries to find out who gave him the assurance. Again, "There's no 'Jack' here."

A $35-a-week maid, the sole support of her daughter and four grandchildren, picks out an Easter topper. She is told not to worry about the price.

After it is entered on her account, that is, after it's too late, she finds the price is exorbitant—$109. The store refuses to cancel the sale or give her other, more needed merchandise in exchange.

The store tries to attach her wages, but fails because she has no wages owed her—as a matter fact, she is in debt to her employer. Finally she arranges to pay $2 a week.

"As soon as I get in there," she said, "they follow me all the way back to the door, trying to get me to buy something more, but I just won't do it."

Municipal Court Judge Milton S. Kronheim, Jr., testifying before a Senate District Subcommittee June 19, 1957, said of the handful of retail easy credit merchants who have made a garnishment mill out of the court:

"Their floor personnel and credit manager are instructed to extend credit to working men and their families far beyond their ability to pay. Poor people without luxuries are easy prey to a fast-talking salesman who tells them that all they have to do is sign now and pay later. The storekeeper has learned to rely on the garnishment statute to collect his money and some retailers in Washington have lawyers who devote their entire day, every day, to garnishment of wages."

In a statement to the same Judiciary Subcommittee, Senator JOHN MARSHALL BUTLER, Republican, Maryland, referred to this handful of easy credit operators as "credit racketeers * * * they are nothing more."

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[From the Washington Post, Feb. 2, 1959]

DEBTOR'S DILEMMA: 47,877 GARNISHEED UNDER ANTIQUE LAW

(By Morton Mintz)

(Second in a series)

The District's bad debt law will be 58 years old March 3. No birthday parties are planned.

The garnishment law may someday, perhaps this year, undergo radical surgery in Congress. Meanwhile its get-up-and-go is positively youthful.

Last year, for example, it kept a couple of platoons of deputy U.S. marshals hopping around the city with 47,877 writs of attachment to be served on employers.

Because March 3 happens to fall on a Tuesday, municipal court judge will find himself marking the law's birthday by spending hours hearing, granting, and denying requests for exemption.

Joining in this observance, a solemn one, will be numerous victims of garnishment, busy executives who have left their jobs to bring in payroll records, and many lawyers. It's really just another day—nothing special.

Let it be said that the law does have a band of devoted friends, the easy credit operators. The reason for their devotion, of course, is that their friend the law lets them use the court as their collector.

The clerical staffs of the municipal court's small claims (up to $50) and "M" ($50 to $3,000) divisions compiled the following figures at the request of the Washington Post. They are for the year 1957, the last for which complete information is available:

| Suits asking judgment against debtors filed by— | In small claims | In "M" division | Total |
|---|---|---|---|
| Hollywood Credit Clothing Co., 703 7th St. NW | 1,471 | 2,311 | 3,882 |
| Marvins Credit, Inc., 734 7th St. NW., and the same firm trading as Eiseman's, 7th at F Sts. NW | 429 | 1,976 | 2,405 |
| Crown Co., Inc., 827 7th St. NW | 669 | 760 | 1,429 |
| Bernard and Bertha Goldberg, copartners trading as Long's Clothiers, 731 7th St. NW | 481 | 839 | 1,320 |
| Leon A. Tashof, trading as New York Jewelry Co., 719 7th St. NW | 342 | 927 | 1,269 |
| Union Clothiers, Inc., 415 7th St. NW | 652 | 526 | 1,178 |
| Royal Credit Co., clothing, 741 7th St. NW | 405 | 819 | 1,024 |

USERS OF SYSTEM

These seven firms lead the list. No one else sought so many judgments against debtors.

There is one exception, but it only emphasizes the point: The Chesapeake & Potomac Telephone Co. But the phone company, unlike the other firms, a spokesman said, has almost never used a judgment as a springboard for garnishment; almost invariably it has negotiated settlements.

The phone company, as a public utility, must give service to all applicants, except where a customer's credit has not been established (in that case, it requires a deposit).

A total of 58,225 cases were filed in the 2 court branches. The 7 easy credit firms filed 12,507 of these, or roughly 1 out of 5. Hollywood alone filed about 1 in 15. Each suit can lead to one or more wage attachments.

The combined business volume of the seven firms is known to be well into the millions. Hollywood's president, Herbert Kapiloff, in an appearance in municipal court on July 18, 1949, was told by Judge Milton S. Kronheim, Jr.:

"You are the owner of the business; you set the policy."

Kapiloff replied:

"Yes, sir; I am the owner, but we have 45,000 accounts, and I cannot watch each of them."

In a letter to the editor published in the Washington Post on July 23 of that year, Kapiloff said, "We file suit only as a last resort, after there has been a clear default in payment and the debtor by his conduct indicates no intention to pay."

LAW IN OPERATION

Yesterday's article illustrated some faults in the garnishment law; today's will take a closer look.

Who gets the bill? Persons who had nothing to do with an easy credit purchase frequently find their wages attached to pay for it. Usually the unknowing guarantor is the husband or wife of the customer, but sometimes the name entered on the account is that of a relative. And there are cases in which an unrelated person's name has been used, for example, a landlady-customer's roomer.

If the supposed guarantor establishes that he is not liable for the debt he is in the clear. But if he should have the misfortune not to get the summons (it can be served on another adult on the premises, even on the purchaser who may wish to keep him in ignorance); if a default judgment is declared against him, and if the creditor sits tight for 90 days before attaching his wages—then the judgment is almost invulnerable to attack, and the guarantor must pay.

LOSS OF TWO CASES

Hollywood Credit recently lost two cases in this area:

A relative bought $100 worth of household goods under the name of Mrs. Blanche Wright, 2651 Nichols Avenue SE. The firm discovered the misrepresentation and sued the relative and then Mrs. Wright. Her first knowledge of the entire matter came when her wages were attached (the attachment was later set aside). She filed suit charging Hollywood with malicious abuse of the legal process. The store's lawyers said the attachment was made "in the regular course of collecting" and without malice. A $1,000 verdict in her favor was returned by a municipal court jury last December 9.

Harston Hall bought $91.25 worth of clothing in 1953. His wife Eula, 1327 U Street SE., said she had nothing to do with the purchase. The Halls later separated. The store sued her for the sum in 1957 and obtained a judgment. The municipal court vacated the judgment and stopped the attachment. Despite this, she contended, the store went ahead and attached her wages, and the court upheld its action. But she appealed, and last Monday the municipal court of appeals upheld her. Judge Thomas D. Quinn said the store had abused its garnishment powers. Further, he added, "the existence of an ulterior motive may be inferred from this action which appellee is alleged to have done with full knowledge of the situation."

NO PROTECTION

Nonresidents of the District: However weak the exemption provisions are for District residents, they offer no protection at all for residents of Maryland, Virginia, and other areas outside the District. The key point under the law is not where the purchase was made, but whether the customer's employer has an office in the District. If the employer does, the debtor's wages can be attached even if he made the purchase in Timbuktu, lives and works in Timbuktu, and never set foot outside of Timbuktu.

Exemptions: The law says that 2-months' earnings, "not to exceed $200 each month," shall be exempt from attachment if the debtor is head of a household ($60 if he is single). However reasonable this might sound, it is so vague and weak that it breeds these troubles:

If the head of a household has earned less than $400 in the 2 months immediately preceding issuance of the attachment and wants an exemption, he must ask the court for a hearing to certify that he is head of a household. His employer must bring in pay records to prove the debtor's earnings.

Pending the court determination, his wages are frozen for a week to 10 days.

If he does not apply for an exemption he cannot get it; his wages will be attached. At least three out of five debtors do not apply.

Successive attachments may be obtained on a debt until it is satisfied. An exemption does not carry over from one attachment to another. Therefore, the debtor, if he wants an exemption, must go through the court process each time his wages are garnisheed.

A man may get one exemption. But, by an accident of the calendar, there comes a month in which he has five instead of four paydays, putting him over the $400 mark for 2 months.

CONFUSION CAUSED

This is one of the instances in which the vagueness of the law causes major confusion. For some judges interpret it to mean that only the sum in excess of $400 can be attached, while others say the entire sum can be attached and there is no exemption. It depends on which judge is on the bench. No case testing the interpretation of the judges in either group has ever been taken to the municipal court of appeals.

Senator JOSEPH S. CLARK, Democrat, of Pennsylvania, put the case against the law's exemption provision this way:

It "is unworkable and economically unsound in that the majority of defendants never take advantage of it, and it promotes a coercive influence on defendants due to the holdup of the defendant's salary until the litigation is determined."

Disrespect for judicial process: Chief Judge Leonard P. Walsh, of the municipal court, says the garnishment law breeds this disrespect, because the court is "used as a collection agency * * * rightly or wrongly, the employer and employee receive mandatory demands on them in the name of the court * * * the court appears to be in cahoots with the seller."

CREDIT FOR BANKRUPT

As the law now operates, even a bankrupt can get credit.

There is one case in which a mentally ill woman made some purchases at three easy credit stores. Her husband did not know he was being made responsible for the debt. The upshot was that his pay was attached so many times that he lost his job, and he was declared a bankrupt. Despite all this and the additional fact that he himself was a financial incompetent, two of these same stores again sold to him on credit.

A member of a District bar association group that studied the laws of 48 States says there are "probably more garnishments per capita here than anywhere else."

There were almost 48,000 of them here last year. And each of them, Municipal Court Judge Kronheim told a Senate District subcommittee, "is a tragedy, not a tragedy in a theater, but a tragedy for people consisting of flesh and blood."

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[From the Washington Post, Feb. 3, 1959]

DEBTORS' DILEMMA: BAD RISKS IN EASY CREDIT SYSTEM PROVE COSTLY TO DISTRICT TAXPAYERS

(By Morton Mintz)

(Third in a series)

District taxpayers foot a hidden part of the bill when an easy credit operator sells something to a poor credit risk and the debt goes bad.

The costs to the pubic are largely incurred in both tax- and charity-supported welfare programs, the municipal court, and crime.

Richard D. Gibbs, secretary of Peoples Drug Stores, was one of two witnesses who touched on the crime aspect in testimony on May 27, 1957. He told a House District Subcommittee hearing on proposed reforms of the District's garnishment or bad debt law:

"We cannot tolerate these (employees) who are bad credit risks where we are deaing in open merchandise and cash, and we have found them to start stealing in a great many cases * * *. When they do not draw a salary, they are going to eat, and they will get it any way they can."

Most authorities believe only an insignificant amount of crime stems from attachment of wages. Some observers, however, make these points:

An employer who would unhesitatingly seek the arrest and prosecution of a thief who is unknown to him is less likely to do the same to an employee caught stealing. He may only fire him, being aware that garnishment has left the employee, a human being he knows, without funds for food or shelter.

It is hard to detect some thefts, especially those from a cafeteria or restaurant.

Authorities do not make a special point of looking for garnishment as a root of crime. University of Maryland Criminologist Peter P. Lejins said he knows of no study of the question but added that one should be made.

Previous articles have pointed out the inner and outer pressures on poor persons to buy on easy credit, the tricks used on them and the calamities that frequently follow for themselves and their families. Here are more costs to the public relating to the same source of trouble, the District's garnishment statute:

Department of Public Welfare: The Washington Post pointed out in 1956 that under the garnishment law the head of a household could be stripped of every cent he earns, even if it means his children will go hungry. Members of the Juvenile Court Advisory Committee heard a father plead he was unable to meet support payments because he had to pay other bills. If his wages were attached, he said, he would be fired and unable to support his family or pay his debts. The then juvenile court judge later said this situation is fairly common.

A man fired because of garnishment, legally remains employable, and so he and his family are ineligible for relief. A man who deliberately deserts his family so it can get a support order—and Welfare Director Gerard M. Shea agrees the statute provides an incentive to do this—becomes liable to a year's imprisonment and/or a $200 fine.

But in doing so he makes sure, once the court order is issued, that his children will eat. Authorities say there are many such cases, but no one knows how many. The Department of Public Welfare makes varying welfare payments; an adult with 4 children gets a maximum of $195 a month.

United Givers Fund Agencies: The Salvation Army estimates it spends at least $3,750 of UGF funds for direct relief—food and rent—to families impoverished by garnishment. Also affected are Family and Children's Service and Catholic Charities.

On a bookkeeping basis, the Legal Aid Bureau, in representing about 500 garnishment defendants a year, accounts for about $1,300 of UGF funds.

The municipal court: Last year, deputy U.S. marshals set out to serve 47,877 writs of attachment on employers. There were countless court hearings on requests for exemptions. Just how much waste of both litigants' and taxpayers' funds is involved in all this no one can say for certain.

However, one estimate from a most reliable—and cautious—source is that a more reasonable garnishment statute would save the taxpayers several thousands dollars a year.

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[From the Washington Post, Feb. 4, 1959]

DEBTORS' DILEMMA: EMPLOYERS DENOUNCE GARNISHMENT AS DISRUPTING FUNCTION OF PERSONNEL

(By Morton Mintz)

(Fourth in a series)

"I object to the fact that three or four firms in the city of Washington are causing

this hearing. It (garnishment of wages) is causing my firm to use one clerk's time some 3 hours a week, and it is expensive. My time is also involved."

This was Richard D. Gibbs, secretary of Peoples Drug Stores, testifying before the House District Judiciary Subcommittee on May 27, 1957. He continued:

"Most of the people think that Peoples Drug Stores are doing something to them by holding their salaries, and they think we influence these garnishments, whereas we do everything to discourage them."

The grief caused easy credit customers and the public under the District's bad debt or garnishment law has been set out in preceding articles. But employers have a host of complaints, too. More of these were placed before the House subcommittee by Victor Ottenstein, representing the District News Co.

He spoke of the many times easy credit stores and small loan companies phone his firm, learn that an employee who wants to buy from them is being garnisheed—and sell to him anyway.

"I feel," he testified, "that it is a promiscuous extension of credit when they know that the employee will probably default, and it is a nuisance to the employer.

"We train our employees and it takes a while before they catch onto the work, and then they get a garnishment and they might leave the job and go somewhere else, which means we have to go to the trouble of employing someone else to replace them.

"A new person makes mistakes which cause us annoyance. Some employees who might have their salaries attached this week will have them attached next week by another firm. A person with a family has to pay rent and has to buy food and they cannot exist without some sort of income, and in some cases it makes thieves out of these employees. * * *

"Now, it is not only a nuisance at our place of business, because it takes executive timeout to handle these matters, or to see the employee about these situations, and to train new employees, but when we have to appear in court to say that the employee earns only so much and should get an exemption, it takes the whole day, and we just cannot afford to spend that time."

Ottenstein then went into the effects of the bar on attaching wages of Federal and District Government employees. He said it is "unfair to non-Government commercial establishments * * * to have employees threatened with garnishment because it is difficult to hire employees. There is a scarcity in the labor market, and these employees figure, 'Well, I'll get a job with the Government, and they cannot attach me'."

Here are illustrations, based on interviews with employers, of points made by Ottenstein and others:

One large employer, Government Services, Inc., had to handle 531 attachments last year. The source of more than 100 of these was 2 easy-credit stores, which stresses once again that a huge share of the garnishments originates with a very few firms.

This employer, at the request of the Washington Post, made a detailed study of its cost of handling these attachments. The estimate: $10 each.

The pay of one valued GSI employee was attached for 2 consecutive months. "It just doesn't make any sense working here and not getting a paycheck," he said. He quit.

Another major employer, Washington Terminal Co., had to process 623 garnishments last year. The estimated average amount: $150. This company estimated a smaller cost of handling, $4 each.

One employer of fewer than 150 persons made a study for the Washington Post of the cost of training replacements for five employees who, heavily in debt, began to steal, were caught and were fired. His estimate: $460 in direct payroll costs.

From a letter to Municipal Judge Milton S. Kronheim, Jr., from Nicholas Costin, a restaurant operator: "Some of these garnishments are granted against people who have never been in my employ or who have left my employ many months ago. This only proves that sales are made without any check upon the purchaser's credit. We who are employers are obliged to answer a garnishment and often find ourselves obligated to these unscrupulous creditors when such an answer has gone astray."

Many employers end up making loans, often out of their own pockets, to garnished employees. If an employer advances wages to an employee whose pay has been attached, he can be sued by the creditor.

The creditor's right to sue is effective under the garnishment law for a 6-month period or until the debt is paid, even if the garnishment itself expires. Such a suit was filed against a real estate firm in 1957 by Hollywood Credit Clothing Co., Inc., 703 Seventh Street NW. Municipal Court Judge Milton S. Kronheim, Jr., dismissed the case, ruling the realty firm, in advancing wages to a $50-a-month janitor after it received a Hollywood attachment, was not trying to help the janitor evade the judgment, but only to help him exist.

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[From the Washington Post, Feb. 5, 1959]

DEBTORS' DILEMMA: SPENDING SPREE PRODUCES REAL WOE

(By Morton Mintz)

(Fifth in a series)

In the spring of 1953, a 50-year-old woman went on a spending spree. She ran up bills totaling almost $1,500.

She bought appliances, a television set, and clothing for herself and her seven children. About half of the total was spent in seven easy credit stores.

Her husband had known for some years that his wife was mentally disturbed and put faith in soothsayers. He said, however, that he was unaware that she was making the purchases and that he was being made responsible for the debts.

The creditors presumably established that the husband was employed, so that his wages could be attached in event the debts were not satisfied. It is not known if the wife's condition was evident to any of the sales personnel.

FROM THE RECORD

Here is the story that comes out of employer, hospital, and municipal court, and bankruptcy court records and from conversations with the husband and others directly involved:

On June 18, 1953, the woman got into a taxicab. She did not make clear where she wished to go and she spoke incoherently. The cab driver took her to the sixth precinct; police sent her to D.C. General Hospital and, on June 29, she was committed to St. Elizabeths Hospital. She was diagnosed as a psychotic.

The husband made a few trifling payments on the debts. Late in 1953, three easy credit stores sued him; the other along with other creditors, apparently wrote off his debts as hopeless. He made no answer to the suits, so judgments were declared by default.

The way was open for attachment of his wages. On February 19, 1954, writs from all three stores landed almost at once. The employer noted on the last one, "Wages $127.24 (for 2 weeks) all of which has been answered for on previous writs of attachments" from the other two stores.

On March 19, the husband filed a debtors' petition in U.S. Bankruptcy Court. It said his debts, all contracted in 1953, totaled $1,426.79 and his assets $462.71.

STATES HIS PREDICAMENT

The petition said the husband "states upon his oath" that "his wife * * * incurred heavy indebtedness during the past year"; that his salary has been attached three times recently; that if another attachment is placed against his salary, he will lose his job according to the policy of the company, and will be without means to support his family.

On March 22, the husband was adjudged to be legally bankrupt. (He was discharged from bankruptcy on November 24, 1954.) On March 26 he asked the municipal court to quash the attachment of the store that arrived last, Marvin's Credit, Inc., 734 Seventh Street NW., but this move failed. His motion said his creditors "are constantly attaching (my) salary * * * the entire family is without proper food."

In a statement of affairs filed in Bankruptcy Court on April 24, the husband said Marvins, which had a balance due of $160.56, attached March 17, 1954, and there is now $173.95 held by (the employer) on attachment, of which $158.56 was condemned by Marvins.

The second store, due $71.26, cleared the books with a long-delayed attachment effected in October 1955.

Records indicate that Hollywood Credit Clothing Co., Inc., 703 Seventh Street NW, obtained $140.23 by attachments and $78 by payments, leaving a balance of $101.90. Just when this debt was lifted is not clearly indicated.

The employer's records, however, show that the husband's paychecks were attached a total of eight times between February 16, 1954, and June 1, 1956, leaving him without pay for 16 weeks' work in 15½ months.

Then, at least by normal credit standards, a strange thing happened. Here was a man who had been ruled bankrupt; who himself lacked the slightest understanding of how to handle money, and who presented extreme collection problems. Yet Hollywood sold him more on its "credit that is different" and Marvins on its "magic credit."

Hollywood filed suit on April 20, 1955, charging that he had become delinquent again. He confessed a debt of $320.13, and the store attached his wages. With his payments, Hollywood netted about $250 prior to the fourth attachment, served on August 29, 1956. The employer noted on the writ, "The defendant has left the service of the company."

PATIENCE EXHAUSTED

Employed there 17 years, he was fired by an employer whose patience was exhausted and who could see no end to the costs and trouble of handling the garnishments.

For about a year the husband had only off-and-on employment. Finally a firm hired him as a janitor, at $34 a week. His old job, which benefited by union standards, paid $80.

The new employer's turn came on February 19, 1958, when he was served a writ that said the husband still owed Hollywood $30 (he had paid $290.13) plus court costs of $13 plus 6 percent interest. His $34 wage was attached; the employer lent him the balance, and the debt was paid off.

Marvins obtained a default judgment in 1957 on a balance of $164. But it was unable to attach the husband's wages because in this instance he got an exemption. The garnishment law permits the income of a head of a household to be exempted from attachment if it does not exceed $400 in the 2 months prior to issuance of the writ. His wages were, however, frozen for more than a week, until the court could determine his eligibility.

JUST COULDN'T DO IT

The husband said in a recent interview that he had tried to pay off his debts "$5–$6 a week, but there were so many bills; try to pay the rent, $40; try to eat—got so I couldn't take care of it."

Recalling his dismissal from his first job, he said, "One night I went to get my time card; didn't have no time card."

There was a 2-month period in which the Department of Public Welfare paid his rent. He is in easy credit debt even today for about $130, some of it for clothing he bought the children now at home. He is paying it off at about $2 a week.

Since February 1956, St. Elizabeths has permitted his wife to come home several times a week. "When she comes out now," her husband said, "she says, 'Don't make any more bills'."

IT DOES HAPPEN HERE

This is not a typical garnishment case, if there is such. It is, however, not unusual in the trail of grief it left or in its individual aspects. Its importance lies in its disclosure of things that happen under the District's 58-year-old garnishment law:

The municipal court and employers become collectors, chiefly for a few easy credit operators.

Such firms as these thus have an inducement to sell to persons who buy much more than they can afford and who are unable to pay except when attachments deprive them of necessities.

The employee's entire paycheck can be attached, and attachments on the same bills can keep coming.

Employees are fired after multiple attachments, often after only two.

Exemption of a person's wages from attachment, so as to leave something for food and rent, is not automatic. Even if an exemption is won, wages are tied up for 7 to 10 days.

The public is burdened with relief costs and the difference between the nominal and actual court costs.

Court costs, even if nominal, and interest inflate the defendant's original debt.

The debt can be charged to a person who does not know of the purchases or that he is being made responsible.

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[From the Washington Post, Feb. 6, 1959]

DEBTOR'S DILEMMA: NEW BILL WOULD ENABLE MAN TO PAY DEBTS, FEED FAMILY

(By Morton Mintz)

(Sixth in a series)

In cookery the word "garnish" has a gentle, pleasant ring. In District law the same word is like the screech of a braked tire.

The District Bar Association is trying to take the terror and tragedy out of garnishment and put it under the wing of justice.

The bar proposal for reform has been introduced in the House, by Representative JOHN L. MCMILLAN, Democrat, South Carolina.

A bar director, James A. Willey, is leading the fight for adoption. He is a member and past chairman of the bar's municipal court committee.

The bar proposal recognizes the principle of ability to pay. It sets a sliding scale of garnishments based on a debtor's earnings, as follows: on gross pay up to $200 a month, 10 percent could be attached; $200 to $500, 20 percent; more than $500, 50 percent.

The bar measure would allow only one attachment to be effective at one time. Only after one creditor's debt is satisfied could other attachments take effect, in the order received. The employer would forward the creditor's money once a month.

CALLS FOR CLOSE LOOK

These two provisions say to the easy creditor: Collection from bad risks via attachment can take you a long, long time, and you have an incentive to withhold credit from persons who are bad risks.

It is chiefly in this way that the bar proposal attacks a root trouble in the present situation, the indiscriminate extension of credit. The message of the existing law is caveat emptor—let the buyer beware. The bar proposal would add a large dose of caveat venditor—let the seller beware.

The bar says that if its proposal becomes law, the seller might well beware, for example, of the man whose pay is already being attached.

The proposal would make it impossible for attachment to strip a man of his entire pay.

Neither he nor his employer would have to go to municipal court to prove his eligibility for exemption, for he would get an exemption automatically. The trip to municipal court now must be made for each attachment on which an exemption is sought. Debtors sometimes get worn down by this procedure and lose vital time from work. So they accept a settlement under which they agree to buy more.

Because an employed debtor could not be left penniless by attachments, the incentive (in the present law) for an impoverished husband to desert his family would be removed. As explained in Tuesday's article, he risks imprisonment and/or a fine when he deserts. However he also assures that, once a court support order is issued, his family will be able to eat and pay the rent.

SEE LESS OPPORTUNITY

Willey says the delayed-collection provisions would curb the present practice of making innocent persons responsible for easy credit debts they did not incur. He says there would be fewer of them because they would be less inviting targets, and they would not be hit so hard.

Other major features of the bar proposal provide that:

A court order to a man to support his wife, former wife and/or children would have priority over any attachment. There is more caveat venditor here, for a debt for clothing, jewelry or a car, for example, could not come ahead of family needs.

Wage exemptions would be extended to nonresidents of the District on the same basis as to District residents—automatically. Nonresidents get no exemption under existing law.

Last year the House passed an earlier bill sponsored by the bar that would have limited attachments to a flat 10 percent of gross pay, and MCMILLAN has reintroduced a similar bill. Also in 1958, the Senate passed a bill which, while setting a sliding scale of attachments based on earnings, flatly exempted the first $50 of weekly income. Both bills were passed so late in the session that a House-Senate compromise could not be worked out.

Backers of the Senate bill contend the flat $50 exemption is both necessary and a more potent caveat venditor. They also argue that the bar bill and the other measure reintroduced in the House by MCMILLAN would take away from the debtor the exemption he can claim now, forcing him to pay 10 percent of his income though he can ill afford it.

Backers of the two House bills center their rebuttal on these points:

1. The present exemption provision, however reasonable it sounds, does not work most of the time in the way Congress intended. (The reasons for this have been explained previously.)

2. A flat-amount exemption leaves no recourse for collection of legitimate debts from a large segment of the population, and payment of debts is a responsibility that all citizens should bear.

3. Garnishment should be continued as a legitimate, last-resort method of collection from "dead beats."

The Senate bill would have forbidden attachment of a nonresident's pay unless he incurred the debt in the District or unless a judgment was rendered against him elsewhere. The two House bills would allow partial attachments of a nonresident's pay if his employer has an office in the District, no matter where he lives, works, or buys.

Some employers object to the procedure in the bar bill requiring them to forward to the creditor each month a fraction of an attached person's wage until the debt is satisfied. This, they fear, would make their garnishment handling costs even greater than at present.

Willey disagrees. His contention is that there would be so many fewer garnishments that overall employer costs would be lower.

Another employer group strongly favors the bar bill. Agreeing with Willey, these employers foresee lower personnel turnover and replacement training costs, fewer demands on executive time, and an end to the nuisance of multiple attachments. At present, many employers fire a man when he has been attached two or more times.

NOT SEEN AS CURE-ALL

The bar does not claim its proposal is a cure-all. Its position is that it would wipe out intolerable evils, and that every contingency cannot possibly be provided for.

The bar bill, or a measure like it, is considered to have the best chance of enactment. It has the unanimous support of the District Merchants and Manufacturers' Association with its membership of 400 leading retail merchants, and it is expected to have the backing of the District Commissioners.

So far as the municipal court is concerned, Chief Judge Leonard P. Walsh said the major abuses of the court as a collection agency for a few easy credit firms would be ended by the bar bill, by the other bill introduced by MCMILLAN, by the expected Senate bill or by the Dowdy bill.

Other pending garnishment legislation:

The Dowdy bill: Representative JOHN DOWDY, Democrat, Texas, has reintroduced a measure to prohibit attachment of earnings.

The Curtis bill: Representative THOMAS B. CURTIS, Republican, Missouri, has reintroduced his bill to permit attachment of the wages of all Federal employees.

The Curtis bill would exempt from attachment $200 earned in a 2-month period by a head of a household and $120 by a single person.

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[From the Washington Post, Feb. 8, 1959]

DEBTOR'S DILEMMA: ADVICE FOR BUYERS ON EASY CREDIT

(By Morton Mintz)

(Last in a series)

Here is some hard advice about easy credit—the kind offered by a troublesome few of the many firms in the field.

It is meant for you, if you are that bedeviled lowest man on the credit totem pole: You have little or no cash or savings and a small income, and you can't get normal credit. Garnishment or attachment of your wages, or even a freeze on them for a week to 10 days, would be a disaster.

The advice comes from municipal court judges and lawyers who have tried to help others like yourself learn that easy credit can be the hardest credit there is—when it is dispensed by the tiny minority of District businesses that exploit you and the law.

You want to buy a suit, say, or a TV set, or a car. These things aren't absolute necessities, but you want them, and the only people who will sell them to you are the easy credit operators.

In many States you couldn't buy those things because the seller couldn't afford to take a chance on you. In those States, the law says in effect: This person can't afford these things; he needs the money for necessities; if the seller takes a chance on such a bad credit risk, the law is not going to help him collect.

But you are in the District. Here you might fall into the hands of the few easy credit firms that will try to sell you far more than you wanted in the first place. Short of a new law that would put a damper on selling like this, selling done in full knowledge

that you cannot afford to pay, there's nothing to stop you from buying but you yourself.

The great majority of merchants, whether they offer regular or easy credit, will discourage you from buying more than you can afford. An unscrupulous few will do the opposite, because they know that if you do not pay they are ready to grab your wages with a court order to your employer.

But you find yourself in front of the store operated by one of the few. You do not know it, but the man who takes you graciously by the arm and pulls you inside is paid to do just that.

You pick out a winter suit. The salesman says it is all wool, but it would be wise for you to look for a label certifying that.

You are told the price is $60 (there may be no price tag). If you had saved the money to buy the same suit for cash, you could have gotten it for perhaps $40. There is a major reason why you should expect the price to be higher: Easy credit is expensive to the seller. His price must take into account, for example, interest, costly bookkeeping and debts that are never collected, even by wage attachment

But you do not have $40 with which to buy the suit for cash. You agree to easy credit, say, $10 down and $2.50 a week for 6 months. If you figure out the final price, you will find that it is $75. So, right off the bat, that suit may be costing you $35 extra.

WATCH THAT CONTRACT

You will be asked to open an account—to sign a sales contract. This is vital: Do not sign until:

1. You are certain you will be given an identical copy.

2. You are aware that the name of another person on it may make him responsible for the debt if you do not pay.

3. You are aware your wages can be attached if you do not pay—sometimes if you miss only one payment.

4. You know the contract is completely filled in and shows a complete total for your purchase and the exact amount of the payments and just when you are to make them.

5. You get an agreement in writing that you can return any merchandise that you may find you do not want within a reasonable time.

Let us say you still owe $53. Something goes wrong—perhaps you are out of work unexpectedly—and you miss some payments. You go to the seller and ask for more time. Do not buy more. Do not relax if you are told not to worry; get an agreement in writing. But the creditor will not give you a written paper of this kind, you find, and he files a complaint against you.

DON'T GIVE UP

Within a few days, a summons will be served by a deputy U.S. marshal. Be sure that you get it, for it can be served on any adult on the premises.

You will do yourself the most harm at this point if you do nothing, if you just give up. The best thing to do is to get a lawyer. Persons without funds can get free legal help from the District Bar Association's Legal Assistance Bureau and the Legal Aid Office, which both the DBA and the United Givers Fund support.

The bureau has an office in room 201 of the Municipal Court Building at 4th and E Streets NW. It is open from 9:30 a.m. to 12:30 p.m., Monday through Friday. Legal Aid's office, at 805 G Street NW., is open from 10 a.m. to 4 p.m., Monday through Friday, and 10 a.m. to noon, Saturday.

A lawyer will check the complaint against you to see if it is valid. If he gets assurances from the creditor, the chances are good that they will be in writing. He may be able to work out a plan with the creditor that will avoid garnishment of your wages. He will advise you on how to avoid going still deeper into debt. Most of the time it is necessary that an answer to the creditor's suit be filed, and the lawyer will do it within the 20-day deadline.

TREADMILL OF DISASTER

If you do not get legal help—and at least three out of five garnishment victims do not—you may well be on a treadmill to disaster because:

If no answer is filed to the creditor's complaint within 20 days, the court hands down a default judgment against you. The creditor now can move to attach your wages.

If the creditor, however, waits 90 days after the default judgment to serve a writ of attachment on your employer, the judgment can only rarely be attacked—even if it asks more than you owe, even if you did not buy the merchandise in the first place, even if the statute of limitations has expired on the debt. The full force of the law is now behind the creditor and, one way or the other, you are going to pay the bill.

You may not know that you may be eligible for an exemption, but your lawyer does, and he will seek it for you if you are entitled to it. This is an especially tricky field, especially for a layman.

The law seems, at least to a layman, to say that your income is exempt from attachment if it totaled $400 or less in the 2 months before the attachment was issued. The idea is that you need $50 a week for food and shelter, and this sum therefore should be exempt from attachment. In actual practice, however:

Some municipal court judges agree that the first $400 is exempt and that only income in excess of that can be garnisheed.

Others interpret the law to mean that nothing is exempt if your 2-month earnings topped $400 even by a nickel. Your fate may well depend on which judge is on the bench when your case comes up.

That suit of clothes—remember it?—cost perhaps $35 extra to start with. You may lose time off from work trying to escape the garnishment mess. Your wages may be attached, not only for the $53 balance but for court costs and 6 percent interest.

You may lose your job if your wages are attached more than once.

You may be evicted from your home because you have no money for rent.

Your children may go hungry because you have no money for food.

Even if you are entitled to an exemption, your wages will be frozen for 7 to 10 days until the court decides that you are eligible.

The question for you, then, is, how easy is such easy credit?

Mr. LANGER. Mr. President, I thank the distinguished Senator from South Carolina for introducing the bill. I hope it may have the attention of all Senators, because I know of no other piece of legislation, involving not only employees but also employers, which would be of greater benefit than a measure wiping out 48,000 garnishments in 1 year, which have blocked the orderly progress of our courts and have sent U.S. marshals all over the city. If we pass the proposed legislation it will save the courts and U.S. enforcement officials thousands of dollars.

Mr. MANSFIELD. 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. 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.

## PRINTING OF "CODE OF ETHICS FOR GOVERNMENT SERVICE" AS HOUSE DOCUMENT

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 108, House Concurrent Resolution 15.

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

The LEGISLATIVE CLERK. A resolution (H. Con. Res. 15) providing for the printing of the "Code of Ethics for Government Service" as a House document.

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

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at this point in the consideration of the resolution some remarks concerning its scope and intent.

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

House Concurrent Resolution 15 provides for the printing, as a House document of the "Code of Ethics for Government Service," as that code was adopted by the Congress as House Concurrent Resolution 175 of the 85th Congress.

I am informed that in addition to the regular distribution provided for a House document, 25 additional copies will be made available to each Member of the Congress. The estimated printing cost to be incurred under this resolution is $2,976.61.

Mr. MANSFIELD. Mr. President, I ask that the text of the concurrent resolution be printed at this point in my remarks.

There being no objection, the concurrent resolution (H. Con. Res. 15) was ordered to be printed in the RECORD, as follows:

*Resolved by the House of Representatives (the Senate concurring)*, That there shall be printed as a House document the "Code of Ethics for Government Service" as adopted by the Congress in H. Con. Res. 175, Eighty-fifth Congress. Such code shall be run in two colors and gold from letterpress plates reproducing engrossed artwork, hand lettered and appropriate for framing and office wall display. Stock for prints shall be one hundred and sixty pound white, size twelve and one-quarter inches by sixteen and one-quarter inches flat. Prints shall be inserted in white envelopes inside mailing brown envelopes of twenty-eight pound brown kraft, flaps sealed or tucked in with one corrugated board protector. In addition to the usual number, there shall be printed a sufficient number of extra copies to provide twenty-five copies for use and distribution by each Senator and each Representative. For the purposes of this resolution, the Delegate from Hawaii and the Resident Commissioner from Puerto Rico shall be considered as Representatives.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 15) was agreed to.

Mr. ALLOTT subsequently said: Mr. President, I wish to take this occasion to

congratulate Representative BENNETT of Florida for having originally submitted House Concurrent Resolution 15, which is Calendar No. 108. In my opinion, he has contributed to our Government service something which has been very greatly and very badly needed. I, for one, am very happy to support the concurrent resolution and to be here at the time of its adoption.

## WELCOME TO THE INTER-AMERICAN BAR ASSOCIATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar 112, Senate Concurrent Resolution 9.

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

The LEGISLATIVE CLERK. A concurrent resolution (S. Con. Res. 9) extending a welcome to the Inter-American Bar Association.

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

There being no objection, the concurrent resolution (S. Con. Res. 9) was considered and agreed to, as follows:

Whereas the Inter-American Bar Association will hold its eleventh conference at Miami, Florida, during the month of April 1959; and

Whereas the purposes of the association as stated in its constitution are to establish and maintain relations between associations and organizations of lawyers, national and local, in the various countries of the Americas, to provide a forum for exchange of views, and to encourage cordial relations among the lawyers of the Western Hemisphere; and

Whereas the high character of this international association, its deliberations and its members can do much to encourage cordial relations among the countries of the Western Hemisphere: Now, therefore, be it

*Resolved by the Senate (the House of Representatives concurring)*, That the Congress of the United States welcomes the Inter-American Bar Association to the United States, and wishes the association unparalleled success in its eleventh conference: And be it further

*Resolved*, That a copy of this resolution be transmitted to the Secretary General of the Inter-American Bar Association.

The preamble was agreed to.

## JUNIOR ENGINEERS AND SCIENTISTS PROGRAM IN OREGON

Mr. NEUBERGER. Mr. President, during the past few years increasing public concern has been shown regarding the need of the United States for engineers and scientists. Statistics have been offered indicating that the Soviet Union is far outproducing us in this area and that the United States will suffer from a severe shortage of such personnel in the not distant future unless the rate of training is substantially raised.

A resident of my home city, Portland, Oreg., has played a key role in helping to interest young people in careers in science and engineering. He is Mr. Stanley Shirk, executive director of the nonprofit corporation, Scientists for Tomorrow. During the past 4 years Mr. Shirk has been instrumental in establishing summer institutes at American colleges and universities for high school boys and girls with an aptitude in these two fields. He has received wide praise for his efforts in this area.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD: First, an article published recently in the Medford Mail Tribune, of Medford, Oreg., and which describes the fourth annual Junior Engineers and Scientists Summer Institute to be held at Oregon State College at Corvallis, Oreg., this year; second, the text of an announcement issued by Scientists of Tomorrow explaining the scope and nature of the 1959 JESSI program; and third, an editorial published in the December 8, 1958, issue of the Oregonian, of Portland, Oreg., discussing the value of the JESSI approach in connection with our efforts to encourage expansion of science education.

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

[From the Medford (Oreg.) Mail-Tribune]

### JESSI PROGRAM AT OREGON STATE SCHEDULED IN JUNE

CORVALLIS.—The fourth annual Junior Engineers and Scientists Summer Institute for high-school boys interested in careers in the two fields has been scheduled for June 14 to 27 at Oregon State College.

The JESSI program has received wide praise and adoption in other areas of the country since it was launched at OSC in 1956 with 129 boys and 1 girl.

This year's program is expected to attract some 200 selected high-school boys from Oregon and adjoining areas of Washington, California and Nevada. A separate program for girls will be held at the same time at Linfield College.

To qualify for selection, students must have demonstrated high scholarship, have completed at least three courses in science and mathematics, and be recommended by their high school. Sophomores and juniors are given preference.

#### COVERS ALL FIELDS

The 2-week program covers all fields of engineering, mathematics, physics, chemistry, zoology, geology, bacteriology, botany, and modern languages. OSC professors are instructors and classes are kept small to permit individual discussion and training.

Students also have an opportunity to visit college research laboratories and observe operation of specialized science and engineering instruments, including the cyclotron, nuclear reactor, electron microscope, high-voltage laboratory, and electronic computers.

Sponsor of the program, in cooperation with the college, is Scientists of Tomorrow, a nonprofit Portland corporation formed in 1955 to promote interest in science. Stanley H. Shirk is executive director. At Oregon State College, F. A. Gilfillan, dean of science, and George Gleeson, dean of engineering, are in charge of planning the course of study.

Industries and organizations of Oregon, Washington, and California assist by providing scholarship funds for students who would not be able to attend otherwise.

### FOURTH ANNUAL PROGRAM, 1959, JUNIOR ENGINEERS' AND SCIENTISTS' SUMMER INSTITUTE (JESSI)

What is the Junior Engineers' and Scientists' Summer Institute (JESSI) program?

JESSI is a 2-week exploratory-orientation session in the areas of science and engineering. In class size groups, which adhere to the instructional program planned by the host authorities, the students are in the hands of the faculties (experts) of the host institution learning:

(a) What science and engineering are about.

(b) What is included in the various branches of these areas.

(c) Something about the college program of studies and the study demands leading to graduation in these areas.

(d) That they must adopt sound study practices and procedures.

(e) That they must master the high school basics in mathematics, the sciences, and English if they wish to be prepared for the scientific and technical studies at the college level.

Because of the sequential nature of the subject matter and the rigorous study demands of the scientific and technical areas of learning, and because of the current propaganda and the need for top quality science and engineering recruits, an exploration in these areas, under the tutelage of the experts in their respective fields, is an invaluable aid to the student.

Students should present themselves as freshmen in the scientific and technical schools prepared both scholastically and psychologically for the job ahead. JESSI has been activated to fulfill a great need for exploration and orientation under circumstances which result in maximum receptivity by the student.

Who may apply for admission to JESSI?

Students who will enter the 11th or the 12th grade in September 1958; who have successfully pursued at least three courses (by the end of the 10th grade) to 4 courses (by the end of the 11th grade) of high school science and/or mathematics; whose teachers are certain that they can successfully pursue college studies in the science and engineering areas when the time comes; who are undecided about their college and/or vocational careers, or who plan to enter the engineering, medical, scientific, or teaching professions and are in need of scholastic and/or vocational guidance, or who, having made their career decision, wish to enjoy full confidence that they have chosen wisely.

How are the applicants selected?

(a) On the recommendation of the high school principal.

(b) On the basis of their high school scholastic record, especially in English, mathematics, and science. Final screening is done by the host authorities.

(c) On the availability of money in the JESSI student assistance fund for aid to those who are in financial need.

(d) On the basis of capacity enrollment. Capacity is determined by the host.

(e) A student residing in one JESSI area may not apply for admission to a JESSI in another local without special permission from Scientists of Tomorrow.

How many JESSI sessions have been held to date?

| | 1956 | 1957 | 1958 |
|---|---|---|---|
| Brigham Young University, Provo, Utah | | * | 1 * |
| Clemson A. & M College, Clemson, S.C | | | 1 * |
| Kansas State College, Manhattan, Kans | | | 1 * |
| Linfield College, McMinnville, Oreg | | | 2 * |
| Montana State College, Bozeman, Mont | | 3 * | 3 * |
| University of Nevada, Reno, Nev | | 3 * | |
| New Mexico College of A. & M.A., Las Cruces, N. Mex | | | 3 * |
| North Dakota Agricultural College, Fargo, N. Dak | | | 1 * |
| Oregon State College, Corvallis, Oreg | 1 * | 3 * | 1 * |
| Total | 1 | 4 | 8 |

[1] Boys.
[2] Girls.
[3] Boys and girls.

Does JESSI conflict with or duplicate the work of the schools?

No. JESSI supplements the guidance program and offers a service to the student which the schools are not prepared to give. JESSI is not an instructional program and will not conflict with that of the schools; it is a program of exploration and orientation.

The schools have warmly welcomed JESSI as a means of fulfilling a great and felt need by the schools, the students, and their parents, and have cooperated in getting the JESSI message before those students who are qualified to pursue college studies.

What is the per student cost in a JESSI session?

Per capita costs vary with enrollment and local campus costs. The average total coverage cost is $120 per student for the 2 weeks on campus, in an enrollment of 125, for the projected 1959 program of 15 sessions.

How much of this cost must the student pay?

There is no mandatory fee in any JESSI session. A mandatory fee sets up a barrier to admission, and many highly qualified students from the lower economic brackets are automatically eliminated. However, applicants are encouraged to pay as much of the per capita cost as they can afford. The student pays the cost of transportation from home to the campus and return.

[From the Oregonian, Portland, Oreg., Dec. 8, 1958]

JESSI AT STAKE

Among the National Science Foundation programs designed to accelerate education in the sciences is one that raises fears as well as hopes. This is the proposal of the NSF to finance at cooperating colleges a number of summer study sessions to provide opportunities for high-ability high school students "to study and work with experienced scientists and mathematicians.

On its face, the program appears highly desirable. It could, however, result in the loss of valuable ground in the very cause it seeks to serve. For there is already a promising, privately sponsored summer program for young scientists, and its existence is directly threatened by the Government program.

Scientists of Tomorrow, a nonprofit corporation with headquarters in Portland, conducted its first annual Junior Engineers' and Scientists' Summer Institute (JESSI) in 1956, with Oregon State College acting as host. Since that time there have been 13 JESSI sessions on 9 campuses in 8 States. Students spend 2 weeks exploring pure and applied sciences under the guidance of the faculty of the host institution. Students pay their own tuition or are supported from grants by interested industries.

OSC President A. L. Strand points out that if the Government-supported sessions force JESSI out of operation the contributions and interest of industries will be lost.

The summer sessions sponsored by Scientists of Tomorrow began, incidentally, long before sputnik. They should not be allowed to die for lack of a fair chance to compete with Government dollars. There is no apparent reason why the NSF program should not cooperate in the maintenance of the JESSI sessions at Oregon State College and other institutions where they have been so successful.

## THE SHORTAGE OF PROFESSIONAL NURSES

Mr. NEUBERGER. Mr. President, the New York Times, which is one of the leading newspapers in the United States, if not in the world, on March 23 published a most timely and pertinent editorial about the shortage of nurses. This particular problem applies not only to New York City, but also to the entire Nation.

I am very much pleased that the distinguished senior Senator from Minnesota [Mr. HUMPHREY] is the sponsor of a bill to provide Federal aid for the education of nurses. The bill sponsored by the Senator from Minnesota is the counterpart of a measure which is under consideration in the House, and which is sponsored by Representative EDITH S. GREEN, who represents the Third Congressional District of Oregon, where Mrs. Neuberger and I make our home.

The editorial in the New York Times strongly emphasizes the need for some form of Federal assistance of this kind, so that more outstanding young women in our country can be educated as nurses. Nursing is practically the only form of education in which the participant has to work almost exclusively in order to pay for her tuition and training. She must take care of the sick, prepare meals, empty bedpans, and perform exceedingly difficult work, both day and night, in hospital wards, laboratories, and in other services.

Until recently virtually no assistance has been given by the U.S. Government to make certain that the country has a sufficient number of registered professional nurses. In order to call the attention of all Members of Congress to this very lucid editorial entitled "Wanted: More Nurses," I ask 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:

WANTED: MORE NURSES

The critical shortage of professional nurses reported here by Dorothy Weddige, director of nursing services, is a problem not confined to New York. Most of the same conditions exist at many other points in the country. But this report, supported by the commissioner of hospitals, puts some aspects of the question in a dramatic light.

At present, fewer than 29 percent of the staff or general duty positions are filled. Less than half of the posts that require registered nurse degrees are occupied. With extra work, practical nurses, aids, and volunteers in some categories the nurses have tried to keep up the standard of service. But the community is asking more of them than it should.

There are several reasons for the shortage, here and elsewhere. First, obviously, is the enormous expansion of hospital care. The whole function of the hospital in relation to the community has changed. The change requires increases in personnel that have simply not been made.

The reason for this, in turn, is partly economic. Because all costs have been rising steadily, hospitalization has also become increasingly expensive. Our hospitals, both public and voluntary, simply have to have more money—a great deal more money—if they are to do the job we expect them to do. For those already in service, nurses and others, better compensation is a matter of justice.

The other aspect is that the compensation for nurses must be made higher if more persons are to be attracted to the service and kept in it. Similarly, the workload must be reduced. The old stereotype of the immaculate and beautiful nurse sitting at the bedside and smoothing the fevered brow is nonsense. Nursing is mostly hard work and often very dirty work. Its rewards, in the economic sense, have been virtually nonexistent in proportion to the services rendered.

Because of this, most of the persons who go into nursing do so with a sense of dedication and devotion. In few professions, indeed, is there a greater degree of real vocation. The public should recognize this and reward it, rather than penalize it and profit by it. It is hard to imagine how, in most cases, we could get better nurses. But we need many more of them.

## REFERRAL OF PRESIDENT'S MESSAGE ON FORESTRY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President's message on forestry be referred both to the Committee on Interior and Insular Affairs and to the Committee on Agriculture and Forestry.

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

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

Mr. MANSFIELD. I yield.

Mr. NEUBERGER. I thank the distinguished junior Senator from Montana for making it possible for both the Committee on Interior and Insular Affairs and the Committee on Agriculture and Forestry to consider the President's message on forestry.

The Senator's colleague, the distinguished senior Senator from Montana [Mr. MURRAY], has long been active in the consideration of national forest problems, such as access roads, recreation, watershed protection, and similar problems which arise in Montana, Oregon, and all the other States of the West.

I think the dual disposition of the President's message on forestry by having it referred to both committees is in the public interest.

Mr. MANSFIELD. I thank the distinguished Senator from Oregon. He also has shown great interest in this particular field, and has had much to do with the accomplishments in it.

Mr. MANSFIELD subsequently said: Mr. President, in line with the request previously made, let me inquire whether the forestry message has been received from the President.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). No; the message has not yet been received.

Mr. MANSFIELD. Mr. President, I understand that the President's message on forestry is now on its way to the Congress. I ask unanimous consent that the Secretary of the Senate be authorized to receive the message, and that it be referred to the Committee on Interior and Insular Affairs and the Committee on Agriculture and Forestry.

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

## EXTENSION OF TIME FOR RECEIPT OF TEMPORARY UNEMPLOYMENT COMPENSATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of Calendar No. 125, House bill 5640.

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

The LEGISLATIVE CLERK. A bill (H.R. 5640) to extend the time during which certain individuals may continue to receive temporary unemployment compensation.

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

There being no objection, the Senate proceeded to consider the bill (H.R. 5640) to extend the time during which certain individuals may continue to receive temporary unemployment compensation, which had been reported from the Committee on Finance with an amendment.

### ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, in accordance with the order previously entered, I move that the Senate now stand in adjournment until tomorrow, at 10 o'clock a.m.

The motion was agreed to; and, at 3 o'clock and 2 minutes p.m., the Senate adjourned, the adjournment being under the order previously entered, until tomorrow, Wednesday, March 25, 1959, at 10 o'clock a.m.

## HOUSE OF REPRESENTATIVES

TUESDAY, MARCH 24, 1959

The House met at 12 o'clock noon.

Rev. Charles W. Holland, Jr., Fountain Memorial Baptist Church, Washington, D.C., offered the following prayer:

The Psalmist has said, Psalms 55: 22: *Cast thy burden upon the Lord, and He shall sustain thee: He shall never suffer the righteous to be moved.*

Gracious, eternal, and merciful God, our Father, we thank Thee for the promise we have just read from Thy Holy Guide, the Bible. We know that this promise is made on the premise that men have experienced regeneration.

We realize, dear Heavenly Father, that sometimes we become so engrossed about our own spiritual poverty that we forget that our Representatives have anxieties, personal problems in the home, and spiritual needs.

Help each person in this great body to place himself in position to receive the promise made in the Psalm we read.

This we ask in Thy 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 a bill of the following title, in which the concurrence of the House is requested:

S. 722. An act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically depressed areas.

### CALL OF THE HOUSE

Mr. HOFFMAN of Michigan. 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. 23]

| | | |
|---|---|---|
| Aspinall | Flood | Polk |
| Bass, Tenn. | Flynt | Porter |
| Breeding | Frelinghuysen | Powell |
| Broyhill | Hall | Riley |
| Buckley | Hosmer | St. George |
| Carnahan | Johnson, Colo. | Short |
| Carter | Keith | Taylor |
| Celler | Lafore | Vinson |
| Clark | McDonough | Weis |
| Coffin | Martin | Willis |
| Dawson | Multer | Withrow |
| Dingell | Osmers | |
| Fino | Philbin | |

The SPEAKER. On this rollcall 386 Members have answered to their names, a quorum.

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

### SECOND SUPPLEMENTAL APPROPRIATION BILL, 1959

Mr. THOMAS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5916) making supplemental appropriations for the fiscal year ending June 30, 1959, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 3 hours, one-half of that time to be controlled by the gentleman from Iowa, Mr. JENSEN, and one-half by myself.

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

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

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 H.R. 5916, with Mr. BOGGS in the chair.

The Clerk read the title of the bill.

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

Mr. THOMAS. Mr. Chairman, I yield 20 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, I do not believe there will be a war over the pending Berlin controversy, but no one can be certain about it. Khrushchev has issued an ultimatum. He has given us until May 27 to get out of Berlin and to stand not on the order of our going. President Eisenhower has told the American public and the world that we will not yield an inch on the fundamental principles involved. There we are.

This impasse is tempered, perhaps, by the prospect of a summit conference, but conference or no conference, back of it all is the implacable situation in which Khrushchev finds himself in East Berlin and East Germany.

The humiliating contrast between the economies of East and West Berlin and East and West Germany is graphically and mercilessly demonstrating the failure of communism in actual practice and is weakening the hold of the Kremlin on the other Russian satellites.

The rapidly growing divergence between the free economy of West Berlin and the communistic paralysis of East Berlin is now becoming so obvious that it can no longer be concealed or explained, and Khrushchev is under the desperate necessity of bringing it to an end at almost any cost, even at the cost of war or the risk of war.

On the other hand, West Berlin has become a symbol of freedom all over the world and cannot be abandoned by the allies without conceding utter defeat. And the President has announced unequivocally that we have no intention of deserting a free people.

Even a summit conference will prove futile to Khrushchev unless he succeeds in getting West Germany out of NATO and unless he gets American troops off the European Continent. He must get rid of the American troops or he must concede before the world the utter failure and defeat of communism. So eventually it comes back where it started.

Always we have stood irrevocably for a united Germany; always we have insisted that all Russian satellites must be free. And as late as last November the Department of State resolutely resisted overtures for basic negotiation.

The President himself has been opposing a summit conference and the recognition which such a meeting implies. Much of this we may relinquish if we grant Khrushchev the summit conference he has so long coveted and with it we grant recognition establishing him in the eyes of the world as the recognized head of a world power of the first magnitude.

Mr. Chairman, what has brought to this humilating position the great American Nation which in 1945 dictated terms of peace to the world and compelled Germany and Japan, the greatest military powers of all time, to sign on the dotted line without the change of a single word in the terms of surrender? From the commanding position we have dropped to where we may have to compromise with the demands of the dictator. We are in a position strikingly similar to that of the British Government when Prime Minister Chamberlain was compelled to sign the disgraceful treaty of Munich because Hitler had developed modern weapons—while England slept.

Russia likewise has developed modern weapons, while we were preparing to fight the next war with the weapons of the last war. Russia is now conceded by witnesses appearing before our committees to be 2 or 3 years ahead of us, especially in missiles, just as Hitler was ahead of England in air power.

It comes as a shock to the American people to suddenly awake to the fact that after we originated the submarine, the airplane, the atomic bomb, nuclear

power, and nuclear warheads; after we originated them Russia has taken them out of our hands and is now holding them over our heads with brusque orders to us to get out of Berlin and abandon every principle for which our Nation has stood for nearly 200 years. If this conference brings war as the conference of Munich brought war, there is also a shock in store for the Members of Congress. Attack would come suddenly from the air as it came to Rotterdam and as it came to Hiroshima.

Washington would be in the first list of cities to be bombed. With possibly a 15-minute alert, or less, every Member of this House would die. Not at some disputed barricade, or on some scarred slope of battered hill, but here at midnight in this flaming town; each of us has a rendezvous with death.

Some time ago the Navy printed a secret report, excerpts from which were published in the CONGRESSIONAL RECORD of the last Congress. It stated that enemy submarines firing missiles at the comparatively short range of 250 miles—and they now have missiles with a range of 5,000 miles—Russian submarines firing missiles at the comparatively short range of 250 miles could devastate most of the major cities of the United States. And up to this time no defense has yet been devised that is effective against the ballistic missile. Last week the magazines carried a statement by Rear Admiral Thach to the effect that 12 submarines deployed off coast could decimate 70 percent of the Nation's economy at one blow. And Russia has over 600 submarines. And of course, bases in Northern Russia would supplement the attack with planes over the North Pole. In fact, so complete is the potential coverage that military authorities have questioned whether our policy of massive retaliation after the first blow is now practical.

To help meet this attack the Generals prescribe an army of 900,000 men. Last year the President tried to make a slight reduction in that number. He urged that the force be reduced to 870,000 men. He said he had no use for more than 870,000 men. He said he actually had no place to put them, but the Pentagon was adamant and, of course, the House and the Senate stood by the generals. I ask you frankly and in utmost sincerity, my friends, if we had an army of 1 million men what help would it be when these missiles come from the sea and the sky? If we had not 1 million but 10 million men—what could they do? What help could they render? What defense could they offer?

Modern warfare no longer needs masses of troops or trenches or Maginot lines. There is no longer a no man's land. The remotest village is subject to attack. War today is a matter of machinery and chemistry. It requires small forces made up of technicians and expert mechanics who make a life career of the service, and should be paid accordingly. And yet, this House, at the behest of the generals, demands that we draft every boy in the land, bring them in from the fields and the shops. And the generals drill them. "Hayfoot, strawfoot; hayfoot, strawfoot."

Effort has been made to leave the impression that "when the nuclear war is over" the surviving ground forces can take over. How absurd. When we lose control of the air we are through. That is the end—the end of everything.

During the Second World War when the German Army of occupation was moving into France—and you will recall that at that time that the French had one of the top armies of the world—the French Army repeatedly held the line and launched counterattacks which drove the enemy back. But in each instance, a German plane would drift down and drop a bomb at the head of the French column, and the victorious German offense would surge forward again. The French commanders telegraphed back frantically to Paris: "Send us planes, for God's sake, send us planes!" But there were no planes to send. Modern equipment overwhelmed the great French Army.

And under like circumstances we also may have occasion to feel the same need of modern defense measures which overwhelmed France.

We will never again send an American expeditionary force to Europe, or anywhere else. Russia's 175 divisions will sweep to the English Channel practically without interruption anytime the Kremlin issues the order.

Khrushchev tells us the next war will be fought in the United States. And General White said the other day it would require only 2 to 4 days to conclude the decisive phase of a nuclear war. The war would be over in less than a week.

So what would we do with our footsloggers?

Why has America dropped behind the Russians? We invented and built the first submarines, the first atomic reactors, and we first applied nuclear propulsion to naval vessels.

We have the finest scientists, the best electronic engineers, and the most expert technicians in the world. By every rule of reason we should have maintained the undisputed lead in missiles, nuclear-propelled submarines, and all the war material with which Russia today threatens us.

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

Mr. THOMAS. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. CANNON. But the admirals, and the committees of the Congress which they persuasively influence, concentrated attention on carriers. Russia has copied everything we have produced that was worthwhile, but they have never been silly enough to waste either time or money on carriers.

The admirals have devoted every resource to carriers. They have monopolized the time and service of our best engineers, scientists and skilled workmen, and the most valuable of our strategic materials and a few Saturdays ago they launched a carrier that is the most intricate and most expensive single piece of machinery ever built. It travels at a snail's pace, in this age of supersonic speed, surrounded by fleets of service ships, destroyers, and submarines. It is vulnerable from below and above. It could not be hidden in the widest ocean on the darkest night. Into it and its sister carriers have gone the time and attention and work that should have gone into missiles and submarines. And the loss of America's leadership and destiny of a free world.

The one redeeming feature of the whole dismaying debacle is Admiral Rickover. But for him the Navy would today lie naked to the enemy.

Admiral Rickover was the Billy Mitchell of the Navy. Despite every obstacle the naval hierarchy could throw in his way, he built the Nautilus, and to that extent redeemed the Navy's otherwise barren record.

But it had to be carried to the President himself and not until the President said, "Let him try it" did he have the opportunity to develop the one weapon which can take the place of the SAC—the Strategic Air Command—when that great organization, in the inevitable processes of time is eventually outmoded.

Too much cannot be said in recognition of President Eisenhower's knowledge and understanding of the situation. He is by training, capacity, and experience the most eminent military authority in the world today. He ranked high at West Point, commanded the Allied forces in the Second World War and has served for 6 years as Commander in Chief. He cannot and would not succeed himself. There is no public position to which he could or would aspire. He is in the last stages of his administration. He can have no possible motive except to serve his country.

The President insists that national defense involves not only military defense but economic defense.

Efforts have been made to leave the impression that he is willing to sacrifice security for a balanced budget. Nothing could be further from the facts. And he has repeatedly made that plain to the Congress, to the press, and to the Nation.

He emphasized the importance of living within our means. And here again a mistaken impression is being disseminated. There are those who would have us believe that the excessive spending which is throwing the budget out of balance, is for defense. The spending which is unbalancing the budget is for nondefense purposes, as is evidenced by the table at the close of remarks following the receipt of the President's budget message on January 19, 1959.

It is nondefense expenses which are throwing national estimates out of balance and not defense expenditures.

Under excessive spending the cost of government has risen out of all proportion to our increase in wealth. The current year deficit of over $12 billion exceeds, in time of peace, the entire expenditure of the Federal Government two decades ago.

We have had 23 deficit years out of the last 28 years. Although the 6 or 7 years have produced the largest national revenues ever enjoyed by any nation in any period of time, we have in that period added some $19 billion to the national debt and for the first time since World War I, we have raised the debt ceiling twice in 1 year.

We are collecting the highest taxes ever exacted from the American citizen. Interest on the public debt is taking approximately one-tenth of all taxes collected.

So heavy have been the appropriations urged by the President and passed by Congress that the Treasury faces a crisis today in refunding Government bonds, and rates of interest paid by Government have risen above anything recorded since the Civil War.

Hardly anybody wants Government bonds. People are turning away from Government securities and inflation is the result.

The dollar is now worth 48 cents in terms of what it was worth in 1939 and the cost of food at the corner grocery has tripled in that time.

And again the Russians are waiting just around the corner. You will recall that Lenin, the progenitor of modern Russia said: "Germany will arm herself out of existence; England will expand herself out of existence; and the United States will spend herself out of existence." The first two predictions have at times come close to consummation and the third is awaiting the decision of this Congress.

There are men here in Congress who consciously or unconsciously are waging a determined battle against a stable dollar.

They are urging the expenditure of money we do not have for things we can get along without. Lenin could not do a better job of it if he were on the floor. If they dictate Federal expenditures it is only a question of time until instead of a 48-cent dollar we will have a 10-cent dollar.

May I add my voice to those who are now earnestly urging that we listen to the President and secure a balanced budget. Cut the waste out of the Army and the Navy; reduce nondefense expenditures. This we must do because under the best of circumstances defense outlays will necessarily continue to be heavy and burdensome.

There is not too much basis for hope about what is going to come out of the summit conference. Khrushchev must have Berlin, and we cannot surrender it. We must be prepared for what may come by maintaining our economic defenses as well as our military defenses.

Mr. JENSEN. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, whenever we read or listen to these self-styled military experts and military strategists such as we have just listened to, as to how ill-prepared the United States of America is today, we could become greatly alarmed and, in fact, really scared were it not for the fact that like almost every Member of Congress and every well-informed American, I know, as a member of the Subcommittee on Appropriations for the Atomic Energy Commission, the committee that initiates appropriations for the Atomic Energy Commission and all its activities, that we are well prepared in every field of our military defenses to meet any enemy on land, sea, or air. Of course, part of their justifications are classified, which means highly secret. But without divulging any secrets I must say that never do I leave that hearing room after listening to our great scientists, engineers, and nuclear experts, that I do not feel a wonderful sense of security. The members of that committee who listen to those experts, those able devoted patriotic Americans, cannot help but feel, after we know all the facts relative to our atomic energy and nuclear science development and abilities, that we should be truly thankful for those great men.

Mr. Chairman, there is another fact that always gives me a further sense of security. Recorded history proves that the forces of the devil have never been the ultimate victors over the soldiers of the cross. And they never will be so long as God is in his heaven. And He will be there a long, long time.

Mr. Chairman, I yield 10 minutes to the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Chairman, I am sorry the distinguished chairman of our committee concluded his remarks and withdrew from the well of the chamber before I had an opportunity to ask him a question. I wanted to associate myself with his remarks and to congratulate him on what I consider to be a very important and significant statement.

Then I wanted to ask him to confirm the fact that in this bill we are considering today there is provided $2.4 billions in supplemental appropriations, but we do not have a dime of that money. The Federal Treasury is already empty, and we face a prospective deficit at the end of this fiscal year of perhaps $12 billions.

I am answering some of the telegrams I have received from people in all walks of life asking me to vote to increase appropriations by saying to them, "Where do you expect to get the money? Where do you propose that taxes be increased? Is there not a limit to the amount of money we ought to appropriate? How long can we continue a policy of appropriating more money than we have and stay solvent?"

I am concerned about the situation. Other members of this committee are concerned about it. The chairman is concerned, and he and the ranking minority member have repeatedly come to this well and urged the members of this committee to be prudent in the voting of more appropriations.

I remember a great man once said when he was running for the presidency for the first time that a government is like an individual or a business, it can spend more money than it takes in for a few years, but if it continues that policy indefinitely it ultimately means the poorhouse or bankruptcy.

Of course, the Federal Government cannot go bankrupt as long as we own printing presses. But what is the difference between being bankrupt and utterly destroying the value of our money? I am sure there is not a Member of this body who would like to see us relegated to the position Germany was in a few years ago when a housewife had to take a wheelbarrow to carry enough money downtown to buy a loaf of bread.

We on this committee are going to be subjected to a lot of criticism for the bill presented to you for your consideration here today. I already have a stack of telegrams and letters in my office more than a foot high. They come from Governors, mayors, doctors, lawyers, welfare workers, school superintendents, school boards, Indians, members of the armed services—they come from people of every walk of life, all urging that I vote to increase appropriations. Not a single message that I have received since this bill came under consideration has indicated where we might find the money to pay the bills. I have not had a single communication this year urging that taxes be increased. I have not had a telegram from a constituent or from any other person in the United States urging that taxes be increased or that spending be curtailed. They all are insisting, urging, and pressing for increased appropriations.

Those of us who feel that a government ought to be run prudently or run the way a prudent businessman runs his affairs are going to be subject to a lot of criticism on this floor, as has already been the case in the press, and elsewhere, because we have made some cuts in this bill.

I did not volunteer for service on this committee. Frankly, I was a little surprised when I was assigned to it. I do not know yet why I was assigned to it. But from the experience I have had in serving on this committee, I frankly state that I would not recommend it as a place to win friends or develop popularity. This bill runs the entire gamut of Government operations, from every agency in the Department of Agriculture to every office and agency in the Department of State. It extends from the White House to the legislative branch—and as you are all aware since last Friday, it includes the District of Columbia. Every sensitive program in Government is included in this bill.

Do you know this bill covers more than 300 separate appropriation items? Our hearings began in the middle of February and were concluded only a few days ago. They are incorporated in a volume containing more than 900 pages, and we heard more than 250 witnesses—all asking for more money. Now you can become brainwashed after you listen to so much of that. It is all very one sided. I wish some time we would have a request come from a Member of Congress or from a taxpayer or a citizen for the privilege of being heard to request that we live within our means and stop spending money that we do not have for current expenses. That would be an interesting and novel experience.

Now I do not intend to stand here today and argue that everything the committee did was right. Who knows? But what I do say is that the committee seriously and earnestly considered all of these proposals for additional spending against the background of the money that is available. We made some cuts all along the way—not because we are not in favor of children having an education—not because we are indifferent to the need for improving our educational system in the United States—

not because we are not in favor of better health conditions—not because we want to deprive the Capital City of the United States or any other community of essential services—but, simply because we are, to my way of thinking at least, trustees of the tax revenues of this Government. I think the time has long passed when Members of the Congress ought to seriously consider the financial condition of our country and discontinue the fatal habit of spending year after year more money than we have.

I anticipate that some of the programs financed in this bill will be increased. I do not pretend that the committee has the last word on this subject or with respect to any of them; all I ask is that in the course of the debate those of us who will resist some of the efforts to increase the bill be credited with being motivated by good faith. We have taken the position that there is a limit to the amount of money we can appropriate.

I would like to close these few minutes of general discussion by repeating what I said at the beginning, and that is that every dollar we finally include in the bill here today will be money we will have to borrow. Uncle Sam simply does not have any of this money to spend. Just remember this—every dollar you vote to appropriate in this bill will have to be borrowed and some future generation will have to repay it.

Mr. THOMAS. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Chairman, this bill that is before the Committee of the Whole today is the second supplemental bill making appropriations for 1959. It is based on recommendations of the Bureau of the Budget totaling $2,844,954,-526. This committee has reduced that amout by $385,432,032.

Just as the distinguished gentleman from North Carolina mentioned a moment ago, this is an opportunity for the Congress itself to work its will. As he indicated, this is the kind of committee that makes no friends; it is the kind of committee, however, that is necessary if we are to meet the obligations and responsibilities that fall on the Congress with regard to the financing of various departments and agencies.

Let me by way of diversion try to answer the question the distinguished gentleman from North Carolina asked when he said he did not know why he was placed on this committee. I think his very wonderful statement a few moments ago indicates quite clearly why the minority placed him on the full Appropriations Committee, and why his services were sought on this deficiency and supplemental Committee on Appropriations.

I take the time also to commend the distinguished gentleman from Texas who is chairman of this committee. I serve on another subcommittee, that of independent offices, of which he is chairman. This is my fifth year under his wing, and I say without reservation that there is no man in the Congress who devotes himself as thoroughly to the job than he does with reference to appropriation bills. He, indeed, is a very great Member of this Congress; he is a great asset to the United States of America.

This committee over the past couple of days has been subjected to a considerable bit of criticism. That is to be expected, as the gentleman from North Carolina [Mr. JONAS] indicated. We are dealing with 300 agencies; you cannot satisfy them all. As a matter of fact, a long time ago I learned one of the great axioms of politics; that no one satisfies everyone, and that if you try to you do not survive. This committee has been subjected to pressures, people coming into our offices, telegrams, telephone calls, employees of about every department of the Government of the United States, but that is all well and good, it is as it should be; it is the way to learn things even though sometimes we make mistakes.

The reduction of $385 million was accomplished by specific reductions in some programs.

It was met by the elimination of some programs. It was also done by reducing, which to my mind was one of the most controversial of the issues which faced the committee, expenditures which were necessitated by the increase caused by the pay raise of last year. All that we did in respect to that particular item was to try to apply a yardstick to the number of vacancies which occur in each department. We determined that there was a department that had a specific number of vacancies, unfilled jobs, as of the date this bill was heard, and we determined the amount of money for which appropriations had been made for fiscal 1959. So we reduced in many instances the amount of requests that the specific department made for the particular pay increase occasioned by the law of last year.

I do not agree with all of the recommendations of this committee. I so stated within the subcommittee and I so stated with the full Appropriations Committee. I dissent from some of the actions of that subcommittee and the full Appropriations Committee. I think that some of the cuts went too deep and some of the programs that were eliminated ought to be restored.

Many amendments will be offered to this bill today. I intend to support some of those motions to amend the bill. Specifically, I favored within the subcommittee and within the full committee, efforts to appropriate sufficient funds to keep the National Defense Education Act alive for the remainder of the fiscal year in most of the programs for which the Office of Education asked for funds.

The National Defense Education Act imposed upon the Office of Education a number of obligations. I take this opportunity to commend the Commissioner of Education, Mr. Derthick, and his staff for the manner in which they have worked to get this vast program under way. It has been a difficult task and it has required long hours of study, planning and programing. The employees have worked night and day, and sometimes 7 days a week, to get the program started with a minimum of delay and friction. The testimony indicates that this has been done but its full realization cannot be accomplished without giving the funds—at least some of the funds anyway—requested by the Department of Health, Education, and Welfare and approved by the Bureau of the Budget.

Mr. Chairman, any effort to implement the other activities of the Office of Education under the National Defense Education law by appropriating the funds requested will have my support.

The Office of Education requested money to implement six defense educational activities in an amount totaling $75,300,000. The committee has approved the full amount for Activity No. 1, $25 million for student loans, but it disallowed $50 million for the remaining five activities. I disagreed with some parts of the committee's action and indicated that I could not support it with reference to the activities embracing, first, science, mathematics, and foreign language instruction; second, national defense fellowships; third, advanced training in foreign areas and languages; fourth, educational media research; and fifth, grants to States for statistical services.

The remaining program, listed as Activity No. 5, guidance, counseling and testing, requesting $2 million for grants to States and $1 million for institutes for counseling personnel is a program that I have little stomach for. I joined with the committee in eliminating all funds for this activity. I am convinced that this burden ought to be carried by the States and the local communities. As a matter of fact, a great number of local school departments and school districts have been engaged in this kind of program for a good number of years. This is a field that the Federal Governmen ought to stay out of, and the most effective way to guarantee this is to eliminate the money.

I am not impressed by the argument that these grants will stimulate all school areas to get into the guidance and testing business. Common sense and community pride in their students ought to jog these areas, lacking this kind of a program, to insure that the boys and girls of their school districts are entitled to the great advantages that this program offers. But it ought to be done on their own and with their own money.

I am deeply concerned over the action of the full Appropriations Committee in striking out of the supplemental bill the entire amount of $225 million requested under the mutual security program and approved by the Bureau of the Budget.

The subcommittee recommended $100 million, and this approval came after wrestling with this problem for many hours, many times, and many days. The $100 million figure was a compromise. I asked consideration for and I personally preferred a larger amount. An amendment to restore the amount of $100 million that the full committee eliminated will be offered a little later. I sincerely believe that it would be little short of tragedy not to restore at least this amount. The chairman of the full Committee on Appropriations in this

well a few moments ago indicated that Khrushchev said that when we fight the next war, it will be fought in the United States. The elimination of this program, cutting this particular program back, or scuttling the program entirely—and this is what we will do if we fail to appropriate some money for the Development Loan Fund—will guarantee the fact that the next war might well be fought in the United States. For we will have no friends anywhere to help us carry the burden.

I disagree to some extent with the way in which funds were handled for the District of Columbia, and I specifically disagree with reference to the Federal payment for the District of Columbia. Federal payments in varying amounts have been made to the District of Columbia ever since the Nation's Capital was established here. In 1921 the Congress discontinued the practice of picking up the tab for 50 percent of the cost of operating the District of Columbia, and since that time the percentage has fluctuated markedly, 39.5 in 1924 down to some 12 percent in 1954 and recently about 16 percent. When the officials of the District of Columbia appeared before our committee they indicated that there were a number of unfilled jobs in all of the departments in the District of Columbia. There are 24,000 employees in the District of Columbia. There are some 900 or 1,000 vacancies, so with respect to the pay increase which was occasioned by the legislation last year we reduced that amount by considering vacancies. I think when we reduced the request for Federal payment of $9 million to $2.5 million, we made a serious mistake, and this is the area in which I hope that the committee will accept an amendment which will grant a substantial number of millions more dollars so that the cost of the pay increases, the cost of running the fire, police, health, and a myriad of other agencies that are in this great city will not be impaired.

I know that this has been a difficult job for the chairman and the other members of the committee. And, just as our colleague, the gentleman from North Carolina [Mr. JONAS], indicated, I hope that the Members will give very deep and careful consideration and attention to the amendment which will be offered here. I trust, in most instances, the action of the committee will be supported by the great majority of the Members of this Committee.

Mr. JENSEN. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD. Mr. Chairman, I take the floor at this time to speak primarily, in fact exclusively, to the reduction which was made in the President's program as far as the Development Loan Fund is concerned. As has been stated here before, the President recommended in the supplement $225 million. The Deficiency Subcommittee proposed $100 million, and in the full committee last Friday the $100 million amount was stricken from the bill. It is my understanding that a proposal will be forthcoming during the consideration of the bill for a restoration of the $100 million.

I think it would be helpful to the Members if a bit of history was recalled concerning this item in the last session of the Congress. I speak now as a member of the Foreign Operations Subcommittee of the House Committee on Appropriations. This is my seventh year on that subcommittee and, of course, in the last session of the Congress, I participated in the consideration of the bill from its inception.

The House of Representatives in the appropriation bill last year for the Development Loan Corporation recommended $300 million for the program. This was in contrast to the $625 million that the President recommended. The bill went to the Senate, and the Senate restored the amount up to $580 million. In conference we had the difference between $300 million and $580 million.

As I recall, that was one of five or six items that were before the conference committee. Actually there was a difference of about $420 million in total between the House version and the Senate version overall. The House had approved a total of $3,078,092,500. The proposal as it passed the other body was in the amount of $3,518 million. There were about five items in disagreement. The conference report was finally approved by the 85th Congress on the last day of the session. It was agreed by the conferees we should take approximately $200 million of the difference and distribute it in about four areas. This meant we would not be anywhere near the full Senate figure in the Development Loan Fund area. As far as the Development Loan Fund is concerned this statement appeared in the conference committee report on page 4:

> The amounts contained in the bill agreed to by the conferees were too small in the view of some of the conferees, especially in the Development Loan Fund. It is understood that if additional funds are needed next January for the purposes contained in this bill, the Appropriations Committees of the House and Senate will give earnest consideration to the recommendations of the Executive in view of the importance of maintaining our friendly relations with countries with whom we have undertakings.

This conference report was signed by all members of the House conference committee. The chairman, of course, was our distinguished friend from Louisiana, OTTO E. PASSMAN. His name heads the list of those who signed this conference report.

As a result of that statement the President submitted to the Congress this supplemental or deficiency request for $225 million. The Deficiency Subcommittee held hearings on the President's recommendations for the $225 million, and after due deliberation recommended to the full Committee on Appropriations $100 million. They did—and when I say "they" I mean the Deficiency Subcommitee—consider the President's views and their official recommendation to the full Committee on Appropriations was $100 million. It is my hope that an amendment will be offered to restore the $100 million, and I, for one, intend to support it.

I am not so sure that it is adequate, but it is in accord with the views of the members of the Deficiency Subcommittee for whom I have great respect, and consequently I shall abide by their initial views or recommendations.

Now, what is the story as to the Development Loan Fund in and of itself? If it has not already been said, I am sure it will be said that the program has too much money. What are the facts? The program was initiated in the fiscal year 1958 at which time the Congress made available $300 million.

In fiscal year 1959 President Eisenhower recommended $700 million for Development Loan Fund. The Congress made available $400 million. The House had recommended in its version of the bill $300 million, and the Senate $580 million. We struck a balance of $400 million in the final version of the bill. So in the 2 fiscal years 1958 and 1959 the Development Loan Fund has had $700 million available for the various projects that have come before it.

What is the obligation picture? As of March 20, 1959, this is the exact situation: Loan and guarantee agreements signed—those are firm obligations of this Government with those who are seeking to benefit from this program—$474.3 million. Loans approved on the basis of letters of advice pending, $18.4 million. Project commitments on letters of advice already issued, $159 million. Other project commitments, and these are limited to the Philippines and Turkey, $46.2 million. This makes a total of $697.9 million either obligated or committed by letters of advice, leaving a balance of $844,000 for the remainder of this current fiscal year, slightly over 3 months until June 30.

Some people are bound to raise the question, and I think it is a legitimate one, that these letters of advice are not really obligations. I like to use this analogy, and I think it is apropos. I guess all of us during our lifetimes have gone to a bank to borrow money on a house or a business. We submit a proposal. We tell the bank that we will do this. The bank looks over our project and normally writes us back that "If you meet these conditions, we will lend the money for your home or for your business."

When I have that letter from the bank, the lending institution, I have the personal feeling that if I meet their stipulations I have a firm commitment from the bank to get money for my home or for my project. Believe me, if I meet those criteria and then they, the bank, back out, I do not feel very sympathetic to the lending institution, and my attitude toward bankers goes down correspondingly.

The situation here is quite similar as far as the letters of advice are concerned. The individual group in a certain country submit to the Development Loan Fund a project. The Development Loan Fund Board of Directors look over the project. They determine that it is either feasible or not feasible. If they think it is sound, they issue a letter of advice. When the prospective borrower receives that letter of advice he has the feeling,

and it is a legitimate feeling, that if he meets the established criteria, in effect the Development Loan Fund has made a commitment by the letter of advice.

Let me read to you a letter of advice. This is one dated February 20, 1959.

This letter is written to Fred H. Sherwood, secretary, Productos de Kenaf, Guatemala. This is a Guatemala project. The letter is as follows:

DEAR SIR: I am pleased to inform you that on the basis of the proposal previously submitted by your firm and the discussions between our respective representatives related thereto, the board of directors of the Development Loan Fund has authorized the establishment of a loan to this particular project in the amount not to exceed $400,000 or its equivalent to assist in financing the foreign exchange cost of machinery, materials and services in the Kenaf bag manufacturing factory.

The loan will be established by and expended under the terms and conditions specified in a loan agreement which we shall transmit to you at an early date for consideration and execution. The loan agreement will describe more fully the purpose and method and the utilization of the loan and will include the following terms, some of which have already been discussed informally with your representatives.

1. Interest shall accrue, from the dates of the respective disbursements under the loan, at the rate of 5¾ percent per annum.

Then it describes the manner of payment of interest:

2. The principal amount of the loan shall be repayable in 10 successive semiannual installments, the first of which shall be due and payable on a date, to be specified in the loan agreement, no later than 1 year from the date of the first disbursement under the loan agreement.

Then there are some other terms set forth in this particular paragraph.

3. Provision shall be made for repayment of principal and payment of interest in U.S. dollars.

4. The applicant shall furnish evidence of paid-in capital equaling or exceeding the equivalent of $500,000.

5. The loan shall be subject to other terms and conditions set out in the loan agreement.

The final paragraph:

The DLF expects to make a public announcement of this loan on March 2.

Then there is a final sentence or two that I do not think is particularly pertinent. This letter is signed by the Acting Managing Director of that particular Development Loan Fund.

Mr. ROONEY. Mr. Chairman, will the gentleman from Michigan yield?

Mr. FORD. I yield.

Mr. ROONEY. The gentleman from Michigan did not wholly read the last paragraph of the letter. In that paragraph appears what I consider to be one of the most important aspects of this discussion. It refers to the public announcement of the letter of intent in the press and in various news media not only in the United States but in the borrowing country. As soon as that announcement is made, the negotiations constitute a firm loan. Would the gentleman not agree?

Mr. FORD. I would wholeheartedly agree and we are trying to indicate the reasons this is a firm commitment even though it may not qualify as an unequivocal obligation according to our established rules and regulations.

Mr. ROONEY. Will the gentleman yield further at this point in order to keep the discussion of this matter in proper sequence?

Mr. FORD. I yield.

Mr. ROONEY. I should like to announce that I have an amendment at the clerk's desk which I intend to offer when the bill is read for amendment under the 5 minute rule which would restore the $100 million approved by the subcommittee which heard the testimony with regard to the Development Loan Fund. I concur in the remarks of the gentleman from Michigan here this afternoon.

Mr. FORD. I am glad to hear that the gentleman from New York is sponsoring that amendment. I will support it. He is on the Subcommittee on Foreign Operations with me. We went through this difficult process last year when the mutual security program appropriation bill was before the Congress. I am sure the gentleman would agree with me that the President was carrying out our suggestion by his recommendations to the Congress of this amount of $225 million for this fiscal year supplemental.

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

Mr. FORD. I yield.

Mr. JONAS. I certainly agree with the gentleman that when a letter of advice is issued, the loan is actually committed and the money is not available for any other loan. That is clear, but now I think the record ought to show that we do not have any outstanding letters of advice that will exceed the actual appropriations. The money requested in the gentleman's amendment, the $100 million, is simply additional capital to go into the fund for future use, but is not needed to take care of any outstanding commitments.

Mr. FORD. That is right. Of the obligational authority previously made available they have committed, according to law, all but $844,000. They have not gone above the $700 million made available in the 2 fiscal years.

Mr. JONAS. I agree, but if they were to carry out all the letters of advice it would not exceed the money they have in hand.

Mr. FORD. Is it not also true, however, to say that they have obligations pending for loans far in excess of $100 million?

Mr. JONAS. Yes; at least $1½ billion.

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

Mr. FORD. I yield.

Mr. SCHERER. Do I understand that our Government will have to borrow money with which to make these loans? Did I understand the gentleman from North Carolina, a member of the committee, to make that statement?

Mr. FORD. This is obligational authority which will generate spending in future fiscal years; depending on the status of the Federal Treasury when the loan by Development Loan Fund is made and expenditures generated, our Government may or may not have to borrow.

Mr. SCHERER. Is it not a fact that we would have to borrow money to make these loans?

Mr. FORD. At the present time, yes; but it is the hope that in fiscal year 1960 we will be in the black rather than in the red.

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

Mr. FORD. I yield.

Mr. ROONEY. I personally believe that we should appropriate $225 million which would bring the amount of the program up to the $625 million authorized by Congress for fiscal year 1959.

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

Mr. FORD. I yield.

Mr. JENSEN. Is it not a fact that the foreign nations who receive these loans under the Loan Development Act may pay the loans in their own currency?

Mr. FORD. I think the practice is that it can be paid back either in their own currency or in U.S. dollars. However, I must be perfectly frank about this. I believe the record to date is that the vast majority of the loans will be repaid in local currency. I cannot give the precise breakdown, but I think it is around 75 or 80 percent in local currencies and the remainder in U.S. dollars.

Mr. JENSEN. And the value of the local currency is a very small percentage of the value of the American dollar.

Mr. FORD. Let me just say this, regardless of how soft or hard the loans by Development Loan Fund are, undoubtedly the development loan program is infinitely superior to the former program of grants, where we simply gave the money and expected no return either in dollars or in soft currency.

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

Mr. FORD. I yield to the gentleman from Ohio.

Mr. BOW. I say to the gentleman from Michigan regarding the percentage of these loans to be paid back, the testimony before the deficiency subcommittee was that 19 percent of these loans are paid back to the Treasury in hard dollars.

Mr. FORD. Then my guess of 75 or 80 percent was not far wrong.

Mr. BOW. The gentleman is about right when he says 19 percent is paid back in hard dollars. The balance of the payments in soft currency may be reinvested in those countries which would necessitate other dollars going to them at a later date.

Mr. FORD. I thank the gentleman for his contribution.

Regardless of how much is paid back in hard currency, this program is, on the whole, greatly superior to the grants program which we have had over the years, consequently I think it was beneficial to the United States to break away

from grants for economic assistance and initiate this loan program.

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

Mr. FORD. I yield.

Mr. JONAS. It is also better from this standpoint, is it not? We have had a lot of concern about how people around the world look upon outright gifts. They think it is something strange for a country to make an outright gift.

Since this is a loan, it should remove some of that suspicion.

Mr. FORD. It is no doubt true we have better country-to-country relations when we make loans. In addition to that, may I point out we are charging an interest rate on this particular loan I mentioned of 5¾ percent. It is repayable in hard money.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. Can the gentleman state that as this loan fund has gone along we have been cutting back on the grants?

Mr. FORD. We have. The overall program for fiscal 1959 is about $3,098,000,000. Compare that, if you will, with programs of 4 or 5 years ago when it was five or six billion dollars annually. I think in fiscal year 1952 it was something like $7 billion. Now it is about half of what it was before.

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

Mr. JENSEN. Mr. Chairman, I yield the gentleman 3 additional minutes.

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

Mr. FORD. I yield to the gentleman from New York.

Mr. TABER. Is it not a fact that the major part of all loans which can be handed out as a gift have practically been eliminated?

Mr. FORD. I think that is true, outside of the straight military assistance items.

Mr. TABER. The gift of those things and to support them, and the materiel that goes into them; but as far as giving them money or anything like that is concerned, there is nothing in the way of economic aid at all in here. Is that true?

Mr. FORD. That is correct. The Development Loan Fund is practically taking the place of the outright grants for economic aid and assistance.

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

Mr. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. What leads the gentleman to think we are going to collect on these loans? The gentleman talked about private banking operations. Does he find in this country any bank with two windows in it, one for hard loans and one for soft loans?

Mr. FORD. We make some loans ourselves as a Government through the Small Business Administration.

Mr. GROSS. I am talking about private banks.

Mr. FORD. Some people say Small Business Administration loans are in effect soft loans because the prospective borrower cannot get a commitment from a regular lending institution. My experience has been that most of those small business loans have been repaid. I think it is a good program. Nevertheless, they are not hard loans in the banking fraternity or they would have been made by a regular lending institution.

Mr. BROWN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Missouri.

Mr. BROWN of Missouri. Did the gentleman agree with the gentleman from North Carolina when he said this is $100 million worth of new money?

Mr. FORD. One hundred million dollars in new funds for the Development Loan Corporation for the remainder of fiscal 1959.

Mr. BROWN of Missouri. The gentleman was just beginning to state a moment ago that the reason for this is that the backlog of requests is getting so great that there is additional money necessary.

Mr. FORD. As I understand the situation, there are over a billion dollars in prospective loans on file with the Development Loan Fund. Of course some of these would not qualify, but there are bound to be those which are eligible for whatever money Congress makes available.

Mr. BROWN of Missouri. With due respect to the gentleman, recently we had another instance where the GI's in this country have a blacklog of requests in rural areas for funds that have far exceeded anything we have made available to take care of them. Has the gentleman come before the Congress with a request for funds to take care of this tremendous backlog of requests for GI housing loans?

Mr. FORD. I may say that in my congressional district the Veterans' Administration has never seen fit to make my district eligible for direct loans, so it is academic as far as my district is concerned. We tried hard, but the Veterans' Administration thought our lending institutions were doing an adequate job. In some areas in the two counties I believe there is a need but the VA feels otherwise.

Mr. BROWN of Missouri. We were told that we did not have the money.

Mr. GROSS. Are there any foreign areas in the gentleman's district?

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

Mr. THOMAS. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. KIRWAN.].

Mr. KIRWAN. Mr. Chairman, I never thought in my 23 years that I would come down in the well here twice in succession. I would not have come down here yesterday and presented a bill if I was not a member of that committee.

Mr. Chairman, first I would like to say this: During my 20 years it was my privilege to sit in a room twice—I mean, sit in it twice—and hear two great men testify. The first to testify was a man by the name of Dwight Eisenhower. It was his first appearance on Capitol Hill after the Second World War. I happened to be on the Military Appropriations Committee at the time he was testifying. Judge Kerr was chairman of the committee. And, I remember the questions that he asked. And, if ever a thing came to pass, it came to pass like he said that morning in the room. Three months after the Second World War was over he told us what was going to happen to us and where we were going. It was my privilege 2 years after that to sit in a room with 13 members of 2 House committees, the military and the naval. We unified the forces. In 1946 we voted to unify them, and it took place in 1947. There were four speakers that day. And, they gave a luncheon. The first speaker was Jimmy Forrestal, the first Secretary of Defense. The next was a great admiral, Nimitz, who was commander in chief in all of the Pacific when we only had eight airplanes the day after Pearl Harbor. The next was Vandergrift, who led the Marines. And, the scientists of the Navy said on that day, which was shortly after the war, that unless you do this, we are so sure of our ground that 10 years from today—which would be 1957—it will cost you $300 billion and God knows how many lives. It cost us $400 billion and we lost 30,000 kids in Korea and wounded 100,000. Now, only three of us stayed in the room that day. The other 10 walked out. What I am trying to tell you today are facts.

I told you yesterday that we are hooked up with six allies, the largest, over in Europe. They all led the world at one time, like we lead at this time, and we are supposed to be the leader since World War I. The first was Greece. Take a look at Greece today. I visited that country some years ago. It is now one of the poorest. The next is Rome; very poor. Then came the wealthiest nation of them all, Spain, when they were carrying gold from South and Central American countries, Cuba, Puerto Rica, Santo Domingo. Sure, she was wealthy because the gold was carried there by the boatload. But, she became careless. Then came France, England, and Germany, and now the United States. Now I cannot tell you what was said on that occasion, but Ike did say that we are going down that road twice faster than any other nation. Some of those nations led the world for 200 years. We are only leading it 14 years. And, look where we are. We owe more money than all the world put together.

I remember a few years ago—and I am old; I am one of the oldest here—I remember a few years ago I was tossing stones at youngsters because they could not speak the English language. And, excuse the expression, we called them hunkies and called them something else, too, and told these kids, "If you can't speak English, get out of this country." Now we are going down the road to spend money to teach these kids various languages. Why, there are more people that can speak two or three or four foreign languages in New York and

other cities than in all the rest of the world. There are millions of kids in New York that can speak half a dozen languages. But, we have to rush in there and give them money so that they can speak another language. I want to congratulate the gentleman from North Carolina for the way he spoke about this bill, and when he told about the great chairman there, he never told anything wrong. But, this is the time and place to take stock and give a good report of our stewardship. I mean that, because those that do not believe in history better be prepared to face it. And, we are not prepared, and one reason why we are not prepared is the way we have been dumping money out like no humans on the face of the earth ever dumped it out.

One of the things they are going to ask you today probably is why do we set out the recreation plans. My God, we have a war on one side, and we want to find out how we can go and play on the other. That is going to be the question they are going to ask here today. I hope you will back up the chairman today.

Mr. BOW. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Chairman, at the outset I want to commend the gentleman from Texas [Mr. THOMAS] and the members of his subcommittee for the outstanding job they have done with this very distasteful subject of deficiency appropriations.

Mr. Chairman, I rise here today as a member of the Subcommittee on Appropriations for Foreign Operations. I rise in opposition to the cut in the supplemental appropriation for the Development Loan Fund. I feel, Mr. Chairman, that it is vital to our Nation's security and the future of the free world that we carry on this important foreign aid program.

Mr. Chairman, able criticism of the foreign aid program of the United States was made yesterday, and many other times, by the distinguished gentleman from Louisiana [Mr. PASSMAN]. Mr. Chairman, I have the greatest respect and I have the greatest admiration for the gentleman from Lousiana. When he speaks, Mr. Chairman, I listen closely. He has long years of experience in appropriations work. He has saved this Nation of ours millions and millions of dollars of wasteful spending. And when he tells us today that there have been abuses in our foreign aid program I am compelled to agree with him. There are abuses in all governmental agencies. There are abuses in the veterans' program. There are abuses in farm subsidies. There are abuses in the Federal regulatory agencies. Yet we continue these services trying to find ways to correct the abuses. There are also abuses, Mr. Chairman, in the congressional staffs here in Congress, but that does not mean, Mr. Chairman, that the Congress will abolish its staffs or will abolish itself.

We need to maintain a sense of balance in these matters, eliminating inefficiency, waste, and other types of abuses, but still protecting and nurturing programs so essential to our entire future. It is for this reason that I favor a supplemental appropriation of at least $100 million for the Development Loan Fund for the remainder of the fiscal year 1959, which amendment I understand will be offered here this afternoon. I feel that we would be making a grave error if we failed to vote this supplemental appropriation. I do not maintain that the $100 million is adequate. It is my own feeling that the administration was justified in asking $225 million for the remainder of this fiscal year, but the barest minimum is $100 million unless the entire foreign aid program is to encounter the most serious difficulties in the months ahead.

At the close of business March 20, Mr. Chairman, the Development Loan Fund had only $844,000 left in uncommitted funds. If the Congress now fails to make a supplemental appropriation for this fund it will be impossible for the Fund to go ahead making loan commitments between now and the beginning of the fiscal year 1960. What will the world say if we refuse now to appropriate these vitally needed funds? I think it is clear what the global reaction will be. America has shown, in the midst of one of the most serious world crises since World War II, that she shrinks back from her free world responsibilities. She is afraid to wear the mantle of leadership which history has given her. America has lost her self-confidence, her courage. Now in the moment of decision she turns her back on the world and seeks to withdraw into herself.

Let us recognize clearly what are the funds the administration asks for today. These are not funds for military assistance to our allies or for bolstering up their economies on an immediate basis. These funds go only to the so-called underdeveloped countries. They are on a loan basis exclusively. They are for projects of long-term economic development. They supplement existing public and private lending institutions and investors. These loans will stimulate private investment and enterprise. About 19 percent of the loans are repayable in dollars or other hard currencies, the remainder in local currencies.

Mr. Chairman, I believe this program is an absolutely essential part of our national effort to maintain peace and security for our country and the entire free world. In the long tier of nations stretching along the underbelly of the Sino-Soviet Empire, in Africa, and in Latin America, a new age is dawning. The underdeveloped nations are awakening to their potentialities in this modern world. The question is, Will they develop into stable, mature, democratic nations, or will they be sucked up into the slave system of the Communist empire?

It has sometimes been charged that programs of this nature are giveaways. I would point out that the Development Loan Fund is based on the best principles of free enterprise as it seeks to stimulate economic progress through sound loans. I would point out further that if we weaken now in our determination and slacken our pace in helping these underdeveloped nations to prepare for a new era of prosperity and freedom, we will indeed give away to communism, within the next few years, the control of countless nations with enough people and resources to change the balance of power irretrievably against the United States.

It has sometimes been charged that our foreign aid is expensive. Surely these programs are expensive, and they will continue to be expensive just as long as the threat of international communism exists. But they are not nearly as expensive as war. We must keep the expense in its proper perspective. Let us remember that the initial cost of World War II to the United States was $350 billion, with battle dead and wounded of 961,000 Americans. The Korean war cost us $18 billions, with 143,000 American casualties.

I freely admit that the Development Loan Fund may be expensive, but I consider its cost insignificant when compared to the staggering cost of wars in terms of dollars and the cost of wars in the most tragic equation of all, in terms of human life.

If these foreign-aid funds help even in small part to create stable, healthy economic conditions which will help to prevent future wars, they are surely a sound investment in terms of dollars. If they save the life of even a single American boy who might otherwise fall in battle, they are the most precious investment, in human terms, that our Nation could possibly make.

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

Mr. CONTE. I yield to the gentleman from New York.

Mr. LINDSAY. I should like to commend my colleague, the gentleman from Massachusetts [Mr. CONTE], on the strength of his remarks in support of a supplemental appropriation, which I understand will be offered by my colleague the gentleman from New York [Mr. ROONEY] to the extent of $100 million for the Development Loan Fund.

May I ask just one question: A question was asked earlier as to whether or not any of these loans have been paid back in the short period of time this program has been functioning. Can the gentleman tell me whether or not some or any of these loans have been paid back with interest?

Mr. CONTE. The Development Loan Fund Board estimated by the end of fiscal year 1959, they are expected to receive $2.4 million in interest and principal.

Mr. LINDSAY. I thank the gentleman. Now the statement has also been made that we are, in fact, loaned out. Do you support the statement made by the gentleman from Michigan [Mr. FORD] that we are loaned out at this point and that this supplemental appropriation is needed at this point?

Mr. CONTE. Definitely. We have about $884,000, as I said in my discussion here today, that is uncommitted. There is about $1,500 million asked for by many countries throughout the world.

Mr. THOMAS. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, with reference to putting this matter into proper perspective, I think it is well that another point of view be stated with reference to putting the foreign aid program in an overall proper perspective. This program has been going on for 12 years. I was here when it was initiated in the 80th Congress. It was started at that time as a measure to assist our allies and some six countries who were then supposed to be going Communist unless we provided some aid and assistance to those countries. Today, it is spread over some 59 nations all over the world. I think as one who has supported this program in the past that there are other matters that we should consider with reference to the growth and extent of the full implications of foreign aid.

Mr. Chairman, a great hue and cry is being raised that the failure of this House to make an appropriation for the Development Loan Fund will somehow endanger our relations with and our reputation with the rest of the world. Mr. Chairman, the fact is that there already are five agencies which are supplying money in whole or in part for economic development abroad. Let me list these.

First. There is mutual security which, since we began to make appropriations for this purpose, has had appropriations of more than $75 billion.

Second. There is the Export-Import Bank which has made loans in excess of $5 billion and a good portion of these funds has been used for development abroad.

Third. There is the International Bank for Reconstruction and Development. Our Government has committed more than $3 billion to this Bank and has actually paid in some $650 million.

The World Bank is actively making economic development loans. It has made such loans totaling almost $3 billion—of which the United States has contributed as I said some $650 million.

Fourth. There is the International Monetary Fund to which we have contributed to date $2,000,750,000.

Fifth. There is the International Finance Corporation into which we have put $35 million.

Altogether the United States has put into all of these agencies a total of $82 billions since the war ended.

Mr. Chairman, it certainly does not seem that the world will come to an end if we now refuse to appropriate funds for this latest of a series of agencies to develop other countries.

Mr. Chairman, it seems that any other country in the world can obtain funds to create or expand economic enterprises but not the United States. We make loans to foreign governments, to foreign corporations and to foreign nationals to help them build businesses in some 59 different countries of the world. We also make loans to U.S. corporations or their foreign subsidiaries to help them expand their businesses in these other countries abroad.

We can make loans for a steel mill in Argentina, a fertilizer plant in Egypt, a cement plant in Mexico, a coal-washing plant in Turkey, a railroad in Indonesia, or a dam or canal system in Afghanistan. In fact there appears to be no limit to the kind of economic enterprise for which the dollars of the American taxpayer can be lent in 59 foreign countries. But, Mr. Chairman, there is no agency authorized to make such loans for economic enterprises within the United States. We can make loans to somebody just across the line in Canada or in Mexico for a new business, or a business of almost any kind but not in the United States.

Mr. Chairman, it appears that when these agencies loan money abroad there is very little appraisal of the soundness of these projects or of the benefit ratios. Furthermore, many of these transactions are hidden in secrecy and the Congress not provided with full information.

Mr. Chairman, I am sure that the people of this Nation have in the past demonstrated their willingness to assist all nations, but Mr. Chairman there is a limit. A time comes when we should stop and examine both the value and the effectiveness of these expenditures. That time I believe is now. We have heard stories of waste and corruption in the disposition of these various funds. Before we throw additional billions into this field I believe it is pertinent that we stop and inquire whether we are using them wisely and efficiently. I think also that when we are asked not to spend funds for the development of our own Nation, we have every right also to ask whether we should continue to appropriate billions blindly for further foreign expenditures. The requests that have come in are for soft loans. These can wait and be considered later. The regular appropriation bill asks for $700 million beginning July 1 next.

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

Mr. EVINS. I yield to the gentleman from West Virginia.

Mr. BAILEY. Does the gentleman see any difference in this loan provision of our economic aid program and the revolving fund in the distressed area legislation which the President vetoed except, that this money goes outside the United States instead of being used for the benefit of our own citizens?

Mr. EVINS. I believe I pointed out that there is no cost-benefit ratio study with respect to projects overseas, but very close scrutiny with respect to cost in this country. The President vetoed the bill for guaranteed loans for our own country. These would be repaid by the municipalities and cities in this country.

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

Mr. EVINS. I yield to the gentlewoman from New York.

Mrs. KELLY. I thank the gentleman from Tennessee [Mr. EVINS]. I want to bring to the attention of the Members of the House that I think the remarks of the previous speaker, the gentleman from Massachusetts [Mr. CONTE], should be corrected at this point with reference to the amount to be repaid under the Development Loan Fund. The testimony this morning showed it has only been $225,000 to date and might possibly reach a million by the end of this year. According to testimony before the Committee on Foreign Affairs regarding this money, the Honorable Dempster McIntosh, who is Managing Director of the Development Loan Fund, made the following statement on this very point. I quote:

> Loan repayments and guarantee fees are now beginning to accrue. To date these total the equivalent of $241,000 in both dollars and local currency. By the end of fiscal year 1960 we estimate, based on our assumptions of disbursements, that collections of interest will total about $9 million and principal repayments under $1 million. These dollar and local currency funds become a part of the Development Loan Fund's capital available for relending for economic development. In addition, as Secretary Dillon has mentioned, authority is being requested to make available to the Development Loan Fund, after the administrative needs of other agencies are met, the local currency repayments under mutual security loans concluded since 1954. It is now estimated that in fiscal year 1960 such repayments will total about $10 million. Being local currency proceeds, however, these accruals and our own earnings, also mostly in local currency, cannot be used as a substitute for foreign exchange loans. For such loans we must rely on additions by the Congress to our capital. Fiscal year 1960, however, should see us well on the road to effective utilization of the earnings from our earlier loans and the initiation of the first phase of the Development Loan Fund becoming a revolving loan fund.

Mr. EVINS. I thank the gentlewoman for her usual fine contribution.

Mr. JENSEN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, it seems passing strange to me that there were no cuts in the hospital program of Health, Education, and Welfare, and no cuts in the program for the health of Indians, but there was a very substantial cut for the veterans being cared for under the Veterans' Administration.

I understand the gentleman from Texas [Mr. TEAGUE], the chairman of the Veterans' Affairs Committee, will offer an amendment to restore the cuts in the Veterans' Administration to provide that aid to veterans. I will do so if he does not. The veterans cannot get adequate or at times really decent care when cuts are made in their appropriations.

I wish to read a list of some of the things the Veterans' Administration tells me will be cut out if the item goes through as it presently is contained in the bill:

The reductions made by the House Appropriations Committee from the supplemental request will have their greatest impact in the following areas:

First. General operating expenses: Reduction made, $1,258,000. This appropriation finances the activities of the regional offices under the Department of Veterans Benefits, the insurance offices under the Department of Insurance,

and all the staff offices in the central office.

Second. In-patient care: Reduction made, $4,306,500. This appropriation finances the operations of all VA hospitals and domiciliaries.

Third. Out-patient care: Reduction made, $554,000. This appropriation finances the operations of all out-patient clinics which render medical and dental services to service-connected veterans.

In order to bring the financial obligations of the VA into line with the funds being made available, the following action is being directed to all affected offices:

First. Freeze all employment. No vacancies that arise will be filled unless there will be a showing of dire need for the position. This will have the effect of reducing the employment in regional offices, insurance offices, hospitals, and clinics.

Second. Defer equipment purchases. This will delay the purchase, installation and use of new equipment until after the beginning of the next fiscal year on July 1.

Third. Defer maintenance and repair projects in our hospitals. This action will serve to delay the necessary normal maintenance projects until after July 1. Such action will have the effect of increasing the backlog of maintenance work that needs to be done in our hospitals.

Mr. Chairman, I would like to say that no vacancies will be filled in the hospitals or elsewhere if these cuts go through, and I defy any person on the floor of the Congress to take care of sick people without nurses and doctors, other medical personnel and proper medicines. We should not allow this cut.

Mr. Omar Ketchum of the Veterans of Foreign Wars told me over the telephone of the organization's anxiety to have the hospital appropriation restored.

I include the following statement sent to me from the DAV and telegram from the American Legion and telegram from the VFW:

STATEMENT OF DAV NATIONAL COMMANDER DAVID B. WILLIAMS OF MASSACHUSETTS RE VA CUTS

The Congress has just dealt the veterans of America one of the severest blows that has struck the hospital system of the Nation in recent years.

Over four and one-half million dollars have been meat-cleavered out of the impatient fund. It is too late to fire employees: the terminal leave pay necessary upon such dismissal would more than eat up any savings that have to be made in this last quarter of the fiscal year, even if there were any sense to firing such people, and there is not.

Indeed, we had begun to feel that the additional staffing so essential in our hospitals was just beginning to be permitted and now again the freeze is on * * * a severe restriction on the employment of essential doctors and nurses.

The cut cannot be made up by cutting staff. It will have to be made up by cutting medicines and drugs. It will be made up by lowering the amount of steaks and meats on the menus in the hospitals.

These are the service-connected veterans as well as the non-service-connected who are being affected—the paraplegic, the tubercular, the mental patients, the general medical and surgical. Is this the answer of Congress to the Nation's promise to its fighting men that they would have the finest medical care in the world?

No new equipment can be purchased in the hospitals as a result of this heavy slash. Yet it has been just this area where the cuts have been made repeatedly until the hospitals and their managers from one end of America to the other desperately need good equipment. Is this the finest medical care in the world? Or are we to treat our hospitalized service-connected as second-class citizens.

I appeared just last week requesting more money for hospital maintenance and repair. I pointed out clearly and emphatically that in this area above all others funds had been handed out on too stringent a scale, that buildings were in need of repair, that it was penny wise and pound foolish not to make repairs when they were essential, that in the long run the cost would be far greater, that many of the VA hospitals were ancient and I cannot understand a kind of economy that saves pennies at the expense of veterans service connected in the hospital beds of VA institutions. It is neither logical nor sympathetic. Indeed it is cruel and illogical. This is the most unkind cut of all. A cut at the expense of America's disabled veterans.

But outpatient clinics where there has already been a starving of funds now take another slash. Congress cut $400,000 from outpatient clinics a year ago and caused great distress. The DAV in Detroit protested bitterly and its spokesmen recently met with the congressional delegation—the answer to our protest has been a greater cut. I want to point out that this cut is all on the service-connected disabled veterans, for they are the only ones entitled to care in the outpatient clinics.

If the blow at the hospital system was a heavy one over one and a quarter millions has been taken in addition from the veterans services department, insurance, and the medical staff at the Washington office.

Just a year ago a congressional cut nearly eliminated the blind program in central office. Only the intercession of Father Carroll, the dedicated priest from Massachusetts saved that program. Now again the ax has fallen on the doctors who run the program. What portions of the medical program will be removed in Washington this time?

How will the cuts in all the other programs affect the service to veterans? Does it mean that checks for service-connected compensation recipients will be delayed? Does it mean a delay in insurance amounts paid to beneficiaries? These are questions in which the Disabled American Veterans takes a deep interest when Congress begins recklessly wielding the economy scythe upon the disabled, the hospitalized, and the needy.

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WASHINGTON, D.C., *March 24, 1959.*

Hon. EDITH NOURSE ROGERS,
*House of Representatives,*
*House Office Building:*

The American Legion is concerned over severe cuts in H.R. 5916 as they apply to Veterans' Administration supplemental funds for 1959. The $6 million reduction may seem small but it is important to the efficient operation of VA hospital and medical program. We urge you and your colleagues to restore funds to equal VA's request.

MILES D. KENNEDY,
*Director, National Legislative Committee.*

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WASHINGTON, D.C., *March 24, 1959.*

Hon. EDITH N. ROGERS,
*House Office Building,*
*Washington, D.C.:*

Veterans of Foreign Wars greatly disturbed over proposed cuts in second supplemental appropriations which will vitally affect important services to veterans through the Veterans' Administration, the Veterans' Employment Service, and the Bureau of Veterans' Reemployment Rights. May I strongly urge through you that the House of Representatives approve an amendment to the second supplemental which will restore these proposed cuts involving services to veterans.

OMAR B. KETCHUM,
*VFW Legislative and Rehabilitation Director.*

Mr. THOMAS. Mr. Chairman, I yield 10 minutes to the gentleman from Louisiana [Mr. PASSMAN].

Mr. JENSEN. Mr. Chairman, I yield 7 minutes also to the gentleman from Louisiana [Mr. PASSMAN].

Mr. PASSMAN. Mr. Chairman, I am going to the RECORD in order to present a substantial case. As I said before, you only make one mistake on the floor of this House and you are finished. I am going to try now not to make that mistake.

I can understand why some of our Members act in this matter as they do, because I know something about the type of pressure that the White House and the President's aides can exert in their efforts to get what they want.

Let me cite to you a mild sample of the type of pressure and misrepresentation that is brought to bear. On February 2 for some reason unknown to me, a story was leaked to the great New York Times and published on February 3. This erroneous news story follows:

FOREIGN AID UNIT BLOCKED ON FUNDS—HOUSE FOE OF HELP OVERSEAS DELAYS HEARING ON LOAN AGENCY'S PLEA FOR CASH

WASHINGTON, February 2.—The administration has run into a serious congressional roadblock in its effort to get an emergency $225 million appropriation for the Development Loan Fund.

The Fund, now down to its $20 million, is the Government's chief agency for lending to underdeveloped countries.

The roadblock to the emergency appropriation lies in the subcommittee of the House Appropriations Committee that handles foreign aid funds. This group is headed by Representative OTTO E. PASSMAN, Democrat of Louisiana, long an opponent of foreign aid.

The immediate issue is the superficially unimportant one of when hearings can be scheduled on the administration's request for a supplemental appropriation. However, if the hearings are postponed long enough—until consideration of the regular foreign aid bill, with its $700 million request for the Fund—Congress may presume that the need for the supplemental appropriation no longer existed.

DECLINES TO SET HEARING

Up to now Mr. PASSMAN has declined to schedule a hearing on the request for a $225 million supplemental appropriation. It is understood that he contends that the members of his subcommittee, many of whom are chairmen of other subcommittees, are too busy handling emergency supplemental requests from other departments.

The administration asked for hearings by February 11. Mr. PASSMAN has indicated he may not be able to get around to this matter until May or June. By that time it may well have been academic.

A request for a supplemental appropriation in the foreign aid field is highly unusual. Normally the administration gets along as best it can with the amount voted in each session of Congress.

The special foreign aid request arose this year because of a development in the last day of Congress last year. The House had cut the request for the Fund from $625 million to $400 million. The Senate insisted on the full $625 million.

In a last-minute compromise, the Senate accepted the House figure but won a concession from Mr. PASSMAN. The concession, embodied in the conference report on the bill, invited the President to apply for a supplemental bill to make up the difference if the need arose.

The administration's position is that the need has arisen. Demands on the Fund have been very large and loans approved have almost exhausted available funds.

Activity of the Fund now will come to a near stop, pending action on the supplemental request. If action on the request continues to be delayed, the Fund may have to await passage of the regular aid bill, which usually does not happen until July.

It is understood that the administration will appeal to Representative CLARENCE CANNON, Democrat of Missouri, chairman of the full Appropriations Committee, in an effort to get an early hearing.

It was after this story was leaked that they found out the gentleman from Missouri [Mr. CANNON] had not even organized his committees. They did not know, and had not seen fit to inquire, before making such an unfounded charge, that there was a Deficiency Subcommittee to handle the supplemental requests. But I must say that Secretary Dillon was nice enough to write me a letter of apology. I will read only the closing paragraph:

The article was, to say the least, untimely since the President had not at that time officially transmitted his request for the funds involved. It is my sincere hope that there will be no repetition of such an occurrence.

That gives a mild idea as to how far they will go to exert pressure.

It has been indicated here today that this huge development loan program has taken over all of the other grants, which, of course, is not a fact. I want to say to you that in addition to the Development Loan Fund, the mutual security program had in excess of $1 billion in last year's bill floating around for complete and outright grants. There is, for example, the defense support category, which is economic support, $750 million. Then, special assistance, $200 million. Also, the President's contingency fund, $155 million. And to practically all of the categories, add the carryovers. There are actually 28 different items in the MSA funds bill; and the Development Loan is largely another device by which they start another program, under a different name. I challenge anyone to successfully disprove what I have just said.

Mr. Chairman, therefore, I rise in opposition to the anticipated amendment. I hope the Members fully understand that the Development Loan Fund is just one of many parts of this mammoth foreign aid program. There are other funds in the program from which both loans and grants are abundantly available.

Those who have had an opportunity to analyze the foreign aid bill, and the ever-changing names of items in the bill, recognize that the Development Loan item is actually very little more than an actual grant. This is true because a great majority of the loans are made to countries which, if they repay at all, repay the loans with their local currencies, for which this Nation has very little use and cannot spend. In fact, we have more than $2 billion in such currencies on hand or to our credit at the present time.

And, many of the recipients of these so-called loans are the nations who have already received hundreds of millions of dollars out of other funds in the foreign aid program.

Many Members have been forewarned of the type of pressure to which they would be subjected on requests for foreign aid. I addressed the Members of the House to that effect last year, and now you painfully experience my prediction coming true.

It has been my privilege to serve as chairman of the subcommittee handling the foreign-aid funds for 4 years; and without exception, when the committee attempted to reduce the bill because of lack of justification for funds, then the protests from Pennsylvania Avenue, and elsewhere, were enough to frighten those without information as to what was behind the pressure.

In fact, during the past 4 years, the Congress, in its wisdom, has lowered the President's requests by approximately $3 billion; and finally, last year, Mr. Sprague, one of the Assistant Secretaries of Defense, said, and I quote:

The reductions that the Congress has effectuated in the program have assisted the executive branch in administering the program in a more efficient manner. There is no question about that.

You understand, of course, that the foreign-aid program is the only sacred spending program that will come before the Congress so far as Pennsylvania Avenue is concerned. In fact, the Director of the Budget allows the full request for foreign aid. How many other programs do you know of in which a situation as this exists?

Furthermore, you can cut every program and every department in Government, including the military, and there is no howl from downtown; but reduce any item in the foreign-aid program, and you are accused of being almost a traitor.

Last year, the House, in its wisdom, passed a bill providing new funds for MSA in the amount of $3,078,092,500. This bill went to the other body and was increased by $440 million. For reasons that time will not now permit me to discuss, the other body did not grant the House a conference to resolve the differences on the bill until the night we adjourned sine die.

They almost established a record for holding a committee off until just a few hours before we were ready to sound the gavel.

Upon our arrival at the conference, were were told to accept the Senate bill or there would be no bill. We did, however, finally agree to split the difference in the amount added by the other body, and the House was rolled for $220 million. The Senate was permitted to apply the amount on which the House receded to any section of the bill. What a trap we walked into. They increased the Development Loan Fund out of the House's concession by $100 million, so that the bill the Congress finally approved was $100 million more than the sum to which the House agreed originally for that particular Fund.

It was suggested in the conference that we also agree to consider a possible supplemental request this year, not necessarily to the Development Loan Fund, but to the mutual security program as such. The committee handling the bill has not had an opportunity to consider the supplemental; but the Deficiency Subcommittee considered the item and, according to press reports, allowed $150 million of the request. Later they voted again and reduced the amount to $50 million; then on even another vote, they moved it to $100 million. The full Committee on Appropriations disallowed the supplemental request altogether. The distinguished gentleman from Iowa [Mr. JENSEN] had a rather remarkable report on what transpired in the subcommittee.

I hope he repeats it today for the enlightenment of the committee.

Mr. Chairman, the International Cooperation Administration is the sponsor and coordinator of the entire mutual security program. As I have indicated before, in my candid opinion, based upon on-the-spot checks and other information and reports, there is more dishonesty and payoffs in this program than in any other program which this country has ever undertaken, involving, of course, individuals of recipient nations. But now it is beginning to leak out that some of our own personnel have enriched their fortunes out of this program, which is presently operating without an Administrator.

On yesterday, a former official of the ICA admitted under oath that he accepted $25,000 from U.S. contractors in Laos. On March 14, Mr. Robert F. Keller, GAO General Counsel, said, and I quote:

The International Cooperation Administration has refused to let the GAO see the evaluation reports by ICA officials in eight programs to China, Laos, Pakistan, India, Bolivia, Brazil, and Guatemala.

These revelations are not intended as an indictment of our own public officials; but certainly they indicate what can happen when an administration blindly applies the pressure for an amount of money for a complex foreign aid program that is out from under control, operating all over the world in 70 nations with 42,000 personnel.

Please understand that the item we are considering today is for a supplemental appropriation; and the main reason for the request at this time is that the authorization under which this money can be obtained will expire on June 30, and the giveaway boys just hate to see it go. Thus, the present fight.

Furthermore, there is a request now before the Congress for new funds approximating $4 billion, and $700 million

of this total is for the very program now under discussion.

Mr. Chairman, in practically all agencies of the Government there are two types of funds on hand—obligated and unobligated. But this practice is not applied to the, shall we say, sacred foreign aid program. In the military phase of the program in fact, for good reason, in part, if they cannot spend the funds, they reserve them and such is respected as an obligation.

The Development Loan phase of the program has a similar catch-all. If they cannot obligate the funds, then they say they have issued letters of intent or letters of commitment; but my experience with these people has demonstrated that you have to get up early every morning in order to match wits with them. It is a part of their business to endeavor to think ahead and stay ahead of the Congress. And they have met with some success. However, the searching questions being asked by the Foreign Operations Subcommittee, and other important committees of the Congress, are becoming very painful to them.

It is not unusual for this agency to enter into obligations, then de-obligate, or amend the obligation so as to keep alive large unrealistic obligations year after year.

One example would be in the case of grain storage elevators for Pakistan. For this, $500,000 of 1952 funds was obligated; sufficient 1953 funds were obligated to bring the total to $1,480,000; and an obligation of this magnitude was carried on the books until 1958.

On yesterday, I spoke to the Controller of the ICA and asked that he verify a statement made to me earlier that he would not obligate, and had not contemplated obligating, any of the funds in the supplemental request. And it is now a question of only a few weeks until new funds will be approved for this program. I should like to point out here that on February 28 a total of $290 million was unobligated in the Development Loan Fund, and that figure cannot be disproved. Therefore, this supplemental request could be denied completely, and, in my opinion, should be denied, without any damage to the fund, especially when it is taken into account hundreds of millions of dollars are available in other funds, under different names, but in the same program, through which they can make either loans or grants.

I wonder how many spenders and how many savers we have in this body, and just how far we will go in mismanaging the country's business. The Treasury statement as of March 18 shows that we have collected more revenue thus far in fiscal 1959 than we did for the same period in fiscal 1958. But the same Treasury statement reveals that we have already spent during this fiscal year $8 billion more than we had spent during the corresponding period of the last fiscal year. Our deficit now stands at about $14 billion. Not one dollar in the bill before you can be paid out of current revenues; it is money that we will have to borrow. Furthermore, the total requests for supplemental funds, applicable to the present fiscal year, will amount to $8,700 million. How many of you know that they are pulling out of fiscal 1958 something like $9 billion and putting it over into fiscal 1959?

Mr. Chairman, I hope the amendment will be voted down so that the regular subcommittee handling the money requests for the mutual security program, including the Development Loan Fund, can establish, with your cooperation, the actual needs. I say respectfully that we are fortified with 4 years of active experience with this committee, and we have not yet misled you, and we will not do so in the future if you will give us the opportunity to function.

We assure you that our record will be just as sound this year, if you will defer action and permit the regular committee to consider the request that will be before it for this same item within just a matter of weeks.

In all the many different, complex categories of foreign aid, there was available during the present fiscal year $15,600,000,000. Undoubtedly, you will agree that with such a vast sum available it would indicate wisdom on our part to deny this supplemental request; and maybe before we report the regular bill to the House we can ascertain, among our other findings, why the ICA is denying the General Accounting Office access to its evaluation reports. It may be that the Hardy committee will have more information such as that revealed in the press this morning.

Mr. Chairman, in conclusion, I say without fear of successful contradiction that no valid and substantial case can be made for this supplemental appropriation on the basis of the record, and not according to a lot of bureaucratic recent facts and figures presented from downtown. I hope that if the amendment is offered you will vote it down.

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

Mr. PASSMAN. I yield.

Mr. CONTE. I would like to ask the gentleman from Louisiana if he was a member of the conference committee on August 23, 1958, and whether or not he was chairman of that conference committee which signed this report which reads as follows:

> The amounts contained in the bill agreed by the conferees were too small in the view of some of the conferees, especially in the Development Loan Fund. It is understood that if additional funds are needed next January for the purposes contained in this bill, the Appropriations Committees of the House and Senate will give earnest consideration to the recommendations of the Executive in view of the importance of maintaining our friendly relations with countries with whom we have undertakings.

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

Mr. PASSMAN. I should like the opportunity to answer the gentleman.

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

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

Mr. PASSMAN. What would you do if you were chairman of a committee and had passed your bill, and then for the next 53 days action on the bill was delayed by the other body, with a conference to resolve the differences not possible until right before adjourning sine die? Along about midnight, or just before midnight, the pressure was on the leaders on either side, and by that I mean on either side of the Hill, not only on either side of the aisle. The pressure was on to get a decision and the conference report completed. I imagine that you, too, might have agreed in these circumstances. What we said was that we would give consideration to a supplemental request, and that has now been done. The case presented for additional funds for fiscal 1959 was a very weak one.

Mr. CONTE. If I had the gentleman's fortitude and backbone, I would have stood pat and firm at that point.

Mr. PASSMAN. The gentleman is going to make a good member of our subcommittee.

Mr. CONTE. As Al Smith would say, "Let us look at the record." You said on the record that you were for more funds come January 1959 if additional funds were needed for this program.

Mr. PASSMAN. The gentleman is going to make a fine member of our subcommittee; and when he gets out from under this pressure, I think he will vote as he should on such matters as the one here in question.

Mr. CONTE. I can guarantee the gentleman from Louisiana that certainly I know of no pressure placed on me in regard to this appropriation.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota [Mr. JUDD].

Mr. JUDD. Mr. Chairman, my good friend the gentleman from Louisiana said that he has never misled anybody. I know he has never misled anybody intentionally, but people might conceivably be misled by the figures he has given if they do not have some additional information on some of the points that have been discussed.

I would like to say, first of all, that I am not under any pressure and I do not know where all this talk of pressure comes from. Once in a while I have had lobbyists coming in to urge me to vote against this program because of the alleged waste in what they usually call the giveaway foreign-aid program. Nobody has ever pressured me in favor of it, from Pennsylvania Avenue or elsewhere. I do not know of, where, or by whom the rest of you may have been subjected to any such irresistible pressure. My decision is based on the total picture—not part of it. And I believe that is true of most other Members also.

Mr. PASSMAN. Just so the gentleman will not get the impression that I was the only one.

I will be very happy to make that information available.

Mr. JUDD. I have not had any pressure.

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

Mr. JUDD. I yield.

Mr. BOLAND. I served on the subcommittee that originally recommended $100 million. I know of no particular

pressure. When the bill came up, I thought they made a fine case. There was no pressure and no influence. This was our best judgment.

Mr. JUDD. When I present some facts now, it is not because I am being pressured; it is simply to present some considerations that the gentleman has not mentioned.

I have supported this program since its beginning, and I am proud of its accomplishments. The gentleman stressed how much the foreign aid program has cost. How many billions did it cost to fight and win World War II? Would you say it was a waste to spend $300 billion or $400 billion to save the United States? This mutual security program has saved country after country whose loss would have been disastrous to the United States and its security.

Now, let me talk about the record on foreign loans. It has been charged that these loans are worthless, wasteful, not being repaid, and so on. Under the mutual security program since its beginning in 1948, we have made foreign loan disbursements, under various lending programs before we concentrated them in the Development Loan Fund, to a total of $2,158 million. We have already received in loan repayments $44.9 million and interest collections of $225.4 million. But this is the most important point: Not a single loan is in arrears today. Payments of interest and repayments of principal are on schedule. At one time one country, Turkey, was in severe economic difficulty and in arrears, but it has resumed payments according to schedule. So when it is said that this is a wasteful, irresponsible and unsuccessful program—what do they mean? Do we ask or expect borrowers to pay ahead of the schedule laid down in the contracts they have signed? They are on schedule. I do not know what more could be asked.

The question of corruption has been brought up. The gentleman from Louisiana has told you that ICA has 42,000 employees scattered around the world. There is only one case thus far of demonstrated corruption, so far as I am aware. I am sure there has been a lot more corruption than that. I am sure quite a few people in the recipient countries and some Americans also have gotten some of the funds improperly; but the fact is that out of 42,000 persons working all around the world under the most difficult circumstances imaginable, with frequently a minimum of tight controls as is almost unavoidably the case in primitive situations, there is only one proved American case of corruption as yet. The man confessed; that record is extraordinary, in fact, too good to be true. Doubtless there will be further instances, some indictments, probably some convictions. But in my judgment that is no reason for closing out a program. I have never yet operated on a patient without his losing some blood; neither has any other surgeon. But do you mean to tell me we should not operate because the patient is going to lose blood, if thereby we can save the patient's life? We use every care to keep the loss to the minimum, but the main objective is to save the patient's life. It is just as simple as that in dealing with this program of aid to threatened countries all around the world.

Unquestionably there has also been waste in parts of this program, but the answer is essentially the same as above. Probably the single most wasteful program we have had anywhere has been the new country of Laos, yet it is probably the single most successful program we have had anywhere. At the time we started that program only 4 years ago, the country did not have a currency of its own. It did not have a bank. It did not have a solid government. It did not have a school above the sixth grade. There was only one qualified doctor in the whole country, about as large as my State of Minnesota. Laos did not even have a national budget, or a taxation system, or funds to pay for its armed forces. All these had been handled by France. It had a civil war in addition. Two northern provinces were occupied by Communist forces, supported and supplied across the border from Red China on the north, and Communist North Vietnam on the east. Yet the strategic location of Laos was such that unless it was kept out of the Communists' control, Vietnam, on the one side, and Cambodia and Thailand, on the other, would go down the drain. The rest of Southeast Asia would be practically helpless, with its tin, oil, rubber, and rice surpluses, a matchless prize whose control would put most of the billion-plus people in Asia at the disposal of our enemies.

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

Mr. JENSEN. Mr. Chairman, I yield the gentleman from Minnesota 5 additional minutes.

The CHAIRMAN. The gentleman from Minnesota is recognized for 5 additional minutes.

Mr. JUDD. We discussed in committee whether ICA ought to start a program in Laos under such almost hopeless handicaps. We decided we ought to make the effort. So we spent a lot of money even though there was at least a 50-percent chance of failure and bound to be some mistakes and a lot of waste. The stakes were so great we had to do it. We could not allow the whole area to go by default.

Today the Government of Laos is stronger than anybody dared believe possible. The two Provinces in rebellion and under the control of the Communists have been brought back under the Government of Laos. The Communist battalions are under its control. The Government has strong leadership which has stood up against the Communist pressures and kicked out the pro-Communists in the previous coalition government, undermining the security of the country from within. What has happened there is nothing short of a miracle. You will hear about the things that went wrong; but look also at the things that went right. I do not condone waste or corruption; we have to work against them all the time. But we need to keep our eyes on the main objective, too. Laos is free and friendly today.

Like a patient recovered from one illness, it may have a recurrence of the same difficulty, or a different and new illness tomorrow; but that is something for the future. The program has succeeded remarkably well thus far.

We need to remember that what we are trying to do is to help countries remain free that want to remain free. We are trying to increase their capacity to defend themselves. We are not trying to buy friends—you cannot buy friends. We are trying to give them the capacity to do what they want most to do, namely, defend their own independence. In many cases it is newly won and very precious to them. But their strength is very limited. It is in their interest and ours to keep them and their resources out of Communist hands. To the extent that we and they do that, we are succeeding.

Now, let me say something more directly about the Development Loan Fund. In earlier years the bill contained provisions for grants or for miscellaneous loans on a year-to-year basis. There were regularly two main criticisms from the gentleman from Lousiana, and his subcommittee, and to some extent they were justified. The agencies could not adequately screen and evaluate applications from countries all over the world in one fiscal year. If the agency did not allocate its funds to a bunch of inadequately considered projects just prior to the end of the fiscal year, June 30, it would not have all its funds obligated and it would be charged here that ICA had asked for more money than was needed; it did not need all the money we had appropriated.

On the other hand, if ICA did allocate the full amount before June 30, it would be accused of carelessness in screening projects or recklessly approving applications in order not to have its funds revert to the Treasury. It was in part to meet these criticisms that we started the Development Loan Fund 2 years ago. If plans and examinations had not been completed for a project by the end of the fiscal year, the Fund managers are not under pressure to decide until their picture is complete. It gives continuity to the program. It permits orderly, intelligent planning and careful use of the funds. They do not have to go through a mad race during each April, May, and June, trying to get the loans made before the end of the fiscal year or else lose funds for projects that are needed and basically sound. The Fund managers can operate in a businesslike way. They can study any proposed project the same way the Army Engineers study projects here at home. They can examine the feasibility, the cost, the probable benefits, and so on. They do not have to meet a definite deadline. Only when they are convinced it is sound do they make the commitment. Surely we prefer loans to grants; and we want loans to be made on the sound basis the Development Loan Fund arrangement permits.

Again the loans, instead of being given to governments where the money might go to some allegedly corrupt official's relative, are given for specific projects, just as we authorize funds to the Army Engineers for a particular dam on the Mississippi River or a conservation project in some State here at home. The projects are analyzed to determine whether they are important for the political survival of the given country, whether they are economically necessary and sound.

Another reason for this particular Fund is that sometimes we need to make loans to countries that are not eligible for loans from other agencies. For instance, the loans of the Export-Import Bank must be used for purchase of goods grown or manufactured in America to ship abroad. But sometimes what a country needs is materials that we don't have in surplus or that can be bought more cheaply by the borrowing country closer home. Export-Import Bank cannot meet that situation.

The World Bank can make only loans that will be repaid in dollars or convertible currencies. Many of these countries do not have the capacity to generate enough dollars to repay. So we need the Development Loan Fund to permit aid to be given in crucial areas where they cannot repay in dollars, or for projects that do not earn money. Capital put into a road or an irrigation project does not earn dividends. Capital put into a cement plant or a fertilizer plant should be able to pay off, at least in the country's own currency. A higher interest rate is charged on such loans.

These are some of the reasons why we set up the Development Loan Fund in addition to the other lending agencies, not to duplicate them but to fill a gap. We need it especially for those countries which are the weakest, which need this kind of assistance most urgently and which cannot get the capital from any other private or public source.

The Development Loan Fund is the most constructive forward step in assisting the economic development of the less developed countries that we have taken since we started this program 12 years ago, not as an act of benevolence, but as a means of helping insure the security and well-being of the United States and all free peoples.

Some say, "This is do-goodism." It, of course, is supposed to do good for other people. But that is not the primary reason why we are doing it. It does good for us. Should we refuse to do good for ourselves if in the process we help other people?

Some say that charity begins at home. Of course, charity begins at home. But who will stand up and suggest that this is charity? This is for the survival of our own country.

This amendment to keep the Development Loan Fund in business for the next 5 months should be adopted as a matter of good common sense.

Mr. THOMAS. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. ANFUSO].

Mr. ANFUSO. Mr. Chairman, I am going to support the amendment to be offered today by my distinguished colleague from New York, the Honorable JOHN J. ROONEY.

This is no time to be talking from both sides of our mouth. We cannot say to our allies in one breath, "We want your help. We want you to be partners with us in stemming the tide of communism, which is a threat to us all." Then from the other side of our mouth nullify this pronouncement by saying, "We will not honor any commitments which we have made to you. You must fight starvation and make all necessary improvements in your own way by yourselves, in order to prevent communism from subjugating your countries. We will not help you."

Such a one-sided partnership is doomed to failure. If those among us who are so blind as not to realize the danger involved, if those who lack the vision to foresee the consequences fail to understand the implications of such action on our part—then it will not be very long before we shall discover that we have been left alone. By then it may be too late to retrieve our steps. In such event we may suddenly find that we have neither the funds nor the resources to alone resist the onslaught of the Communist forces, whose principal target is the annihilation of the United States.

Let me remind my colleagues that the Soviet Union is constantly stepping up its economic aid and technical assistance programs. Although the Soviet foreign economic program is relatively recent, having been started only in 1955, during the last year alone Soviet Russia signed such aid agreements with 18 underdeveloped countries for an amount totaling about $1 billion. Last Sunday, March 22, the New York Times reported that 2,809 Russian technicians spent at least a month in 1 or more of 19 countries during the last 6 months of 1958 under the Soviet technical assistance arrangements with those countries.

While Russia is capitalizing on every moment and every opportunity to further its ends in all parts of the world, we are quibbling and losing precious time. In 1957 we set up the Development Loan Fund to take over the main economic aid functions of the mutual security program. Instead of outright aid which the recipient nations did not have to repay in the past, we now grant them loans at low interest rates in order to stimulate their economic growth and the improvement of their standard of living. In many of these underdeveloped lands economic stagnation leads to unemployment, poverty and starvation, which breeds unrest and paves the way for Communist infiltration.

One of the countries which is looking to us for aid is India. Informally encouraged by our own Government, India has recently made an urgent request for additional credits to enable it to realize its 5-year development plan which would help build up the economy of that country and maintain its freedom and independence. Have any of us given thought as to what might happen if India fails in its task? Do any of us even dare to think of the consequences in all of Asia if India should be swallowed up by communism? Do you suppose for a single moment that any other nation in Asia could long hold out, even under the best circumstances with China and India in the Communist camp?

Take the situation in the critical Middle East area where Russia has been making such tremendous headway by extending economic aid, first to Egypt, and now to Iraq. Our friends and allies, such as Pakistan, Iran, Turkey and Israel, who are with us in their resistance to Communist aggression, are deeply concerned over these Russian moves in the Middle East. They fully understand that Russian economic aid is merely a weapon of Communist penetration into the area. Can we afford to let these underdeveloped lands go by economic default?

Aside from the humanitarian aspects of our economic program in helping the underdeveloped nations fight poverty and seek to improve their conditions, let us not overlook the very important aspect of our own security. By this time it should be quite clear to us that the millions of people in these so-called backward lands of today may hold the balance of power and the key to freedom tomorrow. Shall we ignore them and drive them into the arms of the Communists?

There is also another very important aspect of which we should not lose sight. In extending these loans we not only help to build up the economy of each of these countries, but we are also creating potential customers. As the economies of these nations expand and their standard of living improves, these peoples are bound to buy more of our products. Thus, in the long run our country stands to gain economically for the outlay in financial help now.

It is my prayer, as it must be the prayer of everyone in this Congress, that should a showdown come about, we shall not find ourselves in a situation of having to send forth our boys alone against the whole world. That would be like sending them forth to a certain doom.

The catastrophe of another world war can, to a very large extent, be avoided if we succeed in strengthening our allies. If we allow ourselves to be divided, if we vacillate in our support of them, the Russian bear will pluck our friends one by one without a battle—and then leave us helpless for a similar fate.

Mr. JENSEN. Mr. Chairman, I yield 8 minutes to the gentleman from Wisconsin [Mr. O'KONSKI].

Mr. O'KONSKI. Mr. Chairman, in the 17 years, which is my tenure in the Congress, I have learned one thing quite effectively, and that is that anybody who opposes this foreign aid program is usually termed a demagog, an isolationist, and just a plain bum, and anybody who supports the program is, of course, always a liberal and a statesman. Now, that is the connotation, folks, make no mistake about it. In spite of that fact, I am going to go risk being called a demagog, a bum, and an isolationist, because I think that every statement that

has been made here by the proponents of this bill, or this amendment, is based on hope and hope alone. It has no basis on fact or result whatsoever.

Mr. Chairman, we have spent in excess of $75 billion on this program since World War II ended. The Russians have spent a measly $2 billion, and yet they have succeeded in taking over 800 million people and we have succeeded in taking over nothing. And, yet they say the program is successful; it has to be continued.

As a matter of fact, if it were not for our foreign aid program, we would not be here today wrestling with our brains and our energies on how to stop communism. It is our liberal foreign aid program that got us into this jam. Who made the Soviet Union and the Communist threat what it is today? We did it under our foreign aid program. It started under lend-lease during the war, $13 billion. They will not even talk to us about paying it back. When Mikoyan was over here recently, the question was not even raised, because if it were he might get angry and go back home. Then immediately after the war, while the pipeline of lend-lease was still going, 2 years after the war, we started a program called UNRRA. The people who were getting all these goods from the United States of America thought that UNRRA was a city in the Soviet Union from where they were getting all this fantastic aid. And, what did we do with UNRRA? We helped the Communists in taking over all of China. Half of the UNRRA aid, under the foreign aid program, that we gave to China, went to the Red Chinese. Every satellite country taken over by Russia in central Europe and in the Balkan countries was given UNRRA aid with the stamp of the Russians on it. The Russian Communists were handing it out. In Yugoslavia or any of the Balkan countries or central European countries, if you wanted a loaf of bread, you had to sign up that you were a Communist in order to get it, our bread, that we gave them under UNRRA.

We made the Russians what they are today. We helped them entrench themselves in central and eastern Balkan countries with UNRRA money under the foreign aid program.

Then, in 1947 we started the Marshall plan, and there are those here, newcomers, who will say, sure, the Marshall plan was all right, because that was a program that was started to stop communism. Nothing is further from the truth. If you want to find out what the Marshall plan originally was, read General Marshall's speech made at Princeton University in June 1947.

You will find that it was not a program to stop communism at all. As a matter of fact, the Marshall plan was an invitation to all the countries of the world, including Soviet Russia, to come over to the United States of America and get aid in order to rebuild their country. We invited Russia, in the original Marshall plan proposal. We invited every one of the Communist satellite countries. We invited Red China. We invited every Communist country in the world to come over and get money under the foreign aid program, as well as the countries that were not Communist.

So what happened? The Russians said, No, there might be something attached to this; the Russians said, No, they would not participate in the Marshall plan, and they gave the word to the Communist satellite countries not to take any money from the United States of America under the Marshall plan. What stupid fools they were, because if they had come in under the original Marshall plan, they could have bled the United States of America for billions of dollars more in order to finance communism in the Soviet Union and in the satellite countries.

Mr. Chairman, just think of this. Instead of the $75 billion that we scattered to all parts of the world, just think what a wonderful position our country would be in today if we had used $10 billion of that money, one-seventh of it, and put more emphasis on the conquest of outer space. Or if we had built more submarines to combat the 600 submarines the Russians now have.

Believe it or not while we have been throwing our dollars all over the world to 59 different nations, the Communists have been building up their military might. As a result we have substituted flexibility for appeasement which in reality means the same thing. In condescending to meet Khrushchev at another summit the Communists have scored another major victory.

The Russians put all of their energies into military might while we scattered our resources to the four corners of the world. What good did the foreign aid program do? For example, what good did it do in Cuba? We have spent millions of dollars in Cuba under the foreign aid program. Where are they today? We spent millions of dollars in Venezuela. Does anybody know whether they are on our side or not? Look at the millions of dollars we spent in Iraq. As a matter of fact, they propitiously waited until we sent them the last shipment of arms before the Communists took over that country. They are closer to communism today than they ever were, in spite of the millions of dollars that we poured into that country.

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

Mr. O'KONSKI. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, the gentleman knows of my high affection for him.

I would like to say to him on my responsibility that in recent days and weeks I have had the opportunity to talk not only with the President of the United States, whom I respect and admire, but also the Prime Minister of Great Britain, Mr. Macmillan. And I cannot sit here and let go unchallenged his statement that these men are going over there to appease Mr. Khrushchev. I know that that is not true. As a matter of fact, the policy of firmness that has been demonstrated is going to win through in this crisis as it has in others.

Mr. O'KONSKI. I pray the Lord they will. I hope the gentleman from Indiana is right, and I will back him and our leaders in standing firm with all that is in me. I pray they will not become flexible—which is just another term for appeasement.

Mr. THOMAS. Mr. Chairman, I yield 4 minutes to the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Chairman, I take this time to inform the Members of the House, several of whom have inquired of me concerning it, what has happened to the request for the maintenance and operation of schools in federally impacted areas and the construction of schools in federally impacted areas. We were able in the full committee last Friday to have included in the bill before us $20 million for the maintenance and operation of these schools and $24,600,000 for the construction of the schools in federally impacted areas. These amounts, if they stay in the bill, will allow the school districts to receive 100 percent of what they are entitled to under the law. You will recall that we passed legislation last year by a unanimous vote to extend this act for another 2 years.

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

Mr. FOGARTY. I yield to the gentleman from Indiana.

Mr. HALLECK. Is it not true that the budget request last year was for the amount that is now to be included in this deficiency bill reported by the committee? In other words, the Congress for the federally impacted areas and for the construction and operation cut the request some $45 million?

Mr. FOGARTY. They cut it 15 percent, because it was in the closing days of the session and it was a compromise between the House and the Senate. Because we had passed a new law creating new responsibilities under the act, we thought that was a fair compromise at the time.

Some of us who are interested in these programs thought we would have a chance to come back after the Office of Education had firmer applications on hand and give them 100 percent of what they are entitled to, because that is certainly what we voted for in this law.

Another amendment, which will be offered at the appropriate time, is to restore to the Defense Education Act the amount of money that has been requested by the Bureau of the Budget. The request was for $75,300,000. The committee has allowed $25 million for the student loan program. I intend to offer an amendment that will bring that up to $75 million, when we get to that paragraph of the bill. This is something that the President, as you know, asked for last year in an effort to get that bill through. The Secretary of the Department of Health, Education, and Welfare made a strong plea for the inclusion of these funds on yesterday, and I understand the Commissioner of Education himself has also made a strong plea.

So, I do hope that the Members who are interested in these federally impacted areas and who want to see this Federal Education Act carried on as we expect it to be carried on will be on the floor when the bill is being read for amendment so that they will be able to support these amendments.

Mr. THOMAS. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman, I hesitate to bring up the small figure which I propose to discuss in view of the billions I have heard tossed around here in connection with our mutual security program, but it is my understanding, as I read the bill, that there are other things of importance in this bill.

First, I desire to commend the committee on the very excellent job they did. I realize the problems and the pressures they were under in an attempt to bring to this floor a bill concerning every agency and every department of the Government.

I am particularly concerned with reference to an item which involves only $200,000. Last year we created the new State of Alaska, our 49th State. All of us, as Members of Congress, are vitally concerned with the well-being, the welfare, and the progress, economically and otherwise, of that great new State in the north.

Some 2 years ago there was created a Presidential Commission called the Alaska International Rail and Highway Commission. It was given responsibilities for a study regarding new transportation facilities that would be needed in the at that time proposed new State. That State has arrived, and I feel it is important that the Commission be permited to complete its study and to make such recommendations as it is able to make.

May I call the attention of the chairman of the committee to the language in the report near the bottom of page 8 that—

> The committee has not allowed $200,000 at this time to expand the operations of this Commission until its program can be reappraised and plans for the future more firmly developed.

Then in the concluding sentence of that paragraph it is stated:

> It can be considered later as a part of the 1960 budget program.

I would like to ask the chairman of the committee, the gentleman from Texas, to comment on that because, as I recall, there were several of us who are members of that Commission who appeared before his committee with our request for the money in this case, and we are concerned about what further information his Committee on Independent Offices would require in order to feel justified in making the money available in order that we may complete our work. I ask the gentleman to comment on that because I am led to believe by the report that he feels further information is desirable.

Mr. THOMAS. I will say to my distinguished friend, the gentleman from California, that on this subcommittee we had the gentleman from Ohio and the gentleman from Iowa, the ranking two members of the subcommittee on the Interior appropriations that had regular jurisdiction over it. So what this particular group did was to say that we thought it should be transferred to them because they were going to have the program permanently in their jurisdiction. That is all that this subcommittee did.

Mr. SISK. Is it my understanding then that the statement of the gentleman from Texas is that this appropriation will come up in the Department of the Interior appropriation rather than under the independent offices appropriation?

Mr. THOMAS. We cannot guarantee that. This committee said that we are not going to take jurisdiction. We are not going to turn it down. We are not denying it. We are not taking jurisdiction. We are sending it to the other group and, I assume, that they will. Of course, that is an assumption on my part.

Mr. SISK. Then may I direct a question to my friend, the gentleman from Ohio [Mr. KIRWAN].

Mr. KIRWAN. As the chairman of the committee explained, when this came before the deficiency committee, it was decided—why set it up here in the supplemental appropriation? Send it back to the regular committee. That is one of the troubles with the supplemental appropriation. Right off the bat, they come up with the idea to rush it into the deficiency or the supplemental appropriation and they rush up here to Capitol Hill. Let it come through the proper channels. I said then and I say now, we have 7,000 engineers in the Department of the Interior and, yet, we have to go out and hire a private engineer to go up and make a survey in Alaska. Canada refused to do it. Until they find out the answer, let them go to the regular committee.

Mr. SISK. Mr. Chairman, I have directed these questions because this Congress has given the Alaska Rail and Highway Commission a responsibility, to be carried out in conjunction with our sister country to the north, Canada, and we need a comparatively small sum to accomplish the job given us. I may add that the potential value of the highways and rail lines which may be built as a consequence of this engineering and economic study are astronomically greater than its cost. And perhaps more important is the vital need for forging the closest possible land links with our new State of Alaska so that both it and the Nation may receive to the fullest the tremendous benefits of this new union. I have risen here today to emphasize the importance of this study and the need for this $200,000, which I trust will not get lost in our anxiety over much larger sums.

Mr. TABER. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Chairman, I would like to speak for a few moments on the question of the Development Loan Fund because I think it is particularly interesting that before the Committee on Foreign Affairs this morning we had two witnesses, Under Secretary Douglas Dillon and Mr. Dempster McIntosh, Administrator of the Development Loan Fund, who spent the entire morning before our committee on testimony regarding the Fund. I think, Mr. Chairman, there may be a little misunderstanding on the part of some of the Members about some of the facts and figures regarding this particular fund. We were told that as of this morning, there remains available for loans under the Fund, loans which have in no wise been committed, obligated, promised, or anything else, a total of $800,000. Now that is true. That means that if the action of the committee in taking out this entire supplemental appropriation is upheld by the Committee of the Whole the Development Loan Fund, in effect, stops operations until it gets new money which would probably not be before next August. There is also, it seems to me, some confusion with respect to the amount of money available for the Fund's operation, and I think possibly that confusion has been occasioned by the people who are at least partially responsible for it, who are defending the Development Loan Fund with respect to their use of the word "obligations." As I understand it, when the Development Loan Fund gets an application for a loan from a foreign government or a foreign individual, it goes before the Board of Directors for the Fund for approval.

If that is approved by the Board of Directors, it then goes to the National Advisory Council, and in about 2 weeks' time if the National Advisory Council also agrees in approving the loan, then the Development Loan Fund issues a letter of commitment. The Development Loan Fund regards that letter of commitment as an obligation for the Fund, and the Fund in effect is earmarked for that particular loan.

Then there is the question of working out with the prospective borrower, a matter which takes sometimes as long as 2 or 3 months, the terms of the loan itself; and finally, when the loan obligation is officially signed then the formal terms of obligation are realized and then it becomes an obligation both on the lender, which is the Development Loan Fund, and on the borrower, whoever the borrower may be; yet, as I say, there has been some confusion as to just when the Development Loan Fund has been obligated.

The administrators of the Development Loan Fund regard the obligation as existing at the time the letter of commitment has been issued and not necessarily only when the loan agreement itself has been signed. That is why they came to our committee this morning and told us that there were only remaining available funds for a total of $800,000 to be used until the fiscal 1960 funds would be available, and it is obvious that if the supplemental request is not approved, then, of course, the Development Loan Fund goes out of business until that time which would probably be another 4 or 5 months.

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

Mr. BENTLEY. I yield.

Mr. JONAS. Of course, it would go out of business insofar as making payments for loans may be concerned, but the small staff that handles this fund will be very busy processing the obligations that have already been approved. It does not necessarily mean that they will have to close the door, lock it, and go off and do something else for the next 2 or 3 months.

Mr. BENTLEY. The gentleman is entirely right. It means, of course, that there would be no money available for new loans, no negotiations for new commitments or obligations. It is obvious that there would be a great many loans in the mill in process, and that, of course, the Development Loan Fund could be or would be, I imagine, relatively busy during that time.

I think the members of the committee are entitled to know that there could be in all probability no new applications accepted for the Development Loan Fund until, as I say, fiscal 1960 funds are available.

There is another thing there has been some argument about, and that is with respect to the area expenditures under the obligations.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado, [Mr. JOHNSON].

Mr. JOHNSON of Colorado. Mr. Chairman, the situation today reminds me of a moment in history in this House some 9 years ago there was before the House a request from the President for $100 million for relief and rehabilitation of the country of Korea. On that day, by an exactly tie vote, the House presumably saved the taxpayers $100 million. But in the next 2 years it cost the taxpayers $100 billion.

Mr. Chairman, I am going to vote for the $100 million today in the hope that it may save us from the necessity of again spending $100 billion.

Mr. TABER. Mr. Chairman, I yield myself the balance of the time on this side.

Mr. Chairman, the funds provided for the Development Loan Fund are practically exhausted. What is left is so small that not very much activity could take place.

There are no funds which could be transferred by Executive order or by the President in any other way into the Development Loan Fund. The funds that are left in the mutual security program today are for military assistance, nonmilitary assistance, and a lot of other items in which the unobligated amounts run to approximately $2 billion. The total amount of funds that could be transferred into the Development Loan Fund or transferred out of the Development Loan Fund is absolutely nothing. That is, there are not any other funds that could be transferred into it.

So, either these people have got to be put on a shelf until along about the 1st of September when a foreign relief bill could be passed which would have these items in it or appropriate the amount now. We would have to wait for the committee to report and have the bill go through before they would have anything to operate with. On the 1st of July the whole of the authorization that is not obligated and appropriated for expires, and unless new language is carried in the authorization bill that is now under consideration in the Foreign Affairs Committee there can be no more operations of this sort. Frankly, I do not believe we can get anywhere by putting them out of business at this time.

I feel we should go ahead and adopt the amendment we have been told will be offered, which will make available $100 million to be expended in the period from now until the 1st of July.

Section 501 does not apply to this particular fund. The provisions of section 202(b) of the Mutual Security Act absolutely prohibit transfers in or out of that particular fund. We must approach the matter with a clear sense of our responsibility, and we must try to see that our responsibilities are met. For my own part, I do not like to waste dollars. But I do feel that these particular loans, if they are made with great care—and I hope that they will be—will be of great assistance, because I have been after the management of the outfit to change it and step it up so that it will be of the highest caliber. I hope that they will. I hope that all of these things will be worked out in a proper way. Now, it is true that there were some UNRRA funds that were diverted to the Communists, but it is also true that from the time the foreign relief program was started Russian has not had any benefit out of the funds. It is also true that out of the Development Loan Fund no money has been passed and no negotiations have been had whereby there would be loans made to Iraq. Anything that has happened with respect to Iraq happened before the Development Loan Fund was set up, and in the last 2 years there has been nothing going in that direction, especially since they have shown a tendency to communistic reaction.

Now, there are a lot of other items in this bill. It is a deficiency bill, and a deficiency bill always carries a great mess of them. The departments always come back for the funds that they have been denied during the previous session in the first deficiency bill and a lot of those items that have been submitted here have been thrown out by the committee. And, it is a very good thing that they have been, because otherwise there would be no bottom left in the Treasury.

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

Mr. TABER. I yield to the gentleman from Iowa.

Mr. GROSS. Where is it proposed to get the $100 million for this Development Loan Fund? Are we taking that now out of the 97—no, we did not save $97 million the other day, did we?

Mr. TABER. No; we cannot take it out of that.

Mr. GROSS. No. But where is it proposed to get the $100 million?

Mr. TABER. Where are we going to get the $97 million?

Mr. GROSS. Where are we going to get the $100 million?

Mr. TABER. Where are we going to get the $97 million? That is the thing I want to know.

Mr. GROSS. I voted against appropriating $97 million the other day, and I will vote against this foreign handout. Tell me where you are going to get the $100 million.

Mr. TABER. I do not know. It will have to be borrowed, I expect. I do not know that there is any other way of getting money these days. But, I do not think we can afford to turn this down just the same. I feel that we ought to go ahead and pass it.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired.

The Clerk will read the bill for amendment.

The Clerk read as follows:

TITLE I—DEPARTMENT OF AGRICULTURE

*Agricultural Research Service*

Salaries and Expenses

For an additional amount for "Salaries and expenses", as follows:

"Research", $3,666,700, to be derived by transfer from the appropriation for "Conservation reserve program", fiscal year 1959;

"Plant and animal disease and pest control", $2,180,700, to be derived by transfer from the appropriation for "Conservation reserve program", fiscal year 1959; and

"Meat inspection", $1,709,100, to be derived by transfer from the appropriation for "Conservation reserve program", fiscal year 1959.

Mr. MATTHEWS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I feel that the observations I have to make, even though they might not pertain to the minute particulars with which we are concerned, are of vital importance to our consideration of this great problem of foreign aid as it might be used to stay the Communist menace. And, my observations deal largely with the thought that it strikes me that with one hand we are trying to stay a conflagration whereas with the other hand we are beckoning for the fires to spread upon our shores. I have reference, Mr. Chairman, to the fact that we have as yet taken no specific action to counteract some of the decisions of the Supreme Court which have made it easy for the Communist menace to spread within our shores.

I suggest to you that this afternoon we might be spending our time even in a more valuable way by taking some concrete action to stay this particular menace. I would remind you, for example, that in the Nelson case the Supreme Court held that the States could not act against a Communist seeking the overthrow of the Republic because that was a field which the Federal Government had preempted. The Supreme Court held that despite the fact, as I understand, that the author of the Federal legislation stated specifically that it was not his idea at all that the Federal Government would preempt the field of sedition.

May I remind you, Mr. Chairman, that in the Yates case the Supreme Court held that the Federal Government's own anti-subversive laws did not apply to organizing a cell or a unit of the Communist Party, because only participation in organizing the original Communist Party ran afoul of the law. This means that we cannot even prosecute a Communist who is organizing a new Communist cell even though today we are talking about spending hundreds of millions of dollars of our Treasury to combat the Communist menace.

In the Kent case may I remind you, Mr. Chairman, that the Supreme Court held that the Federal Government cannot prevent even known Communists from leaving and returning to the country at will. On the floor of the House last year I called the attention of the House to this grave problem. What right does a man have, who is a traitor to this country, to travel in other lands? And today while we deal in semantics over a million dollars here or a million dollars there, what about these traitors who are scattering false propaganda, and, yes, I tell you, Communist propaganda, all over the United States of America?

I know that the appropriate committees of Congress are considering these matters, and I congratulate my colleagues who have introduced legislation to correct these matters. But, Mr. Chairman, I tell you it seems to me that with one hand we are throwing the treasure of America to the four corners of the world in an effort to stop communism, and with the other hand, because of inactivity on our part, we are beckoning to the traitors and to the subversives within our own shores to grow and to make their efforts all the more deadly.

I read recently excerpts from a speech by one of this country's greatest orators, Daniel Webster. He described the great misfortunes we could overcome: war, the destruction of our commerce, the desolation of our fields, even the crumbling of our Capitol—all these might be replenished, recultivated, or rebuilt. "But who," he continued, "shall reconstruct the fabric of demolished government? Who shall rear again the well-proportioned columns of constitutional liberty? Who shall frame together the skillful architecture which unites national sovereignty with States rights, individual security, and public prosperity? No, if these columns fall they will not be raised again."

I sincerely hope in our discussion this afternoon that we shall not forget what in my opinion is even the more important part of this fight against communism, and that is to demand immediate action that will enable us to fight successfully the subversion that is within our own shores.

The Clerk read as follows:

*Forest Service*

Forest Protection and Utilization

For an additional amount for "Forest protection and utilization," as follows:

"Forest land management," $12,282,800, of which $5,432,200 shall be derived by transfer from the appropriation for "Conservation reserve program," fiscal year 1959;

"Forest research," $1,003,400; and

"State and private forestry cooperation," $102,800.

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

The Clerk read as follows:

Amendment offered by Mr. ROONEY: On page 6, after line 22, insert the following:

"FUNDS APPROPRIATED TO THE PRESIDENT

*"Mutual security*

"Development Loan Fund

"For an additional amount for advances to the Development Loan Fund, as authorized by section 203 of the Mutual Security Act of 1954, as amended, $100,000,000 to remain available until expended."

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

Mr. ROONEY. I yield to the gentleman from Texas.

Mr. THOMAS. Mr. Chairman, I wonder if we can agree on some limitation of time on this amendment. We are all familiar with what is involved here and have had a pretty full debate on it heretofore during general debate. I wonder if we can wind up debate on this amendment in 15 or 20 minutes.

Mr. Chairman, I move that all debate on this amendment and all amendments to the paragraph close in 20 minutes.

The motion was agreed to.

Mr. ROONEY. Mr. Chairman, the amendment now pending, which would provide an additional $100 million in the present fiscal year 1959 for the Development Loan Fund, is offered in behalf of the distinguished gentleman from Massachusetts, my colleague on the deficiency subcommittee, Mr. BOLAND, and myself.

I have served on the Foreign Operations Subcommittee on Appropriations since its inception following the start of the Marshall plan about a dozen years ago. As a member of that subcommittee and a conferee on the part of the House on the 1959 fiscal year mutual security appropriations bill last summer, on the day the 85th Congress adjourned sine die, I was present when the conferees on that mutual security appropriations bill met with the conferees on the part of the other body. It was agreed and subscribed to by all the conferees as follows: that the amounts contained in the bill agreed to by the conferees were too small in the view of some of the conferees, especially in the Development Loan Fund; that it was understood that if additional funds were needed this past January for the purposes contained in the bill, the Appropriations Committees of the House and Senate would give earnest consideration to the recommendations of the Executive in view of the importance of maintaining our friendly relations with countries with whom we have undertakings.

Now, that did not mean that the conferees who sat at the table and signed that conference report agreed that they would approve an application for additional funds in any particular amount. But it was definitely an invitation, if the administration felt it needed additional moneys for the Development Loan Fund, to come up to Capitol Hill and seek and justify any additional moneys needed when the 86th Congress convened.

I do not need to go into the Fund figures all over again. The gentleman from Michigan [Mr. FORD] gave them accurately in his presentation. We know there has been appropriated to date $700 million. I think it has been proved beyond question here on the floor of the House that there is but about $800,000 left of those moneys. It may be said that all the $700 million has not been obligated—that is a legal term. But this agency, this Development Fund is in the loan business. In their loan business, immediately upon their issuance of a letter of advice or intent, the loan becomes firmed up and at that time there instantly occurs a very important step in our international relations. This country issues publicity describing the loan and its approval for country A, and country A announces to all its peoples that the United States has agreed through the Development Loan Fund to lend a certain amount of money or credit to help that country.

I again accentuate the fact that whether legally obligated or committed, there remains out of the $700 million fund but $800,000 for its operations. What does this mean? This means that this organization, the Development Loan Fund, with 60-plus people working and employed by the Congress and the taxpayers on a payroll which is considerable in amount will have to sit these people down to twiddle their thumbs in the event this amendment does not carry, until along or about the 1st or 15th of August next because it will be along about that time that the regular 1960 mutual security appropriations bill will finally become law. While this halt in its operations is taking place and while these employees and the U.S. Government are twiddling their thumbs, we find this situation pictured in the New York Times of March 22, 1958:

Reds' foreign aid to 18 countries up $1 billion in 1958. The Communist bloc signed aid agreements with 18 underdeveloped countries last year totaling $1 billion.

And here we are indecisive about one-tenth of that amount, or $100 million for the Development Loan Fund.

Mr. Chairman, I trust the pending amendment will be adopted in the interest of our national security.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. GROSS].

(By unanimous consent (at the request of Mr. GROSS) the time allotted to him was granted to Mr. PASSMAN).

(By unanimous consent (at the request of Mr. JENSEN) the time allotted to him was granted to Mr. PASSMAN).

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. PASSMAN].

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

Mr. PASSMAN. I yield.

Mr. GROSS. This Development Loan Fund is simply a subterfuge for the foreign giveaway program and I am op-

posed to it. As the gentleman from North Carolina [Mr. JONAS] and others have stated the U.S. Treasury is already busted and borrowing money for the going expenses of the Government. The time is long past due for a drastic curtailment of so-called foreign aid and the uncollectible loans provided through this Development Loan Fund. How much further will this Congress go in loading impossible mortgages on the children of today and tomorrow—debt that they cannot possibly pay? Approval of this $100 million will be another act of irresponsibility and I want the record to show that I refuse to be a party to it.

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

Mr. PASSMAN. I yield.

Mr. JENSEN. Just how much can we expect to get back in repayment on any of these funds under this development loan program?

Mr. PASSMAN. My guess would be, if you should check the record 10 years from now, repayments might be, perhaps, 6 or 7 percent of the total.

Mr. JENSEN. And they have the right to pay these loans back in foreign currencies; do they not?

Mr. PASSMAN. That is provided in the program. They scatter a few dollars around to mislead the people of America into thinking this is a bona fide loan, when, in fact, it is a soft-currency transaction that amounts to but little, if anything at all, more than a grant.

Mr. Chairman, this is not my fight; this is the fight of the Supplemental Appropriations Subcommittee, but it is for a program that is handled before our Subcommittee on Foreign Operations Appropriations. However, I should like to direct one more time the attention of the Committee of the Whole to the fact there are about 28 different items in the mutual security program. Practically every one is related to the other. They frequently change the names, mutual security, development loan, development assistance, special assistance, the President's Asian fund, the President's contingency fund, and so on, until it is thoroughly confusing to endeavor to determine the ultimate situation. Remember, however, that we are considering in excess of $1,100,000,000 available to lending in other categories before you get into the military; and when you get into the military the amount is $5 billion.

Time will not permit me to go through this list of items which are in excess of $6½ billion, and much of this money can be used as a grant or loan.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman from Louisiana yield very briefly?

Mr. PASSMAN. Yes, I shall be glad to yield to the gentleman from New York.

Mr. ROONEY. Is it not the fact that under the law no part of the mutual security program funds may be transferred to the Development Loan Fund?

Mr. PASSMAN. I might say to the gentleman that you can make the same loan to the same nation, in the same amount, on the same terms, from one of the many other categories that you do out of the Development Loan Fund. The Development Loan could take it over later and ultimately make the loan. On military matters this is not a loan, it is a grant. This loan is a kind of grant that will never be paid back to any large extent.

Mr. ROONEY. Mr. Chairman, will the gentleman further yield?

Mr. PASSMAN. Yes, I yield.

Mr. ROONEY. Is it not a fact and was there not testimony to the effect that these loan funds may be used four and five times over a period of years to make additional needed loans to the same country?

Mr. PASSMAN. Oh, yes; and they could be used 50 times if they could be collected.

You and I heard the statement made that we had collected a million dollars from this fund. Then a member of the Foreign Affairs Committee took the floor and said: "I am sorry, but you are just about 300 percent wrong; the amount paid back was $225,000." So this is a matter about which there is a great deal of misunderstanding. The fund is in such a state of confusion that statements are made about it that cannot be verified by the record.

The CHAIRMAN. The gentleman from Ohio [Mr. BOW] is recognized.

Mr. BOW. Mr. Chairman, I have never voted for foreign aid or foreign-aid funds. Today I shall vote for this amendment.

I shall vote for this amendment for this reason: This House last year authorized this legislation, served notice on the executive department and on the world that this fund would be available. I believe that to be responsible we must appropriate sufficient funds to carry it until such time as the regular committee can report its bill; so I will support this amendment, as I say, the first time I have supported such an amendment since I have been a Member of Congress.

If this were a vote to authorize the Fund, I would oppose it. I shall oppose it in the future. But I do not feel the Appropriations Committee can or should repeal by implication the action taken last year.

May I say I have made this decision without pressure from any source.

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

Mr. BOW. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, I want to add my word of support for this amendment. We all know that in recent months the free world has been much troubled by developments around the world, notably what many people call the Berlin crisis. In my opinion, we are going to win out in this crisis as we have in many others, and for one simple reason: That we in the United States with our free friends in the free world are operating from a position of strength. We have got that position not only because of our own strength here at home, but because of the strength of peoples friendly to us and the strength of our offshore operations, all of which are here involved.

The development loan proposition is better than the grant proposition, and I hope this amendment is adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. COFFIN].

Mr. COFFIN. Mr. Chairman, we are under some illusion in this body if we think we can do several things that have been held out to us as bait.

For one thing, we cannot declare a recess in this cold war, and if we do not vote for the pending amendment we are not so much putting the staff of the Development Loan Fund out to pasture as we are getting out of the process of encouraging our friends and allies throughout the world. We cannot recess this cold war for the next several months until we vote some money in the regular big bill. Neither can we save any money if we wait for the next 2 months and terminate our operations in the meantime. We will not save a dime by that action.

What the gentleman from Louisiana is suggesting to us, and I am surprised, is that despite the mechanisms we have devised to make loans, which ought to be contrasted with technical assistance, in defense support, and military aid, we ought to discard all of these tools and their legislative criteria and use these other funds for purposes for which they were not intended.

Let us use the tools we have devised in the way we planned to do.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Chairman, I find myself somewhat in the position of my friend from Ohio who just preceded me. I do not recall when I voted for mutual security, foreign aid, foreign relief, or any other type of program since I have been in Congress. I may very well vote against the foreign aid authorization bill again this year and against the appropriation bill, as I have done in the past. But at this particular time I am not willing to take out from our foreign policy, our foreign program, a part of this bill which I think is the very best part of the foreign aid program. I think that the idea of making loans to these people is a sound one, and I think it is much more appreciated and wins more friendship than the idea of grants anyway, particularly at this time, Mr. Chairman, when we are facing a crisis, as the minority leader has just said, when we are facing negotiations with our Communist enemies in the near future. I see no reason at all why the Committee of the Whole House, or anybody else, should take any action at this time which would in any way tend to give the impression to the Communist world that we are weakening in our attitude on this situation.

The CHAIRMAN. The Chair recognizes the gentlewoman from Georgia [Mrs. BLITCH].

Mrs. BLITCH. Mr. Chairman, 4 years ago I stood on the floor of this House for the first time and expressed my opposition to the idea of any program of foreign aid. I have heard nothing

thus far in this debate which has in any way changed my mind. I believe that the Members of this House overwhelmingly in their hearts realize that we have a bear by the tail and that we should turn it loose. We should turn it loose now.

We have just seen the Prime Minister of Britain coming over here and our own President indicating there will be a summit meeting. That summit meeting is to get Mr. Khrushchev off the hot seat in his own country and his satellite countries, and we know that Mr. Macmillan needs the prestige of the arrangement to help him in the coming elections. And here we are in the House of Representatives today backing it up with more money.

All of these things are not contributing to the peace and stability of the world.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BOLAND].

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

Mr. BOLAND. I yield to the gentleman from Pennsylvania.

Mr. TOLL. Mr. Chairman, the supplemental appropriation of $225 million for the Development Loan Fund, which the administration is asking the Congress to approve, is needed to keep a vital instrument in operation. The Development Loan Fund is one of the best ways we have to meet the challenge of the Communist threat in the economic field. In the Near East alone Soviet and Soviet-bloc aid to the Arab countries has exceeded a billion dollars. I do not have to spell out the political effect this Communist aid has had. We cannot permit our own program to be stalled for the next 5 months—and that is what will happen if we do not approve this appropriation—at a time when the Soviet economic offensive is going ahead at full speed. We must have the funds to strengthen our friends and provide them with the means to resist domination and to stay free.

The underdeveloped countries in Asia, Africa, and the Near East must have our help in order to achieve a satisfactory rate of economic growth. They must have our help to maintain their stability and independence. The loans made so far by the Development Loan Fund cover a wide variety of improvements: railways, highways, dams, irrigation, industrial development, telecommunications, and so on. They furnish the funds with which people can develop their own resources, raise living standards and reduce illiteracy. They contribute to the establishment of a sense of security and independence that enables these new governments to steer clear of Communist lures. Throughout the world the United States has been fostering progress and helping people to develop their economies. We have been making friends for freedom and showing people how they can help themselves without sacrificing their rights and their liberty.

Since it began operations, the Development Loan Fund has approved loans in 31 countries; it has committed all the money voted by Congress last year, and it now has a backlog of more than $1.5 billion of screened applications. The Development Loan Fund was a sound approach to our responsibility in aiding underdeveloped countries when it was authorized in 1957. It was encouraged to go ahead last year when it received an appropriation of $400 million with the understanding that a request for a supplemental appropriation would be considered if it should become necessary. That need has been amply demonstrated.

Unless we grant the supplemental appropriation, which is requested, we will be helpless to meet the Soviet economic offensive now being waged with great intensity in Africa and the Near East. At a time when the need is greatest and the tension is mounting, we shall be compelled to sit by with hands folded unless we give the Development Loan Fund the money it needs to operate. We do these things in our own selfish interests and for our own security, but in the larger sense we also have a moral imperative to help those who are willing to help themselves to become free, independent, and strong nations.

Mr. BOLAND. Mr. Chairman, I rise in support of the amendment. The gentleman from New York [Mr. ROONEY] and I are cosponsors of this amendment. Both of us served on the Subcommittee on Supplemental Appropriations that recommended $100 million to the full committee. Both voted against the successful effort of the gentleman from Louisiana [Mr. PASSMAN] to strike this amount from the bill when the full committee met last Friday.

Mr. Chairman, I am convinced that it would be a tragic mistake on the part of this Congress if it failed to provide sufficient funds for the Development Loan Fund to operate for the next 5 months before any additional moneys are voted for it in the fiscal 1960 budget.

This Nation is being challenged by Russia in all areas. But the success with which the Kremlin has entered the economic field should cause us deep concern. This is the place of the real cold war and if we fail to implement our efforts in the field of economic assistance to the less developed areas of the world, we, indeed, are asking for trouble. All over the world we will lose friends and we will be standing alone with few allies. We just cannot afford to get into this position. A common sense aid program that is envisaged by the Development Loan Fund is the answer to a wasteful, extravagant effort. This agency is now moving into the economic assistance arena with a program that promises to produce real results and give needed aid to the underdeveloped friendly countries throughout the world.

Mr. Chairman, I think that the majority of the Members of this House recognize the fact that this program is a program that is going to be with us for a long period of time, the mutual assistance program. The House recognized this a couple of years ago, when it authorized and created the Development Loan Fund. This is a fund which puts mutual security on a businesslike and on a sound basis. Now, all of the abuses that the gentleman from Louisiana complained about, and with some justification, have not occurred in this program we are now discussing. A great deal of them did occur in the Mutual Security Agency. There is no waste, no extravagance, no corruption in this particular development, and I challenge the gentleman from Louisiana to deny that fact.

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

Mr. BOLAND. I yield to the gentleman from Louisiana.

Mr. PASSMAN. This is a brand new baby.

Mr. BOLAND. Of course, it is a brand new baby. I recognize the fact that it is a brand new baby, and that is the reason we developed it. We created it to get away from the waste and corruption and graft that you so justifiably complain of. Here it is on a sound businesslike basis, and you continue to oppose it. The fact of the matter is that this is the best program that we have developed for mutual assistance ever since the program started.

The CHAIRMAN. The Chair recognizes the gentleman from Vermont [Mr. MEYER].

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

Mr. MEYER. I yield to the gentleman from New Jersey.

Mr. GALLAGHER. Mr. Chairman, I rise in support of the Rooney amendment offered to restore $100 million Development Loan Fund to the second supplemental appropriations bill. This program is charged with carrying forward a vital aspect of foreign policy in many critical areas of the world. If disallowed the program would be threatened with a virtual shutdown for half a year or more—and a probable loss of momentum that would take much longer to regain.

The Development Loan Fund concentrates in accelerating growth in the less developed economies of the world. It is the principal instrument of the U.S. Government charged with this objective. The Development Loan Fund supplements, and does not compete with, other sources of capital in the free world.

If this program is discontinued at this time it will be a great boon to the Soviet Union. Communist leaders recognize the profound urge for economic progress in the less developed areas and they see the opportunity to woo uncommitted governments with substantial offers of aid. They support development for their own particular purposes. The success of U.S. aid to less developed countries has been underlined by the decision of the Soviets in recent years to extend an increasing volume of credits to selected countries for development purposes. Recent Soviet announcements predict increased economic competition with the free world and a stepped-up foreign aid program.

It is in the long-range interest of the United States that the less developed countries not lack alternatives to acceptance of Soviet offers. The long-range

interests of the United States require that it become identified with reasonable economic aspirations of developing peoples.

Much has been made of the fact that the Development Loan Fund has not actually expended much of its present $700 million fund and that a third of it is not even technically obligated. Many Federal programs are set up like this with a long leadtime built into them. Virtually every penny of the Fund's money is now firmly committed and applications, carefully screened, are on hand for many times the $100 million in new authority sought for the current year.

Because of the vital importance to our foreign economic objectives a supplemental appropriation for fiscal 1959 of $100 million is now desperately needed for the continuance of the Development Loan Fund. Having assumed the leadership of the free world, it is now no time to relinquish the responsibilities of leadership at the very moment the Soviet Union makes its challenges on the economic front. This program is fiscally sound, in the interest of the free world. It is wholly within the precept that the United States leads the free world with conscience, responsibility and farsightedness. It is a vote for our national interest and the continued security of the free world.

Mr. MEYER. Mr. Chairman, in our desire to economize we are always out looking for dragons. I think sometimes projects such as this Development Loan Fund are more nearly small lizards or small rabbits, and I think it might be well to consider that the entire business of our Defense Establishment is the large dragon. I am not suggesting that we kill dragons or lizards, but I suggest we keep them all under control and well regulated. Therefore, I rise in favor of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, right now I have a report before me showing what the Soviet has done along this particular line: $626 million to Egypt; $120 million to Iraq; $323 million to Syria; $304 million to India; $364 million to Indonesia.

Unless we adopt this amendment we are going to fade out of the picture in our race to maintain the free world and keep things right side up. Now, let us vote the amendment through and go on doing our job.

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

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

There was no objection.

Mr. PELLY. Mr. Chairman, as I understand, since the Development Loan Fund was launched in mid-1957, commitments totaling nearly $700 million have been made. The supplemental appropriation under the Rooney amendment would add $100 million to the Fund for the current fiscal year. Then, in turn, $700 million is being sought for fiscal 1960.

I do not think that I can agree with those who are confident the taxpayers' money loaned under this Development Fund program constitutes bankable transactions in the ordinary sense. Or at least I have read that such is not the case.

However, the point I want to make is that for its 30-year credits to foreign governments, I understand the Fund has been asking no more than 3½ percent. In contrast, the U.S. Treasury has had to pay 4 percent on $500 million of 10-year bonds in the past few days and for 30-year bonds I would guess the current legal ceiling of 4¼ percent would hardly be high enough to attract investors.

I will support the amendment to add $100 million, but I would like to limit loans to the rate of interest which the Treasury finds it necessary to pay. I would put in an amendment to this effect except under the rules I realize a point of order would be raised against it as being legislation on an appropriation bill. Recently on the domestic scene the rural electrification representatives meeting here in Washington were unhappy when it was suggested they should borrow from the Treasury at no less than the rate the Federal Government pays. I do not blame them for being unhappy when others are doing the same thing. I am for a requirement that in all cases the Federal Government obtains the same rate that it pays for a comparable borrowing.

Yesterday, it was pointed out in this House that under the new so-called community facilities proposal the Federal Government would be called upon to make $1 billion of long-term loans to municipalities at an interest rate of 2⅞ percent. The Government would borrow at 4 percent and lend at 2⅞ percent. As I see it, each situation like this is forcing the United States to increase its debt and the more the Government borrows the higher the rate of interest it must pay. The annual budgetary $8 billion interest will soon be $9 billion, and that means, or should mean, more taxes. As long as there is available a premium or subsidy by way of a special discriminatory low interest rate, there will be a demand for Federal loans. I believe this special treatment should be removed and the only way to remove it is to provide that the Secretary of the Treasury establish a schedule of interest rates from time to time which the Government finds it necessary to pay on new issues and to charge those same rates to others. All current loans made by the Treasury should be in accordance with what the Treasury has to pay.

However, I would not raise the rate to our own domestic borrowers, or agencies, if we did not likewise treat foreign governments the same way. If we must discriminate, we should do it in our own favor.

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

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

There was no objection.

Mr. LINDSAY. Mr. Chairman, I rise in support of the amendment offered by my colleague from New York [Mr. ROONEY] appropriating $100 million for the Development Loan Fund. A continuation of the Fund's operation is absolutely essential to the success of our foreign policy. The President and the Secretary of State, plus the leaders of the Congress from both sides of the aisle have said this emphatically. Can there be any doubt about it in this day and age when the struggle for freedom in so many countries of the world hangs in such delicate balance?

The underdeveloped countries of the world cry out for our help and the least we can do is to be their banker to encourage them to help themselves. This is not a grant program but a loan program and it strikes me as strange that it should be argued that this is a continuing drain, with no return, on our resources. In the whole package of foreign assistance programs this is the most sensible. Witness the fact that several Members of this body who have continually voted against all foreign aid measures in the past rise in support of this one.

Let us support the President and do right by ourselves and our friends abroad by voting for the amendment.

Mr. O'HARA of Illinois. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

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

There was no objection.

Mr. O'HARA of Illinois. Mr. Chairman, as a member of the Committee on Foreign Affairs, my time largely occupied with the international problems that vex us, I feel that this is a time for frank talking. As the chairman of the African Subcommittee I am deeply concerned by the stepped-up program of the Soviet in offering loans on very easy terms to any of the African countries that will accept them. We operate under the great disadvantage of not being in position promptly to offer loans to countries that have immediate requirement for development funds and which if they cannot turn to us can be expected ultimately to accept what the Soviet has placed within its reach.

In the last year the Communists, worldwide, have made in excess of $1 billon in such loans. I am certainly no alarmist, but I am gravely concerned that we will lose the awakening continent of Africa if the development loan fund is stopped cold in its tracks by failure to include at least $100 million, which is a pitiful amount to meet the $1 billion challenge of the Soviet.

I am convinced that when the Development Loan Fund is better understood by the American public it will have the enthusiastic approval of all thinking persons. The trouble is it is confused with the grants and aids in the period prior to the establishment of the Development Loan Fund just 14 months ago.

In the 14 months of its operation the Development Loan Fund has justified my prediction in the 85th Congress that it

would prove as sound as the program that started with the establishment of the Export-Import Bank. In the 85th Congress I stated that one of the great merits of the Development Loan Fund was the prospect that it ultimately would take in large measure the burden of foreign economic aid from the shoulders of the American taxpayer. This I said would be accomplished by revolving funds of local currency in the various areas of the world where it operated.

It is just this simple: A loan is made, we will say to Nicaragua. The loan is made in American money and the repayment of the loan may be in local currency. The local currency received in the repayments on the loan will go into a revolving fund for further loans in Nicaragua. These new loans will be made in local currency from the revolving fund and they will go into developments in which there is no requirement for American money because all the labor and materials are obtainable in that country. Thus, little by little the demand upon the American Treasury will be reduced and ultimately almost entirely removed. To me it is so simple and its logic so understandable that I was surprised that some of my colleagues made statements implying that everything that I had said along this line was not exactly the fact.

Mr. Chairman, this morning the Honorable C. Douglas Dillon, Under Secretary of State for Economic Affairs, appeared at an open session of the Committee on Foreign Affairs. I asked him to make it crystal clear whether the Development Loan Fund in the 14 months of its existence had proceeded with this objective in mind. He stated positively that revolving funds of local currency in the various countries of the world was the objective and that he was satisfied from the progress already made that that objective would be reached. When today's hearing is printed I hope that my colleagues will turn to the page in the report where Mr. Secretary Dillon makes this statement. Secretary Dillon is no visionary. His experience as a banker certainly qualifies him to speak with authority on banking matters.

The fact is that the loans from the development loan fund are as sound as the loans made by the Export-Import Bank and the World Bank. They have to pass the same rigid banking tests. The only difference is that they may have longer terms and may be made repayable in local currency. In all other respects they are as sound as the loans of the Export-Import Bank and those of the World Bank. Now it follows that if the local currencies received in the repayments are put into revolving funds in the countries where those local currencies are generated there will be a continuing supply of credit for further developments of a sound nature in that country.

All we are doing is following in a general way the pattern of our own banking system in having available in local funds a source of credit for local businesses and needs.

The defeat of the Rooney amendment would be a disastrous blow. Being especially alert to the situation in Africa, where there is a dynamic urge to go forward rapidly, I would be most fearful of the repercussions on that continent that would follow the abrupt halting of the Development Loan Fund.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that the time allotted me be yielded to the gentleman from Massachusetts [Mr. McCORMACK].

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

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, the amendment offered by the gentleman from New York [Mr. ROONEY] simply carries out the action taken by the subcommittee that considered this matter. When the subcommittee reported to the full committee the bill carried $100 million. The subcommittee report included that, stating the reasons for it. The committee print carried the $100 million item. It was when this bill got to the full committee that the item was stricken out. So, the subcommittee that considered the evidence, that heard the witnesses, recommended the item being carried in the appropriation bill in the sum of $100 million, and all we are doing is supporting the subcommittee. And, I think the judgment of the subcommittee is wise. I think the judgment of the subcommittee is sound. The thing for you and me to do, whether Democrat or Republican in these trying days, but over and above that, as Americans, is to vote in the manner that we consider to be in the national interest of our country. And at a time when things are picking up in Indonesia, at a time when other countries recently emerged from colonialism are commencing to realize the danger of Communist colonialism and ruthlessness, for us to refuse to approve this amendment today providing $100 million would, in my opinion, be inconsistent with the best interests, the national interests, of our country. As the leader of my party I urge the Members on my side to vote for this amendment.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. McCORMACK] has expired. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. ROONEY].

The question was taken; and the Chair announced that the "ayes" appeared to have it.

Mr. THOMAS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROONEY and Mr. THOMAS.

The Committee divided; and the tellers reported that there were—ayes 191, noes 85.

So the amendment was agreed to.

The Clerk read as follows:

SHIPS AND FACILITIES

For an additional amount for "Ships and facilities", $18,000,000.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and be open to amendment at any point.

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

There was no objection.

The CHAIRMAN. Are there any points of order to the bill? If not, the Chair will recognize Members to offer amendments.

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

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 14, line 10, insert after the comma and before "$25,000,000", "$75,300,000, of which"; strike out the comma after "$25,000,000" and insert the words "shall be".

On line 13, strike out the period and insert the following: "; $37,000,000 shall be for grants to States and loans to nonprofit private schools for science, mathematics, and modern language teaching facilities; and $2,000,000 shall be for grants to States for testing, guidance, and counseling."

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

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

There was no objection.

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

Mr. FOGARTY. I yield.

Mr. THOMAS. Does the gentleman's amendment restore the entire budget estimate of $75 million for the program?

Mr. FOGARTY. This is exactly the language that was presented to the committee by the Bureau of the Budget and by the Department of Education. Last year the Defense Education Act was passed after months of hearings and due deliberations. If there ever was a nonpartisan effort which was more successful in the last Congress I am not aware of it. I do not know what act had that kind of cooperation. I think the gentleman from Alabama [Mr. ELLIOTT], the gentleman from New York [Mr. WAINWRIGHT], the gentleman from West Virginia [Mr. BAILEY], the gentleman from New Jersey [Mr. FRELINGHUYSEN], and all those who spoke on both sides of the aisle last year to get the Defense Education Act passed deserve a tremendous amount of credit for the wonderful work they did, working together and making compromises and coming out with a bill to meet the President's request. The President signed the Defense Education Act. So what happened? The President made a firm statement a year ago as to this act. Mr. Folsom was then Secretary of Health, Education, and Welfare. He spent months on it. Thirty or forty national organizations, teachers and parent-teachers and all the groups of that kind came in and endorsed the legislation. The bill was passed and signed into law. The initial request for funds to operate in this fiscal year, 1959, did not come to our committee because we

were too close to adjournment. As a result, the request was made to the other body. Then the committee, which, incidentally did not handle these original requests, met with the other body and came out with a compromise. We were so close to the adjournment that the request went to the other body. The matter was not given extensive hearings in that body. They came back with a conference report, and after a conference was held, $40 million was agreed upon for 1959 with the understanding that if this was not enough, the Department was to come back and ask for more. We had authorized $183 million to be expended in this year, 1959, and only $40 million was appropriated at that time with the understanding that they come back and ask for more. So the Department of Education came to this new deficiency committee and made a request that had been approved by the Bureau of the Budget and by the President asking for $75,300,000 which is still only about two-thirds of what was authorized. But, the Committee on Deficiencies cut this request of $75,300,000 down to $25 million for the loan provisions. I think that is good in itself but it does not go far enough. I do not believe the administration asked for enough for loans. I think they should have asked for more. They have more applications for loans now than the administration is asking for and than this committee has allowed. So all my amendment does is to restore the amount that has been approved by the Bureau of the Budget and by the administration to run this program until June 30 of this fiscal year before the fiscal year 1960 starts.

When the facts are known I am confident that the Members of the House will refuse to accept these recommendations and will show their determination to give this vital program a strong vote of confidence which is urgently needed if we are to carry out our commitments under the National Defense Education Act. It is inconceivable to me as a member of the committee and as chairman of the subcommittee which regularly handles the vital programs that the Congress would want to cripple this program just as it needs to get off the ground and to accomplish the purposes which the Congress recognized and authorized last year. The President recommended a supplemental sum of $75 million for this fiscal year to be added to $40 million previously made available by the Congress as a stopgap appropriation on the last day of the session last year. In recognizing the urgent need for additional funds this year the President has indeed exercised due deliberation called for by the committee in requesting only the amounts actually needed to complete the program for the first year. The Congress provided time for this deliberation by appropriating last September only enough to begin operation this first year.

I call to your attention the fact that the Congress authorized appropriations in the National Defense Education Act for the current fiscal year amounting to $183 million. The funds requested by the administration will provide a total for the year of $115 million or 63 percent of the total amount authorized. The Department has testified that the amounts recommended for completion of the first year's program in many cases are considerably less than the States and institutions can effectively use to initiate the program this year. Therefore, the administration has submitted very conservative estimates of requirements. However, these requests of the President would be sufficient in every instance to make an effective start on all phases of the National Defense Education Act this year. By sharp contrast the action of the committee in allowing only one-third of the total amounts authorized by the law would starve the programs before they get going and would provide for effective operation of only one of the titles of the National Defense Education Act, that dealing with student loan programs. It must be obvious to the members of the committee that if we are to encourage able and needy students to borrow funds to go to college we must strengthen the supporting school programs to be sure that the students are ready and able to do good college work.

The Subcommittee on Appropriations which I head, when conducting hearings on the Department's programs for fiscal year 1960, gave considerable attention to the National Defense Education Act and to the requirements for the programs for fiscal year 1959. It was brought out in this hearing that the budget request for this program has been carefully evaluated and pruned at all levels of approval in the administration and that in no instance has the administration requested funds which are not needed to provide effective operation of the defense education program. I can assure the Members of the House that in my own opinion after careful review of these programs and extensive questioning of witnesses from the Department that the budget requests of the administration are conservative and well below the program levels authorized by Congress. This minimum request deserves strong bipartisan support to show the Nation and our teachers and students that we support this program and that Congress can be relied upon to live up to its obligations. State education agencies—and 45 of the State legislatures—have been working hard to get State plans ready for these programs. They have been fired with enthusiasm which we will either encourage or reject by our action today.

An example of the adverse action which the committee has recommended is found on title III of the National Defense Education Act which provides for the strengthening of instruction in our schools in the fields of science, mathematics, and foreign languages, which are the subjects recognized by all authorities to be most critical in our national defense and security. The Congress authorized $70 million to be appropriated for this purpose this year. The initial appropriation of $19 million was sufficient only to enable the States to make a very meager start for the purchase of vitally needed equipment to provide school laboratories with the materials essential to effective teaching. For example, it was reported to the committee that only 60 high schools in the Nation are adequately equipped to teach foreign languages through the use of new recording devices; and only one out of five classrooms is adequately equipped for the teaching of modern science. Funds requested by the administration would have provided for an additional $37 million for this purpose and the committee disapproved this request in its entirety. There is no excuse for further delay in appropriation of these funds. As a matter of fact, the States are guaranteed 2 years in which to submit plans to use the funds appropriated this year, and the denial of this supplemental request will cripple this program in every State. I urge each and every Member to become familiar with the amounts to be denied to his State and the children of his State if these funds are not restored.

Another example of the drastic effect of the committee's recommendations is seen in the elimination of all funds requested for national defense fellowships. The act clearly authorizes 1,000 fellowships to be awarded in fiscal year 1959, and 1,500 in each of the 3 succeeding years to strengthen the teaching staffs of our colleges and universities. Available funds will cover only 150 of these fellowships this year. The effect of the committee therefore is to limit this program in the first year to 15 percent of its effectiveness. The Office of Education has ready to release, as of this moment, the awards of 850 fellowships which have been carefully screened from 6,000 applications submitted for consideration. I have here a list of the institutions which would receive these awards. This program must not be crippled at this critical time when the country desperately needs more able and qualified teachers in our colleges and universities.

Likewise, the funds eliminated from the programs authorized under title V for the improvement of counseling and guidance services will seriously retard the States and educational institutions in achieving results mandated by the Congress. Some 200,000 bright and able students discontinue their education each year and this drain on our resources will not be stopped until we take action to identify their abilities and encourage them to continue their schooling. The Congress authorized $15 million to be appropriated for grants to States and an additional $6,250,000 for training institutes to be approved this coming year. The budget request of the administration would provide for less than half of the funds authorized for grants to States and for counseling and guidance institutes. The Office of Education has received applications from 300 institutions to run summer and fall institutes and only a small fraction of these can be approved. Clearly the action of the committee in eliminating all supplemental funds will restrict this activity at a time when the States and institutions have every reason to expect the Congress and the Federal Government to give the support promised in the National Defense Education Act.

Title VI of the National Defense Education Act authorizes $15,250,000 for the development of language teaching in our schools by establishing training centers and institutes for teachers and research in new materials and methods. The Office of Education now has available only $800,000 to initiate this extensive program. The supplemental funds would have provided for a total appropriation this year of only $5 million—or one-third of the authorization—to get this vital program initiated. For example, the funds available now will cover the operation of only four summer institutes in language instruction, whereas the Office of Education has received applications from 270 institutions who are ready to initiate institutes for improving the instruction of languages in their States. We know that the Nation is desperately in need of more adequate instruction in foreign languages so that we can work for the friendship and cooperation of billions of people who are now the target of Communist domination. The Commissioner of Education has found that 50 languages each spoken by some 2 million or more native peoples are not taught anywhere in the United States.

Title VII of the National Defense Education Act authorizes $3 million for research in new educational media such as educational television. The administration request for a supplemental budget of $1 million together with funds available would have provided only half of this amount. The Office of Education now has ready for approval 20 vital projects which have been carefully screened by an advisory group which reviewed over 200 project proposals to improve our knowledge of educational methods in the field of television and related media. It would be short-sighted and damaging to education to deny these funds now.

The action of the committee in rejecting funds for the improvement of State statistical services is merely a denial of interest in improving the ability of the States to report the basic facts about education. We in the Congress have, time and again, criticised the Office of Education for the inadequacies of its information about the conditions of education in this country. If we deny these funds, we must be ready to accept the blame for continuation of these deficiencies.

In conclusion, I believe the Members of the House will agree with me that this committee recommendation strikes a blow at the confidence of the States and institutions in this program which we as Members of Congress voted in overwhelming numbers last year. In enacting the Defense Education Act we expressed a far-reaching national interest and concern about the deficiencies in our educational system which weaken our national defense. If we now turn our backs on our schools and the schoolchildren of this country we will have undermined the confidence and respect which we have encouraged and invited through passage of the National Defense Education Act. I do not believe the Congress wishes to repudiate itself in this way.

Therefore, I am offering this amendment to restore to the bill the $50.3 million requested by the President and eliminated by the committee.

Mr. Chairman, I insert in the RECORD at this point a tabulation showing the amounts of funds which would be denied to the States should my amendment not carry. Conversely, should my amendment carry these are the amounts which they will receive:

*Funds to be allotted to the States under proposed amendment by Mr. Fogarty*

| State or Territory | Title III | | Title V |
|---|---|---|---|
| | Financial assistance for strengthening science, mathematics, and modern foreign-language instruction | | Part A Guidance, counseling, and testing; identification and encouragement of able students |
| | For acquisition of equipment and minor remodeling | For loans to nonprofit private schools | |
| Aggregate United States | $32,560,000 | $4,440,000 | $2,000,000 |
| Continental United States | 31,820,000 | 4,364,122 | 1,960,000 |
| Alabama | 942,815 | 22,834 | 43,524 |
| Arizona | 280,613 | 19,924 | 14,286 |
| Arkansas | 519,100 | 8,628 | 23,964 |
| California | 1,605,000 | 242,700 | 148,189 |
| Colorado | 328,780 | 29,774 | 19,407 |
| Connecticut | 261,213 | 68,798 | 24,118 |
| Delaware | 50,463 | 14,040 | |
| Florida | 723,063 | 41,275 | 42,910 |
| Georgia | 1,093,653 | 14,512 | 50,489 |
| Idaho | 177,542 | 5,541 | 8,449 |
| Illinois | 1,148,574 | 408,809 | 103,999 |
| Indiana | 848,029 | 96,886 | 52,844 |
| Iowa | 592,805 | 69,336 | 32,515 |
| Kansas | 419,323 | 37,030 | 24,272 |
| Kentucky | 872,937 | 63,219 | 40,299 |
| Louisiana | 881,804 | 106,254 | 40,709 |
| Maine | 214,678 | 30,405 | 11,163 |
| Maryland | 492,063 | 94,338 | 33,335 |
| Massachusetts | 636,662 | 204,502 | 51,564 |
| Michigan | 1,308,964 | 235,648 | 91,352 |
| Minnesota | 713,297 | 116,290 | 39,633 |
| Mississippi | 668,840 | 16,458 | 30,877 |
| Missouri | 724,793 | 116,884 | 46,444 |
| Montana | 145,930 | 14,827 | 8,244 |
| Nebraska | 296,070 | 37,531 | 16,386 |
| Nevada | 31,063 | 3,206 | |
| New Hampshire | 109,128 | 28,478 | 3,365 |
| New Jersey | 639,441 | 232,294 | 59,040 |
| New Mexico | 255,108 | 21,351 | 11,777 |
| New York | 1,811,859 | 665,604 | 167,289 |
| North Carolina | 1,299,962 | 12,492 | 60,013 |
| North Dakota | 181,901 | 14,577 | 8,398 |
| Ohio | 1,448,521 | 276,237 | 104,921 |
| Oklahoma | 557,800 | 14,781 | 27,703 |
| Oregon | 331,758 | 24,205 | 20,483 |
| Pennsylvania | 1,830,126 | 453,549 | 122,075 |
| Rhode Island | 120,973 | 41,266 | 8,909 |
| South Carolina | 739,833 | 7,571 | 34,154 |
| South Dakota | 187,459 | 12,353 | 8,654 |
| Tennessee | 963,878 | 23,612 | 44,498 |
| Texas | 2,164,347 | 105,754 | 113,574 |
| Utah | 240,749 | 3,874 | 11,470 |
| Vermont | 90,260 | 14,698 | |
| Virginia | 908,175 | 36,650 | 46,086 |
| Washington | 469,868 | 38,115 | 31,492 |
| West Virginia | 582,323 | 12,511 | 26,883 |
| Wisconsin | 764,873 | 179,973 | 45,010 |
| Wyoming | 68,714 | 3,391 | |
| District of Columbia | 74,870 | 21,137 | 5,234 |
| Outlying parts of the United States | 740,000 | 75,878 | 40,000 |
| Alaska | 30,000 | 1,696 | 5,000 |
| Canal Zone | 30,000 | 417 | 5,000 |
| Guam | 30,000 | 2,067 | 5,000 |
| Hawaii | 94,925 | 24,779 | 4,589 |
| Puerto Rico | 525,075 | 44,769 | 15,411 |
| Virgin Islands | 30,000 | 2,150 | 5,000 |

Also I will insert in the RECORD at this point a statement of the fellowship awards to be made under title IV if my amendment is accepted:

*Proposed graduate fellowships, Title IV, National Defense Education Act of 1958—1959–60*

| State and institution | Authorized [1] (under present funds) | Total number of fellowships (under present and supplemental funds) |
|---|---|---|
| Alabama: | | |
| Alabama Polytechnic Institute | 4 | 8 |
| University of Alabama | | 11 |
| Arizona: University of Arizona | 4 | 16 |
| Arkansas: University of Arkansas | 3 | 12 |
| California: | | |
| California Institute of Technology | | 2 |
| University of California (Berkeley) | 2 | 13 |
| University of California (Davis) | | 2 |
| University of California (Los Angeles) | | 15 |
| Claremont Graduate School | | 9 |
| Occidental College | | 9 |
| University of Southern California | | 8 |
| Stanford University | 3 | 18 |
| Colorado: | | |
| University of Colorado | 5 | 12 |
| Colorado State University | 3 | 7 |
| University of Denver | | 5 |
| Connecticut: University of Connecticut | | 14 |
| Delaware: University of Delaware | 3 | 5 |
| District of Columbia: | | |
| American University | | 5 |
| Catholic University | 2 | 2 |
| Howard University | 3 | 3 |
| Georgetown University | | 5 |
| George Washington University | | 8 |
| Florida: | | |
| Florida State University | 6 | 20 |
| University of Florida | | 7 |
| University of Miami | | 4 |
| Georgia: | | |
| Emory University | 3 | 7 |
| Georgia Institute of Technology | | 9 |
| University of Georgia | | 6 |
| Hawaii: University of Hawaii | 3 | 8 |
| Idaho: University of Idaho | 2 | 15 |

[1] 10 additional fellowships have been authorized to allow for nonacceptance.

*Proposed graduate fellowships, Title IV, National Defense Education Act of 1958—1959-60*—Continued

| State and institution | Authorized (under present funds) | Total number of fellowships (under present and supplemental funds) |
|---|---|---|
| Illinois: | | |
| University of Chicago | | 8 |
| Illinois Institute of Technology | | 3 |
| University of Illinois | | 13 |
| Loyola University | | 4 |
| Northwestern University | 2 | 8 |
| Southern Illinois University | | 4 |
| Indiana: | | |
| University of Indiana | 5 | 20 |
| Notre Dame University | | 6 |
| Purdue University | | 7 |
| Iowa: | | |
| State University of Iowa | 2 | 8 |
| Iowa State College | | 2 |
| Kansas: | | |
| Kansas State College | 2 | 9 |
| University of Kansas | | 14 |
| Kentucky: | | |
| University of Kentucky | 2 | 13 |
| University of Louisville | | 2 |
| Louisiana: | | |
| Louisiana State University | | 8 |
| Tulane University | 4 | 19 |
| Maine: University of Maine | | 10 |
| Maryland: | | |
| Johns Hopkins University | 3 | 9 |
| University of Maryland | | 5 |
| Massachusetts: | | |
| Boston University | | 7 |
| Brandeis University | | 3 |
| University of Massachusetts | | 10 |
| Tufts University | | 3 |
| Worcester Polytechnic Institute | | 1 |
| Massachusetts Institute of Technology | | 4 |
| Michigan: | | |
| University of Michigan | 4 | 8 |
| Michigan State University | | 8 |
| Wayne State University | | 3 |
| Minnesota: University of Minnesota | | 17 |
| Mississippi: | | |
| Mississippi State College | | 11 |
| University of Mississippi | 4 | 11 |
| Missouri: | | |
| University of Missouri | 8 | 10 |
| St. Louis University | 5 | 5 |
| Washington University | | 12 |
| Montana: Montana State University | 3 | 12 |
| Nebraska: University of Nebraska | | 8 |
| Nevada | None | None |
| New Hampshire | None | None |
| New Jersey: | | |
| Rutgers University | | 9 |
| Stevens Institute of Technology | | 3 |
| New Mexico: | | |
| New Mexico State University | 5 | 5 |
| University of New Mexico | | 7 |
| New York: | | |
| Alfred University | | 4 |
| Brooklyn Polytechnic Institute | | 8 |
| University of Buffalo | | 3 |
| Columbia University | | 3 |
| Cornell University | | 11 |
| New School for Social Research | | 4 |
| New York University | 3 | 3 |
| Rensselaer Polytechnic Institute | | 5 |
| New York—Continued | | |
| University of Rochester | | 8 |
| Union Theological Seminary | | 5 |
| North Carolina: | | |
| Duke University | 3 | 15 |
| North Carolina State University | | 15 |
| University of North Carolina | 2 | 13 |
| North Dakota: | | |
| University of North Dakota | | 4 |
| North Dakota Agricultural College | 4 | 4 |
| Ohio: | | |
| University of Cincinnati | | 4 |
| Ohio University | | 10 |
| Western Reserve University | | 3 |
| Oklahoma: | | |
| Oklahoma State University | | 15 |
| University of Oklahoma | 3 | 12 |
| Oregon: | | |
| Oregon State College | | 6 |
| Oregon State College and Linfield College | | 3 |
| University of Oregon | 4 | 18 |
| Pennsylvania: | | |
| Bryn Mawr | | 3 |
| Carnegie Institute of Technology | | 5 |
| Dropsie College | | 3 |
| Lehigh University | | 1 |
| Pennsylvania State University | 3 | 8 |
| University of Pennsylvania | | 11 |
| University of Pittsburgh | 3 | 3 |
| Rhode Island: | | |
| University of Rhode Island | 4 | 4 |
| Brown University | | 8 |
| South Carolina: | | |
| Clemson Agricultural & Mechanical College | | 8 |
| University of South Carolina | 3 | 3 |
| South Dakota: South Dakota State University | | 4 |
| Tennessee: | | |
| George Peabody Teachers College | 3 | 7 |
| University of Tennessee | | 12 |
| Vanderbilt University | 4 | 16 |
| Texas: | | |
| Baylor University | | 4 |
| Rice Institute | | 5 |
| University of Texas | 3 | 10 |
| Texas Agricultural & Mechanical | 4 | 12 |
| University of Houston | | 4 |
| Texas Technical College | | 3 |
| Utah: | | |
| Brigham Young University | | 1 |
| University of Utah | | 14 |
| Utah State University | 4 | 4 |
| Vermont: University of Vermont | 2 | 5 |
| Virginia: | | |
| Virginia Polytechnic Institute | | 9 |
| University of Virginia | 3 | 17 |
| Washington: | | |
| State College of Washington | | 7 |
| University of Washington | 2 | 20 |
| West Virginia: West Virginia University | 2 | 4 |
| Wisconsin: University of Wisconsin | 3 | 6 |
| Wyoming: University of Wyoming | 3 | 9 |
| Total fellowships | 160 | 1,000 |

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

Mr. FOGARTY. I yield.

Mr. LAIRD. Is it not true that since this particular program was authorized our subcommittee has never had an opportunity to include any part of this Defense Education Act funding in a regular appropriation bill. The Department of Health, Education, and Welfare has recently, in appearances before our subcommittee, not only fully justified their request for funds in this supplemental or deficiency bill, but also the funds requested in their regular appropriation bill for fiscal year 1960. It is regrettable that our subcommittee has not had full opportunity to report on this program.

Mr. FOGARTY. No; we have not, except in this way, that when the Department of Education appeared before our committee a few weeks ago for the 1960 appropriation request they were asked to detail what they needed to operate with in 1959. A great many of the questions that were asked by the Deficiency Committee were also asked in our committee, and we received the same answers; and that is why I am here today as chairman of that committee making this request for the full $75 million.

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

Mr. FOGARTY. I yield.

Mr. JONAS. As long as the gentleman is at this point, how much is needed for this program for the fiscal year 1960?

Mr. FOGARTY. $150 million is being asked for 1960.

Mr. JONAS. For the fiscal year which begins July 1, 1959?

Mr. FOGARTY. Yes. Everyone should understand that this is only a 4-year program—$183 million is authorized for fiscal year 1960, and $222 million is authorized for appropriation in fiscal year 1960.

Mr. JONAS. It is $160 million.

Mr. FOGARTY. And of the $183 million authorized for 1959 we appropriated $40 million. The budget request was for an additional $75 million. This made a total of $115 million out of $183 million authorized.

But this committee which is reporting to the House now with $40 million plus $25 million, makes only $65 million or about one-third of what Congress authorized to be expended in this fiscal year, 1959, and that is the request that we have before us now, one-third of what the administration has asked for to run this particular program.

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

Mr. FOGARTY. I yield.

Mr. GROSS. Does this provide funds for the employment of this American Institute for Research in the so-called testing program?

Mr. FOGARTY. This provides funds for counseling and testing services to be performed under supervision of the States as well as for institutes to be conducted by higher education institutions.

One of the main reasons the act provides funds for counseling and testing is that when Secretary Folsom was in office he formulated this plan and one of the strongest points he had to make was based on the fact that about 200,000 school children drop out of school every year in this country because they do not have the advantage of the counseling service that is carried on in some areas, as the gentleman from Massachusetts [Mr. BOLAND], mentioned.

Mr. GROSS. Having had some experience with this American Institute for Research is one of the strongest reasons why I would not vote for an amendment of this kind.

Mr. FOGARTY. May I say to the gentleman from Iowa, that these funds are going to be administered by the State. The criteria are set by the local school committees; the Federal Government had no control of any kind over the criteria set up or the standards developed or the tests administered within the State, the city, or the school district.

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

Mr. FOGARTY. I yield to my chairman, certainly.

Mr. THOMAS. Mr. Chairman, we have heard about this program a great deal. It is brand new. It started out last year and we gave it just enough funds to get started. I happened to sit on the conference that started the program off. We gave it a bare minimum.

There are eight programs wrapped up in one. There is one for grants to schools for scientific equipment. It is the biggest item in this paragraph, about $32 million.

The gentleman mentioned the testing program. That is something else.

There is an item of $4,500,000 for scholarships.

As far as I am concerned, I recognize the temper of the House when I see it.

If there is no objection on the part of the committee, we will accept the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY].

The amendment was agreed to.

Mr. ROOSEVELT. Mr. Chairman, it seems incomprehensible to me that in 1959 there is a possibility that we shall start to undo what we recognized was so important to do in 1958 through the passage of the National Defense Education Act. And undo it we shall if we allow to stand the suggested cut in the supplemental funds request. Since the administration's request for an additional $75 million is a minimum request, certainly cutting it by $50 million would be highly unfortunate, to put it mildly.

When the National Defense Education Act of 1958 became law, we were, in effect, telling the American people, educators and our able and deserving young college students: "Here, we have at least given you a minimum program geared to improving instruction and student opportunity. We do this because we recognize the need to improve our educational programs in order to have additional and qualified mathematicians, scientists, and foreign-language experts. We, like you, recognize the educational and international challenges facing our Nation."

Are we now to tell them: "You have accepted this program; so much so, that its very success in its initial stages has resulted in the need for additional funds that will help do the job of continuing an effective and stable program. Therefore, to offset this success we now say to you that we shall cut off needed funds."

Mr. Chairman, this to me is illogical.

Certainly, it cannot be chalked up to mere fiction that additional funds—in a reasonably realistic amount—are needed. This is a matter of recorded fact. I bring to your attention, for example, that in my State of California, the program, because of its success, is in need of supplemental funds as specified by Roy E. Simpson, State superintendent of public instruction.

Mr. Simpson, an elective official, holds a nonpartisan office. His concern with this problem of additional funds can in no way be charged to partisanship. His concern is as an administrator who must meet the demands of a program assigned to his office. I wish at this time to read his March 23 telegram directed to my office:

> Fifty percent of school districts representing 80 percent of schoolchildren enrolled have filed with the State department of education applications meeting requirements Public Law 864 and California State plans, totaling in excess of $3 million of Federal funds for fiscal 1959 for title III, $590,000 for title V.
>
> Supplementary appropriations now before Congress essential to enable California school districts to finance programs developed under Public Law 864. Present allocations to California from initial congressional appropriation are $2,296,000 short title III and $198,000 short title V.
>
> Urge your active support full amount supplementary budget requested.

I further offer as additional evidence of the concern by those involved in the program, a telegram from Mr. Lionel De Silva, executive secretary of the California Teachers Association, southern section, in which he states:

> We urge you to support the restoration of the full amount of the President's request for the Defense Education Act. President's request was a minimum and should be used for all titles of act.

Mr. Chairman, the matter before us is a national issue in its truest sense; it is a nonpartisan issue; it is a major issue.

I therefore urge my colleagues to support the amendment restoring the minimum request of the administration.

Mr. DIXON. Mr. Chairman, I would like to join with those of my colleagues today who are asking Congress to restore the $50,300,000 supplemental appropriation for the National Defense Education Act.

In the report of the Appropriations Committee I note that the committee felt that Congress should proceed with "due deliberation before embarking on large scale support" of the fellowships, guidance, counseling and testing, languages and educational research.

While I acknowledge the advisability of studying thoroughly, I wish to point out that the National Defense Education Act was passed last August only after extensive hearings and debates in both Houses. I believe adequate study has been given to the implications and need for this act.

I also wish to remind the House that the reason for the passage of the National Defense Education Act, as its title implies, was to meet an emergency—the Russian challenge to our educational system. I hope that since sputnik we have not forgotten that education has become the balance point between the free world and communism.

If we fail to meet the challenge now, we may never get another chance. Emergencies demand fast and decisive action. We can lose the battle for educational know-how while studying and studying the best method of attack.

In approving only the $25 million supplemental appropriation for the student loan section of the act the committee has hit hard at the other vital emergency programs for which plans have already been completed in anticipation of the additional funds.

At the time critics of American education were demanding that the Nation do something about the challenge of sputnik, it was science, mathematics, and foreign language instruction which were deemed crucial areas needing greater emphasis.

Since Congress provided the first appropriation of $19 million for this area, over 31 States have submitted plans to the Office of Education for participation in the equipment grant program in these areas. The denial of the supplemental request of $37 million will cripple a program which I am confident could result in improved facilities and teaching quality of these subjects for many thousands of students.

Under the National Defense Act provision was also made for the establishment of language institutes, language centers and research to improve the skills and effectiveness of teachers. The initial appropriation of $800,000 will hardly launch the program if the additional $4,200,000 is not approved.

At the present time 232 applications have been received by the Office of Education for the establishment of language institutes, and 56 institutions expressed an interest in establishing language centers. At a time when America is linguistically backward I do not think we can in good conscience refuse the supplemental funds.

Nor do I see how we can justify refusing to appropriate $4,500,000 for the other 850 fellowships of the 1,000 which were to be authorized for this year or the refusal to appropriate $1,600,000 for desperately needed experimentation in educational uses of TV, movies, radio, and other media and the gathering of statistics which will serve as a valuable guide to our future efforts in education.

One way of identifying some of our country's best talent and developing it to its fullest is through testing, guidance, and counseling programs. The Office of Education states that 33 States have submitted plans to participate. The initial appropriation, plus the supple-

mental request of $2 million, would provide only about one-half of the authorized funds for this year.

A major difficulty of such a vast Federal program is to put it into effect quickly. At this time I would like to commend the Office of Education for its efforts in getting the benefits of this program through with such efficiency to the local level.

Students in my State of Utah have already received $60,460 under the student loan section of the bill and four fellowships, and $40,000 has been provided the University of Utah for a guidance and counseling institute this summer. Research in challenging the superior student by making the study of Russian available in the elementary school curriculum via television in the Salt Lake City schools has also been approved.

As a result of the Appropriations Committee's OK of the additional $25 million for student loans, an additional $246,879 will be available to needy Utah students.

Other funds under the initial appropriation which are available to Utah are: equipment to improve teaching of science, math, and modern languages for public schools, $123,628; loan for equipment to improve teaching of science, math, and modern language for private schools, $1,989; supervision and administration of science, math, and modern language program in the State, $20,000; general guidance and counseling, $30,-400; vocational program, $17,094.

If the supplementary appropriation is restored, Utah would also be eligible for $240,749 for the science, math, and foreign language area for public schools and $3,874 would be available for loans for this purpose to private schools; general guidance and counseling, $11,470; 15 fellowships.

Mr. RHODES of Pennsylvania. Mr. Chairman, I am pleased that the committee has included funds in this bill for grants to schools of public health, as authorized under legislation which I sponsored in the last Congress.

Mr. Chairman, never before has public health had such an important role to play in the protection of our citizens. We are concerned over problems of radioactive fallout, the presence of strontium 90 in milk, radiation hazards in industry, air and water pollution, accident prevention, health problems of the aged, mental illness, rehabilitation of the disabled, and chronic killers such as cancer and heart disease. Public health workers at all levels of government are daily engaged in efforts to solve these and other health problems of our modern civilization.

Public Law 85–544 was an attempt to provide an urgently needed expansion of our public health training facilities. It authorized an appropriation of $1 million for fiscal year 1959 and an equal amount for fiscal year 1960 to assist the 11 schools of public health in providing specialized training to public health doctors, nurses, engineers, and other preventive health personnel.

Mr. Chairman, these graduate schools of public health are located at the Universities of California, Columbia, Harvard, Johns Hopkins, Michigan, Minnesota, North Carolina, Pittsburgh, Puerto Rico, Tulane, and Yale. They train public health personnel for the entire Nation and for many foreign countries.

The purpose of this appropriation is covered in detail at pages 598–609 of the hearings on the second supplemental bill by the special subcommittee of the House Appropriations Committee, headed by the gentleman from Texas [Mr. THOMAS].

As was pointed out in these hearings and in the hearings and debate on this legislation last year, the 11 private and State-supported institutions are now incurring an annual deficit of more than $3 million. They are, in effect, subsidizing the training of public health personnel for Federal, State, and local governmental bodies.

Of the total enrollment of 1,200 graduate students at these schools during the last year, about two-thirds are trained for some agency of the Federal Government. However, tuition fees cover only 11 percent of the actual cost to the institutions for training these students. Over the years, more than 90 percent of the graduates of public health schools have gone into the public service at some level of government or in voluntary health agencies.

The authorization bill was passed in the last session without a dissenting voice. Unfortunately, the measure was not signed into law until it was too late to be considered by the House in the 1959 supplemental appropriation bill acted on last year. The $1 million authorized for the first year of the program was subsequently inserted by the Senate but was eliminated in conference.

The Department of Health, Education, and Welfare requested $500,000 in the second supplemental to operate the program for the remainder of the present fiscal year. They have also requested the full amount authorized in their fiscal 1960 budget. The committee has reduced the Department's request in this bill by $50,000.

Mr. Chairman, let me point out that the full amount authorized under this program, if appropriated, would meet less than one-third of the current annual deficits incurred by these schools in training public health personnel for the Nation.

This program is of vital importance because of its long-range impact on the training of public health personnel for all levels of government. The National Conference on Public Health Training, which met last summer pursuant to the requirements of Public Law 911, endorsed this act and recommend that it be fully implemented by Congress.

Mr. Chairman, I congratulate the committee for its recognition of the importance of this program to the health of the Nation and trust that the $450,000 recommended by the committee will be approved by the House.

Mr. LINDSAY. Mr. Chairman, I rise in support of the amendment proposed by the gentleman from Rhode Island [Mr. FOGARTY], which would restore the appropriation necessary to the continuation of the educational program authorized by the National Defense Education Act. It is inconceivable to me that this Congress would establish a worthwhile and necessary program and then leave it high and dry. The action of the Appropriations Committee would render meaningless the action of the 85th Congress which was endorsed by the President.

The Office of Education, imbued with the sense of urgency implied by the Congress in passing the National Defense Education Act, has worked very hard during the 6 months since it was enacted into law to get these several programs going. They are now ready to carry out the intent of the Congress and lack only the funds.

Mr. McGOVERN. Mr. Chairman, one of the most valuable legislative programs enacted by the 85th Congress was the National Defense Education Act. I am proud of the fact that I was a member of the subcommittee that hammered out the basic outline of this program.

It is my conviction that the minds of our young people constitute our most precious national resource. The program under consideration seeks to improve the quality and the educational opportunity of our students and teachers. It seeks, in short, greater excellence in American education.

I strongly support the amendment to provide $75 million as a supplement to the national defense education appropriation for this fiscal year. There is an urgent need for these funds to carry out even a minimum part of the program authorized by the Congress for this fiscal year.

In my own State, for example, three fine institutions of higher learning, South Dakota State College, the University of South Dakota, and Northern State Teachers College, have all sought funds with which to establish guidance and counseling institutes as provided for in the legislation of last year. But, because of a critical shortage of funds, it does not now appear that any one of these outstanding universities will be able to secure funds for such a program.

I have learned, too, that whereas the Congress has authorized 1,000 graduate fellowships for this year, the Department of Health, Education, and Welfare has only enough funds to grant 160 such fellowships.

Other parts of the program are similarly short of funds to execute the educational assistance which Congress provided last summer.

The program which we are discussing is not one of Federal control of education. It is rather a program which preserves the local direction of our schools and colleges, but which supplements badly strained local school and college budgets with Federal encouragement and support.

High-quality education is not only good for the soul and the mind of man; it has become an essential ingredient in our national defense. I urge approval of this amendment.

Mr. BRADEMAS. Mr. Chairman, I rise in support of the amendment of the distinguished gentleman from Rhode Island [Mr. FOGARTY].

Mr. Chairman, the State of Indiana has had in the last 2 or 3 years the undeserved reputation of being opposed to education. This unhappy reputation is in very large part due to the militant

opposition of a U.S. Senator from Indiana last year, a Republican, to the use by Hoosier taxpayers of funds made available in the National Defense Education Act of 1958, one of the finest pieces of legislation ever passed by Congress in the field of education.

The present Governor of Indiana, along with the former State superintendent of public instruction—and I feel in good conscience compelled to point out that both are Republicans—have also been in the forefront of those who would prevent the taxpayers of our State from seeing their own Federal income taxes used in Indiana. These men have apparently, by their opposition to the use of funds under the National Defense Education Act in Indiana, been willing to see Hoosier taxes go to all of the other 48 States of the Union but not to Indiana.

But, Mr. Chairman, we had an election in Indiana last year. The Senator to whom I refer no longer sits in the other body. The Governor whom I mentioned was defeated in his bid for the U.S. Senate by the largest margin of votes ever recorded in a statewide contest in Indiana and the State superintendent of public instruction was also defeated last fall.

Today, Mr. Chairman, we have representing Indiana in the House of Representatives and the Senate men who believe in education.

I am therefore pleased, as one of the new Members of Congress from Indiana, as one of those who is confident that the people of our State believe in education, and as the only Indiana member of the Committee on Education and Labor, to urge support of the entire request made by the administration for a supplemental appropriation for the National Defense Education Act.

The restoration of these funds will make it possible for us in Indiana as well as for citizens of every other State of our country to press ahead with the important programs set forth in this act to strengthen the national defense and to improve the educational programs of America. Among other sections, these funds will provide for loans to students in colleges and universities, assistance for strengthening the teaching of science, mathematics and modern foreign languages, graduate fellowships for the purpose of improving our college and university teachers, funds for the establishment of centers for the teaching of foreign languages and institutes for improving their teaching as well as for a number of other programs designed to strengthen education in the United States.

Mr. Chairman, as evidence of the support of some of the most distinguished leaders in the field of education in the State of Indiana for the restoration of these funds, I am pleased to insert the following telegrams:

INDIANAPOLIS, IND., *March 23, 1959.*
Hon. JOHN BRADEMAS,
*U.S. House of Representatives,*
*House Office Building, Washington, D.C.:*
National Defense Education Act extremely vital. Fight for adequate appropriations.
W. E. WILSON,
*State Superintendent of Public Instruction, Statehouse.*

NOTRE DAME, IND., *March 23, 1959.*
Hon. JOHN BRADEMAS,
*House of Representatives,*
*Washington, D.C.:*
Earnestly urge your support of National Defense Act graduate fellowship section. Regards.
THEODORE M. HESBURGH, *C.S.C.,*
*President, University of Notre Dame.*

NOTRE DAME, IND., *March 23, 1959.*
Hon. JOHN BRADEMAS,
*House Office Building,*
*Washington, D.C.:*
We urge your support of National Defense Act, title IV, graduate fellowships.
Rev. PAUL E. BEICHNER, *C.S.C.,*
*Dean, the Graduate School, University of Notre Dame.*

INDIANAPOLIS, IND., *March 23, 1959.*
Hon. JOHN BRADEMAS,
*Floor of House of Representatives,*
*U.S. Congress, Washington, D.C.:*
Restore cut in President's budget for National Education Defense Act. Funds badly needed to put Indiana plan into operation.
Mrs. DON HERRIN,
*First Vice President, Indiana Congress of Parents and Teachers.*

Mr. Chairman, I am glad to report that Indiana believes in education. The people of our State are back in the Union once more.

I hope the amendment of the gentleman from Rhode Island to provide for ample funds under the National Defense Education Act will be overwhelmingly supported by Members of this body.

Mr. BOLAND. Mr. Chairman, I rise in support of the amendment of the gentleman from Rhode Island [Mr. FOGARTY]. In speaking on this bill, in general debate, I pointed out that I did not approve of the striking of $50,300,000 from the activities of the Office of Education. Money for science, mathematics and laboratory equipment is essential if we are to back up the national defense education bill passed in the last session of the 85th Congress. We need good teachers in these fields and we can help to secure them by the national defense fellowships. There is a special need to increase the graduates to meet the critical shortage of teachers in the colleges and the universities today. The number of persons being graduated with doctoral degrees, all too few to meet the demand for them, is eroded away and drained off into fields of work other than teaching. The national defense fellowships will supply the incentive to correct this condition.

The activity labeled "Advanced Training in Foreign Languages and Areas" will strengthen our Nation in a field where we are weak. It is well known that as a Nation we are deplorably unprepared linguistically, either to defend ourselves in the case of war, or to exercise the full force of our leadership in the building of a peaceful world. Some 3 million Americans including members of the Armed Forces, are reported to be living, traveling, and working overseas each year. Few Americans available for overseas assignments have had any foreign language training. Most Americans who do study foreign languages start too late and stop too soon to become proficient in the use of the languages.

Mr. Chairman, this situation should not be continued. We did something about in the enabling legislation establishing the National Defense Education Act. But it can get nowhere unless we give it the necessary funds to function. The amendment of Mr. FOGARTY provides the money requested in the supplemental bill by the Department of Health, Education, and Welfare.

FOREIGN LANGUAGE INSTITUTES

Mr. Chairman, an initial allocation of $400,000 has been made in fiscal 1959 to begin the institute program, and an additional $1,100,000 was requested as a supplemental appropriation. The subcommittee struck out this item. I dissented from this action and pleaded for the whole amount. Mr. FOGARTY'S amendment restores that amount. This money is used to establish language institutes. Each institute provides advanced training for language teachers. The initial allocation of $400,000 provided in the regular 1959 budget made it possible to set up four well-staffed institutes, each 8 weeks in duration. The amount requested we ask in this amendment, and this bill will make it possible to establish 6 additional 8-week summer institutes and 600 additional trainees will be accommodated, about 500 of them being public school teachers on Government stipends. Altogether, approximately 1,000 foreign language teachers would receive advanced training in the summer of 1959.

Mr. Chairman, I trust that the amendment adding $50,300,000 to this bill will be adopted by the House.

Mrs. GREEN of Oregon. Mr. Chairman, I rise to support the amendment to restore the funds requested by the Department of Health, Education, and Welfare, under the Defense Education Act of 1958.

In 1958, when the Congress passed that act, we did so because we recognized, in the shadow of sputnik, the fact that scientific and technological excellence is a weapon of war, as well as a tool of peace. We did not go overboard in that act. It represents a satisfying, but at best an inadequate, response to the challenge of Soviet achievements in the field of education. But today, if we go along with the recommendations of the distinguished committee, we will make that legislative accomplishment a hollow mockery. We will, in effect, return to the comfortable smugness of the presputnik era, consoling ourselves with the meaningless and now demonstrably false assumption that education is a luxury, without relation to the desperate struggle of our Nation and our way of life to survive.

What are some of the programs, already approved, already mapped out, which will die on the vine for lack of funds if the committee's recommendations are followed?

Under this act, the Department is authorized to award 1,000 fellowships each year. These graduate fellowships are the heart and soul of any meaningful defense education program. It is at the graduate level where our universities are engaging in the kind of creative scholarship that will make our American edu-

cation equal to the task which has been placed before it.

The Department has received 1,040 applications for fellowship aid for graduate programs. These application visualized a total of 6,000 fellowships. Under the act, only one out of six of these fellowships can be awarded, even with the full appropriation. Yet the committee, in limiting the fellowship program to the money already appropriated in last year's completely inadequate supplemental bill, has limited the fellowships, not to one out of six applications, but to one out of 40. Enough funds are still available from last year's appropriation to provide 150 fellowships. The funds requested would finance an additional 850. The 150 financed by last year's appropriation are already awarded, and already announced. The Defense Education Act fellowship program, if the committee's recommendations are followed, will be completely frozen until the requests for fiscal year 1960 become law. These 850 fellowships would cost a total of $4½ million. This is not a something-for-nothing proposition. It is a wise and prudent investment in national security, one which we can ill afford not to make.

Other aspects of the Defense Education Act program which deserve some consideration here include the language development program. I suspect most of my thoughtful and hard-working colleagues have read the delightfully chilling book, The Ugly American. One of the highlights of that book, one of the aspects of our foreign operations in which we have the greatest inadequacies is the language area. American representatives abroad, both governmental representatives and those valuable adjuncts to our foreign policy, American businessmen, are hampered in their work by the inability to obtain language training in this country. The Defense Education Act, in title VI, provides for a program of research, of institutes for language teachers, and for the establishment of language and area centers in American institutions of higher learning. Eight hundred thousand dollars is presently available, remaining from last year's appropriation. The Department has requested a supplemental allowance of $4,200,000.

What is involved in this request? I am informed that the amount of money now available can finance the setting up of four or five critical language and area centers. With the supplemental funds, the Department can establish six to eight additional such centers. There are 14 languages spoken throughout the world, each one spoken by between 10 million and 42 million people, which are not now taught anywhere in the United States. The list of these languages sounds like a catalog of the most important battlefields of the cold war. Forty-two million human beings speak Javanese. In no university in the United States can a civil servant or an American businessman be taught to speak Javanese. You may be assured, gentlemen, that this ridiculous state of affairs does not exist in the Soviet Union. There are other languages, ability in which is equally vital if we are to meet the threat to our existence where that threat is the most pressing—other languages which are not taught in the United States. These include Afrikaans, the language of the Union of South Africa; Cambodian, Laotian; Pashto, the language of Afghanistan; Sinhalese, the language of Ceylon; and, believe it or not, in spite of the closest and most intimate connections between this Nation and the proud Republic of the Philippines, Tagalog, the native language of that nation, is not taught anywhere in the United States.

Languages such as Chinese, Arabic, Hindi, Farsi, Indonesian, and Swahili are taught in all too few centers in this country, although these languages probably account for the spoken tongues of a majority of the earth's inhabitants.

We can save money if we follow the subcommittee's recommendations, Mr. Chairman. We can reduce the budget, and we can turn the political tables on the reckless political charges which have been leveled at the Democratic Party by labeling it the party of reckless spenders. We can gain some temporary advantage by taking the administration at its word and gaging everything in terms of a balanced budget. But the money we save and the votes we garner in this attempt will leave us with the proud but somewhat empty distinction which has hitherto been the exclusive possession of those budget balancers who took such pride in cutting our Nation's defenses in the months before Pearl Harbor. Today's defenses are not merely guns and bombs. Today's defense expenditures buy brains and books. If they do not, they do not buy defense. I plead with my colleagues not to enter into this contest to see who can be the thriftiest man in the graveyard.

Mr. ANDERSON of Montana. Mr. Chairman, I would like to compliment my esteemed colleague from Rhode Island [Mr. FOGARTY] for his energy and foresight in seeking full restoration of funds for the Defense Education Act. Our Montana PTA leadership, our Montana Greater University System, and our entire Montana Congressional Delegation long have actively supported this educational program. The educational leaders of my State urge its full support. Earlier my colleague from Rhode Island fought for and was successful in securing committee assent to an increase in funds for Public Law 874 and Public Law 815 activities so urgently needed in my district because of the impact of great expansion at two large airbases. I urge that the House today give its approval to these necessary appropriations. In one city alone in my district, Great Falls, they are trying to put across a bond issue for five new elementary schools. There they will have 2,000 unhoused students next September, of which a large percentage are federally connected. The situation is similar and equally critical at Glasgow. So these needs, and the Defense Education Act needs of our institutions of higher learning must be met if we are to keep faith with our people. I strongly urge favorable consideration of the Fogarty amendment.

Mr. ELLIOTT. Mr. Chairman, just 7 short months ago, we wrestled here throughout a long summer, both in committee and on the floor of the House, trying to fashion a realistic and honest, and at the same time an effective answer to the Russian threat in the fields of science and education.

I thought at that time, and I think now, that the House fashioned a program that had depth, and breadth, and height, and imagination. It was fortunate for the country that we were able to work out this program at a relatively very small cost.

That program dared to dream how strong America might really become if we made available the benefits of an educational program to the quarter million or so of the brightest boys and girls of our Nation—boys and girls who do not now go on to college, largely because they do not have the money. Out of that thought grew the loan program, and the testing, counseling, and guidance programs of the National Defense Education Act of 1958, which I had the privilege to sponsor in the House.

We dared to dream how strong America might become if we helped to provide the equipment that more than half of America's high schools need in order effectively to teach the sciences, at the time we must teach them, if we are to have an adequate number of highly trained scientists to serve the uses of a strong America.

We dared to dream how much stronger America would be if through a program of fellowships we started the training this year of 1,000 Ph. D.'s—10 percent more than were trained last year. We are interested at the same time to encourage America's graduate schools to expand their facilities and their programs by at least the number of fellowships granted, and we presumed that once these programs were expanded that they would stay expanded and continue to grow.

We dared dream of how much American school instruction might be improved if we provided money for experimentation with the new communication media, like TV. The Congress of the United States authorized a program in that field.

We dared dream how much American relations with our neighbors throughout the world might be improved if we provided institutes to increase the skills and add to the effectiveness of elementary and secondary school teachers of the modern foreign languages.

We felt, and I feel now, that our Nation should have adequate statistics on education right here in Washington, just as it maintains statistics on labor and business and many other fields.

Mr. Chairman, may I call your attention to the fact that these programs have all proved to be even much more popular than any of us who supported the Defense Education Act of 1958 had thought they would be. The applications under all the programs exceeded our guesses of what they would be by a good 100 percent.

Well, on the final day, or rather the final night of the last session of Congress, we provided $40 million for these programs, and I call the attention of every

Member to the fact that it was understood at the time that this $40 million was an interim appropriation, to be used only, and singly, for the purpose of getting the program started. Staffs had to be recruited, studies had to be made, conferences had to be held, and it was thought that $40 million would carry the program until the first of the year.

Now, the amendment proposed by the gentleman from Rhode Island [Mr. FOGARTY] seeks to restore the complete supplemental budget request of $75,300,000. I support Mr. FOGARTY's amendment. I trust the House will do likewise. I appreciate the statement that the gentleman from Texas [Mr. THOMAS] has just made with respect to this amendment. His approval of and acceptance of the amendment are of the greatest importance.

The adoption of this amendment will provide money for 850 fellowships that are waiting to be granted. It will provide $37 million for science, mathematics, and modern foreign-language teaching equipment for America's high schools. A small portion of this money will be used for consultants. The amendment will provide $2 million for grants to the States for their guidance programs and $1 million for the counseling and guidance institutes. It will provide $3,100,000 for foreign-language centers and foreign-language research, and $1,100,000 for foreign-language teacher institutes. It will provide $1 million for research in new media of instruction, such as instruction through the medium of TV. It will provide $600,000 as Federal contributions to the States for the educational statistics programs. The adoption of this amendment will add $75,300,000 to the $40 million heretofore appropriated by us on the final day of the last session of Congress. This money will enable these programs to go forward. It will enable them to bring opportunity and hope to tens of thousands of boys and girls in America who desire a higher education, both in the undergraduate and at the graduate level.

Of equal importance by this action, we will say to ourselves and to the world that we are interested in education as a really effective weapon of our defense.

Mr. HAGEN. Mr. Chairman, I rise in support of the amounts contained in this bill for the administration of Public Laws 815 and 874, the federally impacted school assistance program.

First, I wish to commend the members of the Appropriations Committee and their able chairman, the gentleman from Missouri [Mr. CANNON] who in their wisdom saw fit to include funds in the amount of $20 million for operation and maintenance under Public Law 874 and $24,600,000 for construction under Public Law 815.

I am particularly interested in these appropriations because of the location of a number of federally impacted school districts within my congressional district. The officials of these schools advise me that their operations will be seriously disrupted if additional funds are not made available.

It should be noted that the assistance does not by any stretch of the imagination constitute a handout. The fact that additional children are attending the schools involved because of Federal activity places the financial responsibility squarely upon the shoulders of the U.S. Government. The Congress has wisely recognized this responsibility since the inception of the program during the 81st Congress. In fact, I believe it is a fair statement to say that the program has the support of a vast majority of the Members of this body.

It is regrettable that we did not see fit to appropriate sufficient funds to carry out our responsibility last year. Unless the additional money is approved by the Congress those school districts which are dependent upon Federal money for operations will receive only 85 percent of the funds for which they are qualified. Similarly, in the case of Public Law 815 funds, many necessary schoolhouses will not be built unless the $24.6 million recommended by our Appropriations Committee is granted. With respect to the Public Law 874 program, it is my understanding that the $20 million proposed will permit payment of 100 percent of the entitlements of all school districts throughout the country.

The impactment areas of my district are attributable principally to the vital defense work being carried on at Edwards Air Force Base, and the Naval Ordnance Test Station, China Lake. I would call the attention of my colleagues to the fact that these districts' problems are further complicated by the fact that they are situated in an area of the Mojave Desert in which there is an extremely low ad valorem tax base and exceedingly high construction costs.

I am sure the Members of this body recognize the necessity for the appropriations in question and I urge their approval.

I would like now to refer briefly to the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY] to provide funds for titles III and V of the National Defense Education Act to permit grants for scientific study and for testing, guiding, and counseling students.

I would urge that the inadequate funds appropriated last year be supplemented in order that the programs contemplated under titles III and V may function in the fashion anticipated when we approved the authorizing legislation during the last session of Congress.

I also wholeheartedly endorse the action of the committee in appropriating $25 million in additional funds for the student loan program.

With respect to titles III and V, I am advised by Dr. Roy E. Simpson, superintendent of public instruction of the State of California, that valid applications filed in California require an additional $2,296,000 for scientific educational assistance and $198,000 for counseling. I am sure that similar situations obtain in other States.

I urge adoption of the Fogarty amendment.

Mr. McFALL. Mr. Chairman, I rise in support of the supplemental appropriation of $20 million for Public Law 874 and $24.6 million for Public Law 815 programs for the assistance of school districts with an unusual impact of federally attracted students.

The Congress a year ago recognized the equity in these programs by extending them and the local school districts budgeted accordingly.

We cannot now break faith with these local districts by denying them the funds they are due under the law.

These local districts would be forced to bear far more than their fair share of the Nation's educational burden by excessive local taxation if the Federal funds are not forthcoming. Most of the impact districts are already taxed to the local limits, meaning reduction of Federal support must necessarily lead to reduction in the quality of education.

You all are aware of the importance of the Federal impact programs in the areas surrounding Washington. The picture is the same in California where 52 percent of all California school children are from the 425 public school districts in 39 counties now being aided by one or both of the laws.

I was informed this morning that the loss to the schools in my own, the 11th District of California, would be $44,594 this year if we do not keep faith and make the promised appropriation.

Following are the figures—with the authorized amount first, followed by the reduced appropriation unless the additional funds are made available:

| | | |
|---|---|---|
| Stockton Unified | $185,402 | $157,592 |
| Manteca Elementary | 27,830 | 23,656 |
| Manteca High | 24,891 | 21,157 |
| Tracy Elementary | 24,756 | 21,043 |
| Tracy High | 15,291 | 12,997 |
| French Camp | 9,955 | 8,462 |
| Montezuma | 5,886 | 5,003 |
| Lathrop | 3,289 | 2,796 |
| Total | 297,300 | 252,706 |

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

The Clerk read as follows:

Amendment offered by Mr. RAYBURN: On page 20, line 2, add a new paragraph as follows:

"Outdoor Recreation Resources Review Commission: For an additional amount for the Outdoor Recreation Resources Review Commission, $100,000, to remain available until expended."

Mr. THOMAS. Mr. Chairman, I have discussed this matter with the gentleman from Ohio [Mr. KIRWAN] and with the gentleman from Iowa [Mr. JENSEN]. The committee will accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. RAYBURN].

The amendment was agreed to.

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

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

There was no objection.

Mr. WEAVER. Mr. Chairman, when I was elected to the Congress of the United States, along with every Member of this House, I assumed a responsibility to every citizen of the United States, not just to the citizens of the First Congressional District of Nebraska. Today I feel im-

pelled to take issue with many Members of this House for whom I have a very high personal regard, because I now feel the weight of that responsibility.

As Members of this Congress we owe a certain responsibility to the people of the District of Columbia because—like it or not—we must sit as their city council. We must act for them, and in their behalf. We have an obligation to bear toward these people who have no government except that approved for them by the Congress itself.

Mr. Chairman, as a member of the subcommittee of the Committee on Appropriations handling District of Columbia affairs, I voted consistently in committee against anything I considered to be wasteful and unnecessary. When the bill came before the House I explained the reasons for my views. It may now appear to some that I am taking a diametrically opposed position in speaking today to support the amendments offered by the distinguished gentleman from Michigan, our subcommittee chairman [Mr. RABAUT]. However, I do not believe I am.

The cuts contained in this bill concerning the District of Columbia, unfortunately have a deep bearing on the very core of our duty to the people of the District. These cuts would, for instance, seriously affect the protection these people need and must have. The cuts would force the furlough of policemen and firemen. They would also require the furloughing of teachers. Without the services of firemen and policemen we would leave a goodly number of the people of the District without these essential services. I ask each of you to examine your own conscience to determine whether you can vote for these services within the framework of the responsibility to the people of the District which we as Members of the Congress have assumed.

Under the amendments to be proposed by my colleague from Michigan [Mr. RABAUT] $1,761,318 would be put back into this bill to provide for these vitally important services. Without this money we might well be opening the gates of Washington to the temptations of crime or to the devastating effect of fire. We as Members of Congress cannot do otherwise with the knowledge that by this positive action, such conditions perhaps would not come into being.

The gentleman from Michigan will also propose the restoration of a portion of the other supplemental funds cut from this bill. I support this also. The money which the gentleman wishes to restore would not go for frills or for nonessentials; it would be used to meet the obligations which we as a Congress have, in our past actions, imposed upon the government of the District of Columbia.

In closing, Mr. Chairman, I would like to point out that the Congress itself through its actions a year ago placed the District in its present situation. In approving pay increases for various employees of the District government, there was no rider, no statement of intent, that this meant the District must fire X number of employees. Had such a rider been included, then Mr. Chairman, my position would be different today. We owe a responsibility to the people of the District. We also, I submit, owe a responsibility to ourselves as Members of this Congress to carry out the full intent of laws which we have ourselves in the past enacted.

I most strongly urge approval of these vitally-needed additional funds and I ask your support for the amendments.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that the amendments which I have at the Clerk's desk dealing with the District of Columbia be considered en bloc at this time.

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

There was no objection.

Mr. THOMAS. Mr. Chairman, I offer a series of amendments.

The Clerk read as follows:

Amendments offered by Mr. THOMAS: On page 11, line 11, under the heading "Federal Payment to District of Columbia" strike out "$2,500,000" and insert "$5,000,000".

Page 11, line 22, under the heading "Public Schools", strike out "$3,342,250" and insert "$4,295,668".

Page 12, line 6, under the heading "Metropolitan Police", strike out "$2,062,550" and insert "$2,616,800".

Page 12, line 11, under the heading "Fire Department", strike out "$946,550" and insert "$1,200,300".

Page 35, line 20, under the heading "Department of Sanitary Engineering", strike out "$909,750" and insert "$1,213,000".

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

Mr. THOMAS. I yield to the gentleman from Iowa.

Mr. JENSEN. What is the total additional amount which the gentleman has agreed to?

Mr. THOMAS. Mr. Chairman, let me briefly explain the matter.

Mr. Chairman, all of us have been reading the newspapers, particularly the local papers here, which state that the committee is going to close down the schools, the Police Department, the Fire Department, and scatter garbage all over town because there is no money to pick it up.

Briefly, what is in the bill is this: We were trying to keep the District on a sound basis. We all like the District. Some very fine people live here. But I do not think I have ever seen a government grow like this city government has in the last 3 years. In 1955 it had 20,651 employees. This year they have 24,000, a nice army, is it not, and lo and behold for the next year they came in and wanted another 650.

Mr. JENSEN. Will the gentleman tell about the vacancies?

Mr. THOMAS. What the newspapers have not said too much about is that the District has been spending money that they did not have. They intended that the ante be raised from $20 million to $29 million, so this bill asks for an increase in the Federal contribution from $20 million to $29 million. In the bill presently before you the committee suggested $2.5 million. Now, the amendment that we are offering at the Clerk's desk raises that to $5 million. We take the limitations off the Police Department, the Sanitary Engineering Department, the Fire Department, and the schoolteachers. Now, if that does not give them just about everything that they want except $4 million, I do not know. Now, they can certainly live with that. They do not have to fire anybody. And, do you know that on January 1 they had 940 unfilled jobs?

Mr. JENSEN. Right.

Mr. THOMAS. Now, this is a reasonable solution to this. I do not want to cripple the District of Columbia, and as far as I am concerned, I do not want to give them all of that $9 million Federal contribution, either. Now, we have taken the limits off and they can operate and do a good job. I respectfully suggest to those gentlemen downtown that they do not grow so fast.

Mr. JENSEN. You mean in the number of employees?

Mr. THOMAS. That is right.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Texas [Mr. THOMAS].

The amendments were agreed to.

Mr. RABAUT. Mr. Chairman, I move to strike out the last word.

What has happened here just now is that the bill for 1959, as far as it goes, dovetails with the bill that we passed about a week ago setting the Federal payment at $25 million. While the amendment just adopted takes care of the needs of the public school, the police and fire departments, there are still some items in this bill that are not in accord with the treatment that has been extended to other agencies of the Government. Other Federal departments have been cut 10 percent. The District of Columbia has been cut 25 percent. I will introduce a series of amendments that I ask be considered en bloc in order that there may be added to the bill 15 percent of the reduction made by the committee to bring these agencies of the District government into line with the cuts that have been made in the other Federal departments.

Mr. Chairman, I offer a number of amendments and ask unanimous consent that they may be considered en bloc.

The Clerk read as follows:

Amendments offered by Mr. RABAUT: Page 34, line 25, strike out "$27,225" and insert "$32,670".

Page 35, line 1, strike out "$39,390" and insert "$47,268".

Page 35, line 3, strike out "$72,609" and insert "$87,131".

Page 35, line 4, strike out "$129,900" and insert "$155,880".

Page 35, line 5, strike out "$6,750" and insert "$8,100".

Page 35, line 6, strike out "$4,650" and insert "$5,580".

Page 35, lines 7 and 8, strike out "$11,400" and insert "$13,680".

Page 35, line 9, strike out "$245,250" and insert "$294,300".

Page 35, line 10, strike out "$1,409,775" and insert "$1,691,730".

Page 35, line 11, strike out "$105,075" and insert "$126,090".

Page 35, line 13, strike out "$8,250" and insert "$9,900".

Page 35, lines 14 and 15, strike out "$120,525" and insert "$144,630".

Page 35, line 16, strike out "$259,500, which" and insert "$311,400, of which $295,-177".

Page 35, line 18, strike out "$62,400" and insert "$74,880".

Page 35, line 20, strike out "$909,750" and insert "$1,091,700".

Page 35, line 24, strike out "$96,000" and insert "$115,200".

Page 36, line 1, strike out "$8,250" and insert "$9,900".

Page 36, line 2, strike out "$185,925" and insert "$223,110".

Page 36, line 3, strike out "$50,775" and insert "$60,930".

The CHAIRMAN. The gentleman from Michigan, in one of the amendments that he has offered, has offered an amendment to an amount which has already been changed by the Thomas amendment previously adopted. Does the gentleman desire to withdraw that amendment?

Mr. RABAUT. Yes, Mr. Chairman; I ask unanimous consent to withdraw that amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

The CHAIRMAN. Is there objection to considering the amendments offered by the gentleman from Michigan en bloc?

Mr. GROSS. Mr. Chairman, reserving the right to object, from what I have heard here, I think probably we ought to recommit this bill and get a new bill, take a fresh start, Development Loan Fund and all.

Mr. Chairman, I withdraw my reservation of objection.

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

There was no objection.

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

Mr. RABAUT. I yield to the gentleman.

Mr. JENSEN. Are we to understand that all these additions which the gentleman has offered as amendments to the amounts in the bill are to come out of the District of Columbia funds?

Mr. RABAUT. These moneys will be District of Columbia moneys, from whatever source they get them.

The first figures I cited are the figures that are in this bill. These figures have been cut 25 percent below the budget. The other agencies in this bill have been cut 10 percent. The increase requested is on account of the Pay Act of last year and I believe that 25 percent cut is too drastic. My amendments reduce that cut to 10 percent and that is the same cut that is in the bill for the majority of the Federal agencies. I will ask the chairman of the committee if that is not true.

Mr. THOMAS. Mr. Chairman, I hope the gentleman will withdraw this amendment.

Mr. RABAUT. I am asking the gentleman a question. Is that true?

Mr. THOMAS. Yes, that is exactly right. This is the only agency that is asking for a contribution, too. Let us give the whole picture. You are not increasing the contribution, but where are they going to get the money?

Mr. RABAUT. I am asking that the District of Columbia agencies be treated the same as the Federal agencies. They should not be required to assume more than a 10 percent cut in those obligations which the Congress voted for them last year—the Pay Act. The pay raise cost about $15 million for the District. This bill is still $4 million below that amount.

I ask for a favorable vote on this amendment. It deals with such agencies as the regulatory agencies, the Department of Veterans Affairs, the Office of Civil Defense, the Department of Vocational Rehabilitation, the courts, the Department of Public Health, the Department of Licenses and Inspections, the Department of Highways, the Department of Vehicles and Traffic, the Aqueduct, the water department of the District, the National Guard, and the National Zoological Park, which in my opinion ought not to be under the District government at all. The expenses of the zoo should be borne by the Federal Government.

I ask for a favorable vote on my amendments.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments to the paragraph close in 7 minutes, and that the committee be given the last 4 minutes.

Mr. HOFFMAN of Michigan. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. HOFFMAN of Michigan moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. HOFFMAN of Michigan. Mr. Chairman, as I listened to the amendments of my dear friend from Michigan [Mr. RABAUT] it seemed to me that all the amounts were raised. Is that right?

Mr. RABAUT. That is right.

Mr. HOFFMAN. Then is the total amount carried in the bill for the District raised?

Mr. RABAUT. It is raised as far as they make expenditure of their own funds, the funds that they get from the different sources.

Mr. HOFFMAN of Michigan. Have you increased the amount that the District will get?

Mr. THOMAS. Five million dollars.

Mr. HOFFMAN of Michigan. Is that the result of the publicity given us by the three local papers?

Mr. RABAUT. They have called me the tough guy on the District.

Mr. HOFFMAN of Michigan. Oh, well. You need not worry—your record is good.

Mr. RABAUT. I should like to tell the gentleman——

Mr. HOFFMAN of Michigan. I cannot yield any more.

Mr. RABAUT. Oh, the gentleman has a lot of time.

Mr. HOFFMAN of Michigan. All right.

Mr. RABAUT. We accepted the Federal grant this year of $25 million principally on account of the Pay Raise Act of last year. This action taken by the subcommittee headed by the gentleman from Texas [Mr. THOMAS] here today raises it a similar figure. But, with the raising of that to the similar figure, they took a 25 percent cut out of all these individual items that were read off here, and I feel that is entirely too drastic for them to absorb.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield for a question from me?

Mr. RABAUT. I am glad to yield to the gentleman.

Mr. HOFFMAN of Michigan. In your opinion, then the Thomas committee cut them too deeply?

Mr. RABAUT. I think they did on all these items that have just been referred to in the amendments I offered.

Mr. HOFFMAN of Michigan. And now you are increasing this total $5 million. And then you are telling how it should be spent.

Mr. RABAUT. I am just telling him how it should be done with justice.

Mr. HOFFMAN of Michigan. You, of course, are telling him how to divide it?

Mr. RABAUT. I am telling him how it should be done with justice.

Mr. HOFFMAN of Michigan. I have every confidence in your judgment. But I do wonder if the District realizes how fortunate it is to have a payroll which never missed a payday as do so many sections of the country. If the present trend continues it may be that only the merchants will be able to meet the tax bill for local expenditures. Many taxpayers are getting out of the city because they are being required to pay an ever greater tax burden. So many come to the city because it is what might be called a soft spot for those who cannot—or will not—earn their way.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Michigan [Mr. HOFFMAN].

The motion was rejected.

Mr. MORRIS of Oklahoma. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is recognized.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this amendment, and all amendments thereto, and to the paragraph, close, in 17 minutes with the last 4 minutes to be allotted to the committee.

Mr. JONES of Missouri. Mr. Chairman, I object.

Mr. THOMAS. Mr. Chairman, I move that all debate on this amendment, and all amendments thereto, and to the paragraph close in 10 minutes, the remaining 5 minutes to be allotted to the committee.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

Mr. HOFFMAN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOFFMAN of Michigan. Mr. Chairman, what became of that motion to strike out the enacting clause?

The CHAIRMAN. The motion was voted down.

The Chair recognizes the gentleman from Oklahoma [Mr. MORRIS].

Mr. MORRIS of Oklahoma. Mr. Chairman, I rise chiefly to ask a question of someone. I also rise, Mr. Chairman, in support of the amendments offered by the gentleman from Michigan [Mr. RABAUT]. I think they go largely to the health and welfare of this great District of Columbia, our Nation's Capital. I would like to ask the chairman of this subcommittee, who I consider to be one of the greatest Members among us, or I ask the question of anyone who may be able to answer this question: According to the budget in brief, which was prepared by the Bureau of the Budget, $45.8 billion goes to our major national security; $8.1 billion goes for interest on the debt; $5.1 billion goes to the veterans' program. When you add that all up, you have a total, if I have not miscalculated, and I think I have not, of $59 billion. If I am in error, I want to be corrected. That amounts to about 78 percent of the entire budget. Therefore, in order to secure our national defense, and surely we are all in favor of that, and in order to pay the interest on the Government debts which were created largely by past wars, and in order to pay our veterans their just due, it takes a little less than 78 percent of our budget or 77 plus percent, as I figure it. So let us not kid ourselves and let us not kid the country.

If we are going to make any reduction we are going to have to make it out of that 12 or 13 percent. Even if we should cut it all out except for national defense, veterans and interest on debt and made no appropriation for salaries, made no appropriation for the farm program, made no appropriation for anything and thus destroyed our Government, we would reduce the budget by only 12 or 13 percent. So I say that there just is not any chance that I can see for us materially to reduce this budget anywhere unless we could go in and cut off billions of dollars in the Defense Department, and I certainly would not approve that, nor do I think anyone else would.

I do think we act unwisely in spending this money on foreign aid. I do not want to be riding that horse to death, but I have been opposed to it all the time. That money goes overseas. I do not believe it does the good some people, those who have supported it, thought it would. I have been opposing it and I shall continue to, but I am not going to oppose the amendments that are presented here to restore levels fixed by the Budget; I am going to be for them, because I think they provide essential services for our people.

Yes, I am for balancing the budget; I would like to see the budget balanced; I know all of us would, but I am not for balancing the budget at the expense of our national defense and services vital to our people.

I repeat in conclusion that we are just kidding ourselves and kidding the country when we fool around with these small cuts, which I think adversely offset vital services to our people; we are just injuring and kidding ourselves.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. How much time do I have, Mr. Chairman?

The CHAIRMAN. About 1 minute.

Mr. JONES of Missouri. Mr. Chairman, I want to make the same argument today that I have been making for 10 years, and that is that the people of the District of Columbia are not paying their fair share of taxes, and as long as we keep appropriating money for them out of the Federal Treasury they will not. This action here today is a misnomer, when we say we are going to take it out of District funds. Of course, we are going to take it out of District funds, and then we are going to give the money right back to them.

When I came here about 10 years ago the Federal contribution was about $10 million a year. They come in now and want $30 million.

Real estate in this District has not been reassessed for many years; it is out of line. The tax rate is too low. I pay as much school tax in the district in which I live as the average person in the District of Columbia pays in total tax; and that, I say, is wrong. They are never going to have enough money until they raise their taxes, and they are not going to do that until Congress forces them by stopping withdrawing this money from Federal taxpayers from all over this Nation. Whenever they pay their fair share I will go along with the proposition of giving them some money, but until then I do not intend to vote for a dime of it.

The CHAIRMAN. The gentleman from South Carolina [Mr. MCMILLAN] is recognized.

Mr. MCMILLAN. Mr. Chairman, I first want to congratulate my good friend the gentleman from Texas [Mr. THOMAS], and the members of his great committee for agreeing to restore $5 million to the District budget. I realize how the gentleman feels, and he realizes how I feel about some of the affairs in the District of Columbia and some of the publicity we have received by the newspapers in the city of Washington. But we do have some of the finest people in the United States who are paying taxes in the District of Columbia, and we Members of the House obligated ourselves to these people by increasing the salaries of the District government employees by 10 percent. I feel that we are obligated to support of the amendments that have been offered by Mr. RABAUT. I assure you that I shall never come down into the well of this House to emasculate a bill that the Appropriation Committee brings to the floor for consideration unless I have a valid reason. We all had a part in increasing these salaries last year. We did this after the District appropriation bill had passed and we cannot neglect our duty at this time by failing to appropriate sufficient money to take care of this additional expense we placed on the District government.

The District Committee did not increase the salaries of 18,000 District civil employees. That bill came from the Committee on Post Office and Civil Service, my committee increased the salaries of police, and firemen, and teachers. I feel since we did increase the salaries of all these employees we should take care of these additional expenses to the District of Columbia for this fiscal year so that they may be in a position to pay the bill. I heartily support the Rabaut amendments.

Mr. MCMILLAN. Mr. Chairman, I ask unanimous consent that the gentleman from Virginia [Mr. BROYHILL] may extend his remarks at this point in the RECORD.

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

There was no objection.

Mr. BROYHILL. Mr. Chairman, I rise in hearty support of the movement in this distinguished body to restore the $3.4 million cut in the District of Columbia supplemental appropriations measure.

Washington is a Federal city. It is the obligation of the Congress to stand by its commitments made in good faith through various authorization bills. All of us here know that to deny the District funds for essential services is neither in the local nor national interest.

I regret that through the years there has been an increasing tendency to deprive the Nation's Capital of fair treatment with respect to the Government's share in keeping this city's economy in good health. I deplore this tendency. In the present situation if we support the recommendation of the Appropriations Committee we say in effect to the District that we are completely indifferent to its many problems; that we do not care whether the local government functions efficiently; or whether the Nation's Capital is given the tools to reduce the high crime rate existing here.

The District Commissioners, the Police and Fire Departments, and the many other agencies involved in performing good public service are not deserving of such congressional neglect. They do splendid jobs under difficult circumstances and it behooves us to make, insofar as possible, these jobs easier.

Washington is the Capital of these United States. It is one of the windows through which the world sees us. To permit this city to deteriorate by penny-pinching would be a reflection on our pride in the metropolis that houses our Government from the President down. Unless we revise our attitude; unless we stop regarding the District as a stepsister, the day will come when it will be bankrupt and the laughing stock of the world. We can begin this change in attitude by restoring the $3.4 million deleted by the Appropriations Committee.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, the bill provides that the 10 percent pay increase that was voted in the last session of the Congress should be fully or partly absorbed by the different departments, agencies, and commissions of the Government and the District of Columbia. This bill provides that the District of Columbia shall absorb 25 percent of that

10 percent, which is only 2½ percent of the whole.

Certainly, after this House has just voted a $5 million increase for the District of Columbia and also in the regular bill it has raised the Federal contribution from $20 million to $25 million, an increase of another $5 million, there is no justification in raising these appropriations for the District of Columbia in the bill by 15 percent, as the amendment offered by the gentleman from Michigan [Mr. RABAUT] would do.

How far can we go, how long, and how much more are we going to contribute to the District fund? The gentleman from Missouri stated the truth. Surely the time has come when we must put into practice some good common business sense.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, let me seriously commend the statement made by my distinguished friend from Iowa [Mr. JENSEN] and the gentleman from Missouri [Mr. JONES].

But do you know what is involved here in all this noise? $3.3 million. To hear them talk you would think the heavens were going to fall in tonight.

The District of Columbia has to obligate this year $178,500,000. All that is involved in this whole show is $3,300,000.

The amendment offered by my loveable friend from Michigan ought to be voted down. And here is the reason why: We gave them $5 million of your constituents' money this afternoon. We raised everything to their liking, we dotted all the "i's," we crossed all the "t's," for the Police Department, the Sanitary Engineering Department, the schoolteachers and the Fire Department. We took care of everything except the City Hall. Now, that is the biggest part of this amendment.

It is all for salaries. That is all. They have 24,000 employees and had only 906 vacancies as on the 1st of January. We restored it on these four big departments. Now my friend wants to come along and cut that 25 percent down to 10 percent on the smaller departments. We have taken care of the big ones now. Otherwise they are going to spend their own money; their own money. Let us take back that $2.5 million you gave them awhile ago if they are going to spend their own money. And, they should absorb a little of it. They could stand on one foot and absorb what is left. They could do that very easily, and they could do it with a smile. Of course, if we do that, they will come back next year and say, "You gave us this increase, but you did not give us any money." They will want not $5 million, not a $25 million appropriation, but they will want the entire $32 million, and you might be in a position where you will have to give it to them.

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

Mr. THOMAS. I yield to the gentleman from North Carolina.

Mr. JONAS. Actually, we are confused, because the items in the amendments offered by the gentleman from Michigan are not appropriations from their funds. They are merely limitations on the amount they can spend.

Mr. THOMAS. You are right. Gentlemen, vote this amendment down. You have done the right and the honorable thing by the District. I ask for a vote, Mr. Chairman.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Michigan [Mr. RABAUT].

The question was taken; and on a division (demanded by Mr. RABAUT) there were—yeas 60, nays 156.

So the amendments were rejected.

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

The Clerk read as follows:

Amendment offered by Mr. PRESTON: After line 5, page 33, insert:

"General provisions: The Secretary of Commerce is authorized to transfer not to exceed $900,000 between appropriations of the Department of Commerce available for salaries and expenses for the purpose of providing for increased pay costs in the fiscal year 1959."

Mr. THOMAS. Mr. Chairman, I have discussed this amendment with my distinguished friend from Georgia, who so ably handled the funds for the Commerce Department, and I want to commend him for the amendment. I think it makes good sense and will save some money, and I think it should be adopted.

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

Mr. PRESTON. I yield to the gentleman from Ohio.

Mr. BOW. If this amendment is adopted, which authorizes the use of $900,000 transfer for pay raises, will the gentleman assure us that this will not come in in a third supplemental bill?

Mr. PRESTON. I will give my personal guarantee that my committee will not approve such a supplemental request.

Mr. BOW. Mr. Chairman, as the ranking minority member of the gentleman's committee, I can say to the gentleman that I would oppose it. But I think the committee should be assured that we are not going to permit this to come in either in a supplemental bill or in the regular bill, but that this is to be regarded as a transfer of funds within the appropriation. Does the gentleman agree?

Mr. PRESTON. Yes; that is a very accurate statement. I certainly shall take the position that the committee would look with great disfavor and would reject any such request in the form of a supplemental or in the form of additional funds in the bill for the fiscal year 1960.

Mr. BOW. Mr. Chairman, on this side we have no objection to the amendment.

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

Mr. PRESTON. I yield to the gentleman from Rhode Island.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent that all Members who desire to do so may be allowed to extend their remarks following mine on the amendment to the Defense Education Act and prior to the vote.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia [Mr. PRESTON].

The amendment was agreed to.

Mr. TEAGUE of Texas. Mr. Chairman, I offer two amendments.

Mr. Chairman, I ask unanimous consent that both amendments be reported by the Clerk, that I be permitted to speak to both amendments at the same time, but that they may be voted upon separately.

The Clerk read as follows:

Amendments offered by Mr. TEAGUE of Texas: Page 20, on lines 25 and 26, strike out "$43,148,500," and insert in lieu thereof $47,455,000".

Page 21, lines 5 and 6, strike out "$6,380,000," and insert in lieu thereof "$6,934,000".

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

There was no objection.

Mr. TEAGUE of Texas. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include extraneous matter and certain tables.

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

There was no objection.

Mr. TEAGUE of Texas. Mr. Chairman, my amendment on page 20 increases the appropriation for inpatient care in Veterans' Administration hospitals by $4,306,500. The VA budget request was $47,455,000. This bill provides $43,148,500. I have requested the VA to advise the Veterans' Affairs Committee how it will meet the cut of $4,306,500 in its budget request for inpatient care at VA hospitals and the VA has made the following statement:

In order to bring the financial obligations of the VA into line with the funds being made available, the following action is being directed to all affected offices:

1. Freeze all employment.

No vacancies that arise will be filled unless there will be a showing of dire need for the position. This will have the effect of reducing the employment in regional offices, insurance offices, hospitals, and clinics.

2. Defer equipment purchases.

This will delay the purchase, installation, and use of new equipment until after the beginning of the next fiscal year on July 1.

3. Defer maintenance and repair projects in our hospitals.

This action will serve to delay the necessary normal maintenance projects until after July 1. Such action will have the effect of increasing the backlog of maintenance work that needs to be done in our hospitals.

I am particularly concerned that VA will be required to freeze all employment. The VA is in a very difficult position in recruiting professional personnel in its medical program such as doctors and nurses. A freeze of all employment will bring to a standstill any recruitment which is now in progress for those scarce categories of professional personnel.

The Veterans' Affairs Committee has been making a study of deferred maintenance in VA hospitals. Our study shows that the VA has already accumulated an excessive amount of deferred maintenance items due to lack of funds in previous budgets.

In October 1958 the VA had accumulated $11,500,000 in deferred mainte-

nance items carried over from the 2 previous fiscal years. The 1959 budget does not have funds to take care of all of these deferred maintenance items. Eight million, four hundred thousand dollars in deferred maintenance is being carried into the fiscal year 1960 budget with only $3,100,000 budgeted to take care of the deferred maintenance which is being carried over.

We now find the VA supplemental request for inpatient care being cut by $4,306,500. In order to make up this shortage, the VA will be forced to issue orders to defer additional maintenance to make up for the cut in the estimated budget. In other words, as the cut stands, more maintenance will be deferred and the picture at the end of fiscal year 1959 will be that around $10 million to $12 million in deferred maintenance will be accumulated in VA hospitals with only $3.1 million budgeted in fiscal year 1960 to take care of it.

The VA hospital and medical program has been experiencing pressure as a result of the rising costs of medical care for the past several years. In March 1958 the managers of 23 VA hospitals in 7 Western States met and passed the following resolution regarding a shortage of funds in the VA hospital program:

RESOLUTION OF WESTERN HOSPITAL MANAGERS, MARCH 1958

The managers of the 23 Veterans' Administration hospitals, centers, and domiciliaries located in the 7 Western States have met to consider our hospital program for the next 2 years. Our deliberations have revealed a simple, stark reality. Current appropriations will not support presently legislated benefits and accepted concepts of veterans' medical care. The floodtide of price increases on all fronts is recognized throughout the hospital field. Voluntary hospitals, State hospitals, and university hospitals have experienced the effect of rising costs. With the possible exception of a few State hospitals, the costs are reflected in large rate increases and substantial appropriations each year. In nongovernmental hospitals these costs are passed on directly to the patients.

Our Veterans' Administration hospitals have not received funds over the past several years sufficient to keep abreast of these ascending costs. We are endeavoring to maintain a medical program equal to that offered in the community on preinflation appropriation levels. Neither have the managers funds adequate to discharge their specific responsibility in protecting the Government's investment in the physical plant and in equipment. We have economized to the extent that essential care to our patients is inevitably deteriorating.

Our 23 hospitals must have a substantial increase in fiscal year 1959 and a specific increase of $10 million for 1960 over and above the appropriation for 1958 in order to retain an acceptable level of medical care and to maintain our physical plants. These sums do not include whatever might come in a general pay raise for Federal employees or the automatic wage boost for the blue-collar workers.

Unless these sizable sums are made available, Congress must face these alternatives: (1) Lower quality of medical care and further deterioration of the physical plants; (2) reduced beds with the reduction in patient load—close selected hospitals throughout the country or close whole sections of beds in many hospitals.

We therefore unanimously resolve that the Bureau of the Budget and the Congress of the United States be apprised of this basic issue and be requested to take clear-cut remedial action.

*Examples of deferred maintenance which have accumulated at typical stations as a result of lack of funds*

| | Backlog of M. & R. | Recommended for fiscal year 1959 | Amount | Recommended for fiscal year 1960 | Amount | Recommended for fiscal year 1961 | Amount |
|---|---|---|---|---|---|---|---|
| N.P. stations: Battle Creek | $193,309 | Extend F.A. system | $17,000 | Replace hot water heaters, buildings 6, 10, and 11 | $2,500 | Replace generator at fieldhouse | $2,500 |
| | | Replace condens. ret. pumps, buildings 7 and 13 | 800 | Replace hoisting machine, building 39 | 13,000 | Replace service sinks, buildings 8, 9, 10, 11, and 12 | 1,300 |
| | | Replace roofs, buildings 25, 26, 27, 28 | 3,925 | Replace hot water heaters, buildings 1 and 26 | 800 | Asphalt floor covering 6 buildings | 5,400 |
| | | Remodel water sects., buildings 22 and 24 | 66,912 | Renew voc. ret. lines, buildings 8, 9, 11, and 12 | 36,000 | Supply unit heaters, buildings 82, 83, and 84 | 8,172 |
| | | Renew voc. ret. lines, building 8 | 12,000 | Replace hoisting machine, building 82 | 14,000 | Install exit and emergency lights | 9,000 |
| | | Total | 100,637 | Total | 66,300 | Total | 26,372 |
| Fort Meade | 727,752 | Replace roofs, housekeeping quarters | 29,865 | Repairs to building 95 | 41,500 | Replace electric supply lines and street lighting underground | 225,000 |
| | | Repave Terry Rd. and install gutters and street sewer | 75,900 | Repair and renovate quarters | 2,980 | Remodel hydro and electrotherapy, building 56 | 990 |
| | | Replace laundry equipment | 32,525 | Repair building 44 for MAT use | 2,280 | Rebuild paint spray booth | 8,570 |
| | | Repair and renovate quarters Nos. 1 and 13 | 28,385 | Replace windows and level floors, building 68 | 13,864 | Stairway to offices, building 58 | 1,183 |
| | | Total | 166,675 | Rebuild loading docks | 4,000 | Install vault, building 46 | 1,350 |
| | | | | Replace partitions, building 89 | 11,166 | Renovate personnel quarters | 100,000 |
| | | | | Repair valves, water system | 2,500 | Replace roofs, wards, administration and ancillary buildings (in replacement program) | 60,910 |
| | | | | Replace bulldozer and grader | 19,100 | Total | 398,003 |
| | | | | Replace and relocate lawn sprinklers | 17,690 | | |
| | | | | Improve roads, buildings 88, 40, and 90 | 48,000 | | |
| | | | | Total | 163,074 | | |
| Gulfport | 350,770 | Replace grills, building 62 | 10,000 | Interior painting, buildings 60, 61 | 12,850 | Replace laundry equipment | 1,200 |
| | | Plumbing repairs, buildings 1, 3, 4, 5, 41, 57, and 62 | 10,000 | Resurface roads | 63,000 | Replace acoustic tile, building 41 | 4,900 |
| | | Repair roofs, buildings 1, 3, 4, 5, 51-56, 64, 65, and 107 | 32,000 | Replace elevator, building 41 | 30,000 | Replace grills, building 62 | 13,500 |
| | | Cond. tile floor, opr/suite | 6,900 | Replace asphalt tile, buildings 3, 4, and 57 | 14,680 | Repair storm water drainage | 33,000 |
| | | Steam line and radiator repairs | 3,200 | Total | 120,530 | Replace gasoline storage tank | 2,600 |
| | | Replace gutters and flashing, buildings 2, 4, 41, 57 | 7,800 | | | Plumbing repairs, buildings 1, 3, 4, 5, 41, 57, and 62 | 24,750 |
| | | Rehabilitate lighting systems | 5,490 | | | Repair roofs, buildings 1, 3, 4, 5, 64, 51-56, 65, and 107 | 11,000 |
| | | Replace hot water tank, building 5 | 2,000 | | | Replace acoustic tile, building 57 | 7,300 |
| | | Replace elevator, building 1 | 33,000 | | | Replace N.P. mirrors | 4,800 |
| | | Total | 110,390 | | | Repairs to greenhouse | 4,100 |
| | | | | | | Replace dressing sterilizer | 3,400 |
| | | | | | | Replace grills on porches | 9,300 |
| | | | | | | Total | 119,850 |
| Dayton | 610,800 | Road repairs | 12,000 | Conduct floor surg | 6,800 | Replace 2 elevators Brown Hospital | 75,000 |
| | | Repairs to storm sewers | 20,000 | Sinks for isolation wards | 2,500 | Interior paint, Brown Hospital | 35,000 |
| | | Sidewalk and curb repairs | 20,000 | Interior paint, Brown Hospital | 120,000 | Install cubicle curtains | 37,500 |
| | | Interior painting, building 401-2 | 7,500 | Fluorescent fixtures, offices | 5,000 | Demolish old laundry building | 6,000 |
| | | Paint water tower | 3,000 | Radiator covers | 5,500 | New locks, nurses quarters | 3,000 |
| | | Renuit for exterior, library | 4,500 | Renovate chapels | 80,000 | Bedlamps, Brown Hospital | 5,500 |
| | | Roof repair, buildings 121, 403, 404, 405 | 14,000 | Rehabilitate water sections, building 408 | 28,200 | Hot water heaters for quarters | 2,500 |
| | | Rehabilitate water sections, building 408 | 21,800<br>102,800 | Total | 248,000 | Renovate nurses' stations | 3,000 |
| | | | | | | Replace 3 passenger elevators | 82,500 |
| | | | | | | Replace acoustic ceiling | 10,000 |
| | | Total | 205,600 | | | Total | 260,000 |
| Portland | 101,028 | | | Laundry roof, replace | 900 | Install sinks, buildings 1, 4, 5 | 9,750 |
| | | | | Replace steam mains | 35,000 | Replacement of equipment | 9,618 |
| | | | | Replace steam and return lines | 32,000 | Install and repair kitchen equipment | 6,160 |
| | | | | Reroof buildings 5 and 6 | 2,500 | Total | 25,528 |
| | | | | Total | 70,400 | | |

*Examples of deferred maintenance which have accumulated at typical stations as a result of lack of funds*—Continued

| | Backlog of M. & R. | Recommended for fiscal year 1959 | Amount | Recommended for fiscal year 1960 | Amount | Recommended for fiscal year 1961 | Amount |
|---|---|---|---|---|---|---|---|
| N.P. stations—Con. | | | | | | | |
| Newington | $329,350 | Interior and exterior painting | $6,700 | | | Replace entrance doors | $9,900 |
| | | Replace floor covering | 10,800 | | | Drainage, front lawn | 4,000 |
| | | Total | 17,500 | | | Total | 13,900 |
| Minneapolis | 95,089 | Replace electrical service | 4,620 | Replace street light cable | $3,750 | | |
| | | Sheet metal facing cornice, building 3 | 960 | Replace plumbing fixtures | 1,530 | | |
| | | Tuckpointing | 4,000 | Replace lock cylinders | 4,400 | | |
| | | Replace corridor to receiving building T-9 | 3,098 | Replace floor, corridors, buildings 1, 5, 6, 7 | 2,966 | | |
| | | Replace FA wiring building 1, 2 and quarters | 1,065 | Electrical changes, quarters Fort Snelling | 43,000 | | |
| | | Widen 1 door each ward, building 7, 2d floor | 2,700 | Total | 55,646 | | |
| | | Total | 16,445 | | | | |
| Los Angeles* | 1,059,164 | Replace brick boiler | 10,700 | | | | |
| | | Replace FW heater, boiler plant | 15,000 | | | | |
| | | Painting center buildings | 12,300 | | | | |
| | | Toilet and washroom, boiler plant | 2,500 | | | | |
| | | Vented hoods, building 117 | 5,500 | | | | |
| | | Cross connection between water system and sewers to eliminate pollution | 30,000 | | | | |
| | | Incinerator for contamination, waste | 6,500 | | | | |
| | | Modernization of elevators | 14,500<br>121,000 | *Portion of list forwarded with Dec. 19, 1957, station letter. | 461,832 | *Portion of list forwarded with Dec. 19, 1957, station letter. | 476,332 |
| | | Total | 218,000 | | | | |

Mr. Chairman, my amendment on page 21 of the bill, lines 5 and 6 strikes out $6,380,000 and inserts the figure $6,934,000. The effect of the amendment is to restore to the out-patient funds of VA $554,000 which was cut from the budget estimate.

The out-patient program has been experiencing difficulties in the last few months as a result of a shortage of funds. However, this cut will aggrevate the situation. VA has advised that to adjust itself to this budget, it will be necessary to freeze all employment in the out-patient program; to defer all purchase of drugs, appliances, such as artificial limbs, hearing aids, and so forth, where possible. In some instances, it will be necessary to cut back on authorized schedules of treatment by fee doctors. The only veteran eligible for out-patient care is the service-connected veteran. Therefore, any cut in this fund directly effects medical service to the out-patient veteran.

I do not believe there is a Member of Congress here who would wish to see that.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on these amendments and all amendments to this paragraph close in 10 minutes, including 5 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS] and 5 minutes to the committee.

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

There was no objection.

The CHAIRMAN. The Chair recognizes the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I do not believe a Member on the floor of this House will vote against these amendments. We have voted for all the other groups, and I am sure you will not deny the money to the veterans, the veterans who have given more than any group for us and the world. I have received messages from the DAV, the Veterans of Foreign Wars, and the American Legion protesting these cuts. As I stated earlier in the debates, you will lose human lives if you do not restore the cuts, if you do not give the veterans the service to which they are entitled, you will make them expendable. Of course I shall support this amendment and I hope the Senate will restore the remainder of the cut.

Secretary Higgins, who earlier in the parade ceremony was lauded in a special testimonial for his leadership in developing and implementing an improved materiel procurement program for the armed services, made the GI the subject of his last official tribute.

You, the soldier in the field are the object of everything we do he said.

Everything we do is designed to win the next war, heaven forbid, if it is ever thrust upon us. You have the best eyes and ears of any soldiers on the battlefield today. You have the best equipment and the best firearms. But in our book you are not expendable at any time. You are our champions.

I feel very sure that the House will restore this cut. We have given to foreign aid, the District, the Public Health hospitals—no cuts there at all—and the Indian Health Service.

I commend the chairman of our committee for his devotion to hospitalization for the veterans and the entire membership of our committee on Veterans' Affairs I know is mutually interested in the care of the veterans.

Mr. THOMAS. Mr. Chairman, I know what the temper of the House is on this matter, but I want to give you some figures that are well worth thinking over.

The cost of these hospitals is rising, as you know. The cost of everything else is rising, so that is quite understandable. But when the number of beds over a 4-year period does not vary in bed occupancy more than 400 or 500 a year, yet the employment goes up each year, whether there is any increase in bed occupancy, then it is time to do a little thinking; is it not?

Listen to these figures:

For 1958 you appropriated for inpatient care, that is, the hospitals, in round figures $729 million. You had 121,200 beds during that year, and you had 120,730 employees taking care of these veterans.

In 1959 that amount rose from $729 million to $759 million, and lo and behold, you had a decrease of about 250 beds that year, yet you have an increase of about $30 million in appropriations and you have an increase of 300 employees.

For 1960, that is the year right around the corner here, the appropriation goes up to $786,700,000, an increase of over $27 million, yet the increase in the number of beds is only about 60. This gives you a total of 121,014 beds, yet you have an increase in personnel to 123,620, an increase of over 2,500.

You had better think about these figures. I know the temper of the House, but I want to point this out. We have no objection to the amendments because I know you will restore these funds.

The CHAIRMAN. The Clerk will report the first amendment offered by the gentleman from Texas.

The Clerk read as follows:

On page 20, lines 25 and 26, strike out "$43,148,500" and insert "$47,455,000."

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the second amendment offered by the gentleman from Texas [Mr. TEAGUE].

The Clerk read as follows:

On page 21, lines 5 and 6, strike out "$6,380,000" and insert "$6,934,000."

The amendment was agreed to.

Mr. TEAGUE of Texas. Mr. Chairman, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. MITCHELL. Mr. Chairman, I rise in support of the amendments offered by the gentleman from Texas, the very able chairman of the Committee on Veterans' Affairs. No one is more familiar with, and more qualified to speak on, the need for providing every cent possible for the care of veterans who are hospitalized in VA hospitals throughout the country. The amount of $4,306,500 provided for in the proposed amendment is the minimum which should be adopted. This amount does not increase the amount requested by the VA by one penny. The figure decided on by the VA was, no doubt, much less than is actually needed for the VA to do the job it is required to do by law and is certainly the least we should appropriate to fulfill the obligation which we owe to the veterans of this Nation. I hope the amendments will be adopted.

As the gentleman from Texas has pointed out, if his amendment is not adopted it will result in a freeze on all employment, a further deferrence of the purchase of necessary equipment, and further increase the already long overdue maintenance and repair projects in VA hospitals.

The gentleman from Texas has indicated the situation in regard to deferred maintenance on VA hospital facilities over the Nation. I should like to call attention to the situation as it relates to the facilities, which are woefully inadequate, in the State of Georgia. At the present time, the backlog of deferred maintenance on Georgia VA hospital facilities is in the amount of $187,597. We cannot afford to let this continue to grow by leaving needed repairs left undone. The funds requested by the VA and provided for in the gentleman's amendments, which is now before us, merely holds the line. It is urgently needed and it must be provided if we do not intend to further aggravate what is now a very unfortunate situation. I do not want to report back to the veterans of Georgia that we failed to provide the minimum necessary for the operation and maintenance of the VA hospitals and domiciliary facilities at Atlanta, Augusta, Dublin, and Thomasville, Ga.

Mr. Chairman, I also wholeheartedly support the amendment restoring the amount of $554,000, which was cut from the request for the VA outpatient program. Since every cent spent in the outpatient program goes for the treatment and care of service-connected disabled veterans, I fail to see how we can do less than provide the minimum amount requested. We all realize that even more money is needed for this purpose.

Mr. SIKES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall explain the background for the additional funds that are included in this bill for the National Guard. I hope this will be useful to the Members. I shall undertake to show the essentiality of the increase in funds for the National Guard and to show it is the spirit and the determination of the Congress that the guard not be permitted to deteriorate in this crucial period.

There is carried in the pending bill on page 9 an unbudgeted item entitled "For an additional amount of 'Army National Guard' $10,300,000." This is apart from the budgeted item under the same heading for $3,065,000 which is made necessary by pay act increases for the fiscal year 1958. The larger sum applies to National Guard requirements for fiscal year 1959 and the fact that it is not a budgeted item in no way detracts from its essentiality. The necessity for this amount came to light late in the fiscal year after requests for supplemental funds already had been submitted to the Bureau of the Budget for approval and transmittal to Congress. I refer you to the language contained in the report which accompanies this supplemental appropriation bill on this item and which is found on page 4. The committee has approved the budget estimate of $3,065,000 for the Army National Guard for fiscal year 1958, and is adding $10,300,000 for fiscal year 1959. The amount added by the committee, it is believed, will permit the guard to continue its 1959 program as contemplated and avoid any reductions in strength, paid drills and the 6-month trainee program. If there are any reductions they should be made in maintenance and support expenses and under no circumstances should there be any reduction in paid drills and the 6-month trainee program.

Now may I give you this background information. Last year the Administration proposed that the National Guard be cut in strength from 400,000 to 360,000 men. The proposal was made despite the insistence of National Guard leaders throughout the Nation that such a cut would be extremely damaging to morale and to effectiveness. Congress recognizes the importance of the guard to the Nation and realizes that seven guardsmen can be maintained for the price of one soldier in the regular service. Consequently, Congress voted to make mandatory an average strength of 400,000 for fiscal 1959 for the National Guard and provided the funds which it was anticipated would be required to insure an average strength of 400,000. It has now developed, because of unforeseen circumstances, there is actually not enough money to do the job which Congress specified. In addition to the funds already voted, another $13.2 million are needed.

Faced with the choice of cutting back in the strength of the National Guard and on the training program of the National Guard we are asked for additional funds. Secretary McNeil addressed a letter to the Honorable CLARENCE CANNON, chairman of the Committee on Appropriations. In his letter he listed four items of expenditure for which additional amounts are needed and the reasons for them. These are, first, pay of Army National Guard military personnel has increased because of a higher pay grade structure caused partly by improved reenlistments for an amount of $8.1 million; second, attendance at paid drills increased 2.5 percent creating an additional cost of $2.4 million; third, the Army National Guard air defense program was accelerated in conjunction with the total air defense program, with increased costs of $1.6 million; and fourth, restatement of the requirement for 6-month trainees $1.1 million.

It will be noted that no operation and maintenance funds are included here. These are funds to insure a satisfactory level of training and to maintain strength figures. The facts very simply are that Congress has specified a strength of 400,000 with a training program comparable to that of the former years. As a result, the guard is at peak efficiency. If we do not now provide the funds that are needed there is no alternative but for the Army to reduce its training program. In the main this involves the elimination of the last four weekly drill periods together with other needed training exercises. To start to cut back on the training of a first-class effective force such as the guard is to invite reduced standards of efficiency—to start the deterioration of guard units throughout the Nation.

The committee has recommended not $13.2 million, but $10.3 million. This amount may not be adequate, but it shows Congress means to maintain the effectiveness of the guard. This money, plus the language of the report, demonstrates the insistence of the Congress that there be no letdown in the guard program. I believe that it also means that if it can clearly be shown that more funds are required when this bill moves to the Senate that the House will support additional funds.

I reiterate this crucial period is not a time to sanction the deterioration of the National Guard. I consider that we are clearly demonstrating the determination of the Congress to maintain a first-class effective fighting force in our National Guard.

Mr. CANFIELD. Mr. Chairman, I have two amendments at the Clerk's desk and ask unanimous consent that they be considered en bloc.

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

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. CANFIELD: On page 28, line 15, strike out "$3,803,600" and insert "$3,903,600".

On page 28, line 23, strike out "$27,595,000" and insert "$29,595,000".

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

Mr. CANFIELD. I yield.

Mr. THOMAS. Mr. Chairman, the gentleman from Iowa [Mr. JENSEN] and the gentleman on this side of the aisle have discussed these matters with the distinguished gentleman from New Jersey. This amounts to a compromise. It is not exactly what the Treasury wanted. It is not exactly what the committee wanted. But, these people are in the business of collecting money and doing other things of service so I think the compromise is a good one and we are delighted to accept the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New Jersey [Mr. CANFIELD].

The amendments were agreed to.

Mr. GROSS. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. GROSS moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

Mr. GROSS. Mr. Chairman, I take this time among other things to ask a question or two. I would like to ask the chairman of the subcommittee if he can tell me how far we are from a $3 billion bill? We started out with about $2,400 million. How far are we now from a $3 billion bill since the spenders got loose this afternoon?

Mr. THOMAS. May I explain to my distinguished friend here that the committee has receded and given ground—yes, on a good many items. The amendments were to restore some 10-percent cuts on the salary increase itself. So dollarwise it does not amount to very much money. The big amendment the committee has adopted this afternoon was the one adopted by the committee on the Department of Health, Education, and Welfare for the educational program. That was an increase of $50 million. So my guess is altogether——

Mr. GROSS. About $500 million, would the gentleman say?

Mr. THOMAS. Oh, no, no.

Mr. GROSS. Well, in the neighborhood of a couple of hundred million or three hundred million?

Mr. THOMAS. Slightly under $200 million would be my guess; I understand it restores $177,880,500.

Mr. GROSS. Well, that is "chicken feed"; is it not?

Mr. THOMAS. It is a great deal more than I have.

Mr. GROSS. Of course, we do not have any national debt. We do not have any worries about our finances—none at all. I was going to offer a few amendments to the bill, but the amendments I was going to offer would have cut only a few million, and with the spenders in the saddle, I just do not have the heart to offer them.

For instance, I would have offered one to stop that $3 million-odd appropriation for the United Nations police force on the ground that we have already put $55 million into that deal, and the other nations are not paying their agreed share, as the gentleman well knows from testimony before his committee.

I would have offered another amendment to the provision for $25,000 for an international study of judicial procedures. That bill came up on the Consent Calendar a year ago in February. The gentleman from Colorado [Mr. ASPINALL] and I asked at that time what the cost was going to be and we were assured by a member of the Judiciary Committee that it would cost only $5,000 or less. Yet the subcommittee this year heard a request for $75,000, and the committee is providing $25,000 in this bill, five times more than they said it was going to cost at the time the bill was called up on the Consent Calendar. In the future I do not know how well I will be to go along with some of the bills on the Consent Calendar.

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

Mr. GROSS. I yield to the gentleman from Texas.

Mr. THOMAS. We cannot quibble with anything the gentleman from Iowa has said; everything he has said is 100 percent true. They came to the committee and we consulted members of the Judiciary Committee, and it was generally agreed that $25,000 would be a very small sum. As a lawyer, I think you are going to get your money's worth.

I cannot argue with the gentleman about the Consent Calendar.

Mr. GROSS. In view of the fact that the spenders have kicked the door down this afternoon with the adoption of amendments calling for the spending of millions upon millions, I am not going to offer any amendment cutting anything. My vote is against the bill.

The CHAIRMAN. The question is on the preferential motion.

The motion was rejected.

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

The Clerk read as follows:

Amendment offered by Mr. DURHAM: After line 24, page 13, add the following:

"OFFICE OF CIVIL DEFENSE AND MOBILIZATION

"Federal contributions: For an additional amount for 'Federal contributions' including financial contributions to the States pursuant to section 205 of the Federal Civil Defense Act of 1950, as amended, to be equally matched with State funds, $3 million to be derived by transfer from the appropriation for 'emergency supplies and equipment,' fiscal year 1959."

The CHAIRMAN. The gentleman from North Carolina is recognized.

Mr. TABER. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state it.

Mr. TABER. Mr. Chairman, I make the point of order that the amendment is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from North Carolina desire to be heard on the point of order?

Mr. DURHAM. Mr. Chairman, this is a transfer of funds, a matter that I understand appears all through the bill, and I was so advised by the clerk of the committee.

The CHAIRMAN. This is a little more than that; it affects the transfer of funds for the fiscal year 1959 for this new purpose, and as such would constitute legislation.

Mr. DURHAM. If that is the Chair's interpretation, I concede the point of order.

The CHAIRMAN. The point of order is sustained.

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

The Clerk read as follows:

Amendment offered by Mr. ALFORD: On page 23, line 19, strike out "$2,032,000" and insert "$1,642,000".

Mr. THOMAS. Mr. Chairman, will the gentleman yield for a consent request?

Mr. ALFORD. I yield.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes, the last 5 to be reserved to the committee.

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

Mr. THOMPSON of New Jersey. Mr. Chairman, I object.

Mr. THOMAS. Mr. Chairman, I move that all debate on the paragraph and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. ALFORD. Mr. Chairman, at this late hour I hesitate to belabor an issue, but I submit to every Member of this distinguished body that as a loyal citizen of a fine cultured community I must as a matter of principle and in all good conscience protest an item that was listed by the Justice Department relative to Little Rock.

My amendment simply strikes out $390,000 which was used to finance special Federal marshals in the second invasion of Little Rock. I realize that is a very small amount when we consider the large amounts that we are appropriating today. But I call your attention, and beg your indulgence, to page 774 of the hearings of the subcommittee and to the testimony of Mr. Andretta, where he states:

We had to buy special police equipment and supplies to the tune of $10,100 and we had a special communication service set up between here and that area such as a special telephone line and other extra communication costs that we ran up in keeping in touch back and forth. That cost $5,200.

He gives all of the items concerned in the $390,000. I submit these items to you: Personal services, temporary employment of, may I say, U.S. marshals; premium compensation for deputies from other districts; total personal service $280,800. Then there are other contractual services, $1,000. And listen to this item, if you please: Supplies and materials, and this is from Mr. Andretta's testimony, ammunition mostly to the tune of $10,100 and equipment of police type, $7,700, taxes and assessments, social security taxes, $5,200, a total of $390,000. May I repeat to you live ammunition cost $10,100 to be used by Federal marshals against loyal patriotic Americans.

Now, to the distinguished Members of this House, I submit there were 110 special marshals that, as reported in the subcommittee hearing, were patrolling the streets of Little Rock at a time when the senior high schools of that city were closed.

I am well acquainted with the U.S. marshal of that district. He is a very capable gentleman and has some very valuable assistants. I submit to you in all sincerity that I cannot in good conscience sit here and not call attention to this insult to a wonderful peace-loving community.

As I stated before, I hesitate to bring up the subject again, but I must protest this political invasion of a sovereign State. The expenditures have already been paid for and they are asking reimbursement of this amount. In the committee hearing the Justice Department asked for $500,000 additional to be used in future political projects of this type.

In the testimony they declared that they wanted such items as live ammunition, police equipment and communica-

tion for any further incidents that might occur. This demand was refused by the subcommittee.

How long must we continue to have this political subject rise again and again? During that time this city had all of its high schools closed and the order had already been given by the Governor.

I would like to submit also detailed information that is given before the subcommittee:

There were 110 special deputies engaged for the approximate period from August 15 through November 30, 1958. Due to adverse local sentiment, it was necessary to employ the services of special deputies from the adjacent counties rather than the immediate local area. A general rate of $28 per day was fixed for these deputies and many were on duty 18 hours a day.

In addition, 52 regular deputies were detailed to Little Rock during this period from the following districts, and I shall list them by States so as not to take up so much time: Alabama, Arkansas, Colorado, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Mississippi, Missouri, Oklahoma, Tennessee, and Texas.

May I call to your attention at this point the complete hearings before the Appropriations Subcommittee relative to Little Rock:

REQUEST IN CONNECTION WITH MARSHALS AT LITTLE ROCK

Mr. ROONEY. Tell us about this $900,000 request in connection with marshals at Little Rock. How much was actually expended? How many marshals for how long and so forth?

Mr. ANDRETTA. Mr. Chairman, when this estimate was put in the budget it was put in for $1 million back in the fall when things were really hot. We thought later that we were going to need $900,000 in anticipation of any trouble in connection with the school segregation cases. We recruited a corps of deputy marshals and had to bring them in there with others already on the rolls, and to pay their travel expenses, overtime, and premium pay. The result was that in marshaling this specific task force we authorized obligations of some $390,000.

Mr. ROONEY. You want to change this requested amount from $900,000 to $390,000?

Mr. ANDRETTA. No, sir; that threw us behind in some of our regular operations and also the fact that we are running over on some of our litigation expenses in the U.S. attorneys offices.

Mr. Rooney, you know that we always come back for litigation costs on the U.S. attorneys appropriation.

Mr. ROONEY. I understand that, but did you not get this request for $900,000 approved in the Bureau of the Budget on the basis that it was to meet extraordinary situations arising in certain districts as a result of the Supreme Court decision on school integration?

Mr. ANDRETTA. That is right.

Mr. ROONEY. How do you now justify any more than $390,000?

Mr. ANDRETTA. Except this: It will save our coming back for another supplemental appropriation.

Mr. ROONEY. You are the best man on supplementals I know of.

Tell us about the $390,000. What are the details with regard thereto?

Mr. ANDRETTA. The details are $156,000 for personal services. That is——

Mr. ROONEY. How many people?

Mr. ANDRETTA. For "Personal services"; that is $280,800 for special deputy marshals.

Mr. THOMAS. How many are you asking for?

Mr. ANDRETTA. A total of 110 special deputy marshals were employed.

Mr. ROONEY. For how long and how much?

Mr. ANDRETTA. They were on per diem pay, so the rate——

Mr. ROONEY. Could you break that down? Is this a buckshot approach or can you break down this $390,000?

Mr. ANDRETTA. Yes, sir.

As I say, $280,800 is for personal services which were——

Mr. ROONEY. I am talking about a little further breakdown than that, Mr. Andretta.

Mr. BROWN. Mr. Chairman, they were appointed generally for a period of 3 months and the actual period of service varied within that 3-month period. We can give you a breakdown of that.

Mr. ROONEY. What else besides that?

Mr. ANDRETTA. $80,000 for travel expenses.

Mr. ROONEY. Where do you hire these people?

Mr. ANDRETTA. They were hired in neighboring areas and some very few locally. They were taken on by the marshals in adjacent districts but not in that particular area. Then others were brought in——

Mr. ROONEY. They are all off the payroll now?

Mr. ANDRETTA. Yes, sir; they are all off now.

Mr. ROONEY. What else?

Mr. ANDRETTA. We had to buy special police equipment and supplies to the tune of $10,100 and we had a special communication service set up between here and that area such as a special telephone line and other extra communication costs that we ran up in keeping in touch back and forth. That cost $5,200.

We had some special contractual service; that is, for fees and things like that, $1,000.

Then we had the purchase of ammunition and other equipment, $7,700, and $5,200 in contributions on social security payments, which adds up to $400,000.

Mr. ROONEY. $400,000? You gave me $390,000 before.

Mr. ANDRETTA. Yes, $390,000.

Mr. ROONEY. Which is it?

Mr. ANDRETTA. It is $390,000, Mr. Chairman.

Mr. ROONEY. Will you please insert at this point in the record, if you hope to get this money, some real details as to the number of people, for how long, how many days, what dates, and where they came from, and so forth?

Mr. ANDRETTA. Yes, sir.

Mr. ROONEY. And the rate of pay?

Mr. ANDRETTA. Yes, sir.

(Then the information follows:)

"DETAILED INFORMATION CONCERNING THE SCHOOL INTEGRATION PROGRAM

"There were 110 special deputies engaged for the approximate period from August 15 through November 30, 1958. Due to adverse local sentiment, it was necessary to employ the services of special deputies from the adjacent counties rather than the immediate local area. A general rate of $28 per day was fixed for these deputies, and many were on duty 18 hours a day.

"In addition, 52 regular deputies were detailed to Little Rock during this period from the following districts:

"Alabama: Northern, middle, southern.
"Arkansas: Eastern.
"Colorado.
"Georgia: Northern, middle, southern.
"Illinois: Southern.
"Indiana: Southern.
"Kansas.
"Kentucky: Western.
"Louisiana: Eastern, western.
"Mississippi: Northern.
"Missouri: Eastern, western.
"Oklahoma: Northern, western.
"Tennessee: Eastern, middle, western.
"Texas: Northern, eastern, southern, western."

*"Detail of obligations authorized*

"OBJECT CLASSIFICATION AND AMOUNT

| | | |
|---|---|---|
| "01 | Personal services: | |
| | Temporary employment | $265,200 |
| | Premium compensation for deputies from other districts | 15,600 |
| | Total personal services | 280,000 |
| 02 | Travel | 80,000 |
| 04 | Communication services | 5,200 |
| 07 | Other contractual services | 1,000 |
| 08 | Supplies and materials (ammunition mostly) | 10,100 |
| 09 | Equipment (police-type) | 7,700 |
| 15 | Taxes and assessments (social security taxes) | 5,200 |
| | Total | 390,000" |

Mr. ROONEY. Are there any questions with regard to the item, "Salaries and expenses, U.S. attorneys and marshals"?

Mr. THOMAS. No questions.

Mr. Chairman, I submit to you in all sincerity that we are crying out only for simple justice, and maintenance of States rights and constitutional government.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. ROONEY] to close debate.

Mr. ROONEY. Mr. Chairman, the Committee on Appropriations was asked to approve $900,000 in this category, United States attorneys and marshals. The committee saw fit to deny all sums beyond the amounts actually expended in connection with the unfortunate Little Rock situation. It was necessary, said the Attorney General and the Department of Justice, to send to Little Rock 110 special deputies during the period from August 15 to November 30, 1958. In addition, 52 regular deputies were detailed to Little Rock from Alabama, Arkansas, Georgia, and quite a number of other States. Now, this is the bill for their services. These services have already been performed. Of the $390,000 which the pending amendment seeks to deny, $280,000 is for the pay of these 162 deputy marshals. $80,000 is for their travel. $5,200 is for their telephone and communication services. $1,000 is for other contractual services. $10,100 is for supplies and materials, ammunition mostly. Equipment, police type, $7,700, and social security taxes $5,200.

Now, the Little Rock situation unfortunately arose and the dignity of the United States of America was and is involved. It became incumbent upon the Attorney General to send these deputies in place of troops to this city to enforce the Federal law and to keep the peace, and we are now confronted with the bill for their cost. Are we going to default on paying this bill, this bill to keep law and order in the United States of America? Well, I do not think that day has yet arrived.

Mr. Chairman, I ask for an immediate vote on the pending amendment, and I trust that it will be overwhelmingly voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. ALFORD].

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 43, noes 153.

So the amendment was rejected.

Mr. THOMAS. Mr. Chairman, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. THOMAS: On page 50, line 24, strike out "$203,220,000" and insert "$221,220,000".

Mr. THOMAS. Mr. Chairman, let me briefly explain this amendment. This is another one of these pay cuts, in this case in the Post Office Department. There was involved here a reduction of about $22.5 million that the committee placed upon the Post Office Department out of a total bill of around $226 million.

The Post Office Department has written the committee, and we have talked with the gentleman from Virginia [Mr. GARY] and the ranking minority member of the subcommittee that handles this matter. They say that they can take about $4.5 million of the $22.5 million cut. The purpose of the amendment is to increase the amount by that difference, or $18 million.

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

Mr. THOMAS. I yield to the gentleman from Virginia.

Mr. GARY. It is true that the Post Office Department has already absorbed about 14 percent of the cut.

Mr. THOMAS. They have done perhaps a better job than any other agency in the Government.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. THOMAS].

The amendment was agreed to.

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

The Clerk read as follows:

Amendment offered by Mr. CANFIELD: On page 51, line 20, strike out "$260,550" and insert "$280,550".

Mr. CANFIELD. Mr. Chairman, may I say to the chairman of the subcommittee and the Members of the House that the purpose of this is to make a partial restoration of the evidence fund for the Bureau of Narcotics.

Mr. THOMAS. Mr. Chairman, we accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. CANFIELD].

The amendment was agreed to.

Mr. THOMSON of Wyoming. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think that it is most regretful that the chairman of the subcommittee accepted the amendment of the gentleman from Rhode Island to restore the $50,300,000 request to expand the seven programs under the Defense Education Act of 1958, other than the student loan fund, which was already provided for in the bill.

I think the committee was absolutely right when it said in the committee report, at page 7:

Congress should proceed with due deliberation before embarking on large-scale support of programs such as grants for statistical studies, testing, and classroom facilities. The matter will be thoroughly developed during the hearings on the $150 million budget estimate for 1960.

As a minimum, each of these widely diversified programs should have been made to stand on its own merit.

At this late hour, I do not intend to take a great deal of the time of the House. I merely ask each Member to study the hearings, as I have, to determine what this means as far as education is concerned in his particular district. The amount, you will find, is negligible. What this does is to add to bureaucracy and Federal domination.

I refer you to page 553 of the hearings. The testimony there appearing shows that exclusive of personnel to administer the Defense Education Act, which of course is a complete misnomer in that it has nothing to do with defense, is 653 employees in the Office of Education. The number added for administration of the act totals 353, over a 50 percent increase.

Mr. Chairman, in the session of the Wyoming State Legislature just recently adjourned, there were provided teacher-training scholarships in addition to those already authorized. There was added to the State contribution to the school foundation program an amount of between $1 million and $2 million, as compared to the $150,000 for grants provided in this bill. The State set up a student loan plan for higher education, whereby the State guarantees loans obtained through banks, which is far more adequate than the $48,938 provided in this bill and in the regular appropriation for the State of Wyoming, which is an average sized congressional district.

At the same time, a request was made for legislation authorizing the acceptance of Federal grants under the Defense Education Act. That bill was passed, with a most significant amendment. The State department of education may accept such funds only when the Federal budget is in balance.

Mr. Chairman, it is regretful that the Congress does not show the fiscal responsibility that this amendment to house enrolled act No. 31, signed into law by the Governor of the State of Wyoming on February 9, 1959, which I have before me, suggests. Unless the Congress, in the years ahead, measures up to that responsibility, this country cannot survive.

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

The Clerk read as follows:

Amendment offered by Mr. McGOVERN: Page 31, line 19, strike out "$186,755" and insert "$112,053".

Mr. McGOVERN. Mr. Chairman, I can explain this amendment in just about 1 minute. About a month ago the Secretary of Agriculture announced that he was dropping the support price on feed grains to 60 percent of parity. What I am attempting to do in this amendment is to keep the Secretary's office operation consistent with what he has proposed for the farm people, and to reduce the salaries and expenses of his office to 60 percent of parity, which is $112,053.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 2 minutes.

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

There was no objection.

Mr. THOMAS. Mr. Chairman, if the gentleman is really serious about this amendment, we will accept it and take it to the conference, with the right of throwing it out the window if it does not look right to the conferees.

Mr. HALLECK. Mr. Chairman, will the gentleman from Texas yield to me?

Mr. THOMAS. I yield to the minority leader.

Mr. HALLECK. Mr. Chairman, we have gone along here very well today on a great many things that have really been important. I think the House of Representatives has made something of a record for itself. I just want to say at this juncture to some of those who are running this Congress, if they do not like the agriculture program that we have, they had better start doing something about it, because they cannot just get by sniping and criticizing somebody who is trying to administer the program.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. McGOVERN].

The amendment was rejected.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from North Carolina [Mr. DURHAM] rose a few minutes ago and offered an amendment which was ruled out of order. The amendment was to allow the Federal Civil Defense Agency to transfer $3 million from money which they have, authorized for one purpose, and use it for grants-in-aid in the States in the perfecting of the Federal civil defense organization.

May I say I think the amendment was out of order. It was not properly drawn. I conferred with the clerk of the committee and felt the amendment was properly drawn, but I find out there was a mistake. But I want to comment on the substance of what the committee has done. Last year we passed a bill, Public Law 85-606, which gave joint responsibility to the Federal Government and the State government for the building of a civil defense system in the United States. In that bill there was a provision that 50 percent grants could be made to the States and local subdivisions for administrative purposes to build up this organization in the United States. By the denial of this grant the Congress has gone back upon the legislation it passed last year and, in my opinion, has broken faith with the States. Many States have passed legislation providing funds to build a Federal civil defense and a disaster organization. Denial of this $3 million goes right to the functioning of your local State agencies and your city agencies in the field of disaster organizations.

I do not know at this time how this money could be provided, but I do feel that we are making a mistake in not recognizing that there is a problem of

civil defense in this Nation, and something should be done about it.

I will not take any more of the Committee's time because I recognize the temper of the House, but I could not let this go by without calling the attention of the House to what I think is a grievous mistake.

Mr. MORRIS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield to the gentleman from Oklahoma.

Mr. MORRIS of Oklahoma. I want to associate myself with the remarks of the gentleman. I agree with him fully in what he has said.

Mr. HOLIFIELD. Mr. Chairman, the supplemental appropriations bill, H.R. 5916, reported by the Committee on Appropriations, has omitted one small item which could have great consequences on the fate of our Nation. I refer specifically to the President's request for authority to transfer $3 million in civil defense funds from one account to another.

During the past session, Congress enacted legislation authorizing the Federal Government to provide matching funds for civil defense administrative and personnel expenses of the States and localities. As I recall, the President's request for supplemental funds to start that program was rejected late last summer with the specific provision that the executive branch resubmit the item in a deficiency appropriation request after the Congress returned in January. This request was resubmitted but the Appropriations Committee apparently has not seen fit to include a provision for this item in the bill under consideration today.

I think it is important to note in this connection that the administration is not asking for the appropriation of new money. The request is for authority to transfer $3 million of unexpended funds from one account to another. From a balance of $4.5 million in the civil defense equipment and supplies account, $3 million would be transferred for use in matching, on a 50–50 basis, State and local funds for administrative and personnel expenses.

The stack of hearings and reports on this table represents more than 3 years of study and investigation of civil defense matters by the Government Operations Subcommittee on Military Operations, of which I am chairman. In this time we have compiled 9 volumes of hearings, comprising 4,000 printed pages of expert testimony. We have issued four carefully documented committee reports.

More than 250 expert witnesses, including the chairman and members of the Joint Chiefs of Staff, have assisted us in our appraisal of national civil defense requirements.

As a consequence of our study, the Military Operations Subcommittee in its basic civil defense report—House Report No. 2946, 84th Congress—set forth a series of recommendations designed to strengthen the Federal civil defense effort in keeping with the constitutional responsibility of the Federal Government to provide for the national defense. These recommendations were subsequently incorporated in proposed legislation—H.R. 2125, 85th Congress—which was introduced in the House by every member of the subcommittee.

One of the provisions of that proposed legislation would have authorized the Federal Government to provide matching funds for civil defense administrative and personnel expenses of the States and localities. While our comprehensive legislation was never acted upon, the Congress did adopt this particular provision in the civil defense amendments of 1958—Public Law 85–606—which were introduced by the distinguished gentleman from North Carolina [Mr. DURHAM]. Those amendments were approved by the Armed Services Committee and enacted into law during the past session of Congress.

In refusing to authorize a simple transfer of $3 million to carry out this particular provision of law, the Appropriations Committee is in effect nullifying the findings of the Armed Services Committee as well as those of the Military Operations Subcommittee.

I may also note that the purposes for which this transfer of funds is requested have been strongly endorsed or recommended by the various survey and study groups considering civil defense problems in recent years. These include the Kestnbaum Commission on Intergovernmental Relations, the project East River Group, the National Planning Association and the Sarnoff Study Group.

In addition the civil defense committee of the Governors' conference, the American Municipal Associations' Civil Defense Committee, as well as the National Association of County Officials, the American Legion and the AFL–CIO have all recommended this program.

The Appropriations Committee report accompanying the measure now under consideration is, by implication, very critical of the Office of Civil and Defense Mobilization. It indicated that the funds under consideration would be wastefully expended with no concrete benefits to the national security.

Let me say that as a Member of Congress, I have been an outspoken critic of the civil defense operations in the Federal Government. On more than one occasion I have raised objections to the manner in which the FCDA, and its successor, the OCDM, have carried out civil defense functions at the Federal level and I shall probably have many more critical things to say about the OCDM in the future.

The point at issue today, however, goes to the question of whether we shall have any civil defense program in our Nation. While I believe that a vastly expanded Federal program is required before we can expect to have an effective national civil defense, I recognize that any program must rest ultimately upon the people of our Nation and their instrumentalities of government at all levels, including the State and local.

The States and localities are willing to do their part, provided Federal leadership and assistance are forthcoming. To date, the States have matched Federal funds amounting to $131 million for equipment, training, and other items in the matching program. Altogether the States have budgeted approximately $24 million for this program for the coming fiscal year.

I have been advised by various State and local officials that unless increased Federal assistance is forthcoming, we are in danger of losing the benefit of all the civil defense work accomplished to date. I am told that failure to provide such assistance will cause us to lose the nucleus of civil defense personnel now residing at the State and local levels.

While many of us agree that our civil defense program is not what it ought to be, I am firmly convinced that we cannot afford to lose whatever capability we now have. With the Berlin crisis simmering, with the Communists on the march from Iraq to Bolivia, with trouble even in the remote land of Tibet, and with our missile development program and our overall Defense Establishment not only gaping, but sagging, the Congress should not stand idle while our civil defense program is being dismantled.

The Appropriations Committee report would make it appear as though the civil defense transfer authority requested by the administration would embark this Nation on an entirely new program—something new in the American scheme of things. In fact, there are many precedents for the type of assistance contemplated in this request. Federal grants have long been used by the States to administer a number of health, education, and welfare programs, such as public assistance, vocational rehabilitation and education, and hospital construction. Federal funds have been used to administer the State employment offices. Federal funds have supported the National Guard. Federal grants for administrative and personnel costs have made possible the successful operation of various agriculture and forestry programs.

Time does not permit a comprehensive discussion of the many civil defense tasks facing our Nation. I intend to request a special order for an address of considerable length at a later date, but at the present time I should like to call attention to certain evidence of increased Soviet concern with civil defense matters.

I have here a detailed study of Soviet civil defense compiled by the Library of Congress. It was completed only last week and includes the latest information available in Russian publications and other sources.

According to the evidence collected in this study, the Soviet Union last year revised its civil defense plans to bring its program up to the requirements of thermonuclear warfare. The indication is that large segments of the Soviet population are being indoctrinated in techniques of survival and rehabilitation.

In the face of this evidence, and lacking any clear understanding of Soviet intentions, it is my firm belief that we in the United States should be attempting to build a civil defense program instead of stifling it in its infancy.

Mr. GROSS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, last week we had a bill before the House to provide for airport construction, and we heard at that time from one of our leaders that the vote to save $97 million would separate the boys from the men. Today we had a vote on spending an additional $100 million on foreign countries. I wonder who got separated today? I simply want the RECORD to show, if we are not going to have a rollcall vote on this bill, that I am absolutely opposed to it.

Mr. ANDERSON of Montana. Mr. Chairman, I concur fully in the statements made in behalf of the Veterans' Administration's need for supplemental funds. I hope we will give a full and resounding vote of affirmation to the amendment to restore fully these critically needed funds, and that the proposed reduction of $6,118,500 not be made. As a combat veteran of World War II myself, I support our veterans' groups views that all these funds are needed to assure effective operation of our VA facilities through 1959. These situations always occur when unforeseen costs arise, such as the pay raise enacted following the initial budgetary request for these VA functions. I should be terribly distressed, and I believe all thinking Americans would be distressed, should VA hospitals have to close down a part of their bed capacity for qualified patients in the final 3 months of 1959. I especially urge full appropriations be made for general operating expense, inpatient care and outpatient care to service-connected patients throughout 1959 in the VA program.

Mrs. DWYER. Mr. Chairman, I am greatly disturbed at the recommendations made by the Appropriations Committee in its report on the second supplemental appropriations bill for fiscal year 1959. In several respects, the bill as reported fails dismally to provide for absolutely essential Government responsibilities. I am especially concerned at the failure to provide funds for all but one of the programs implementing the National Defense Education Act of last year.

We have heard a great deal lately about the need to economize in Federal spending. This is a very real need; I recognize it; and wherever possible I have supported and shall continue to support efforts to economize with the people's money.

But there is such a thing as false economy. For instance, it is impossible to administer a program with efficiency and economy when its budget is subjected to fits and starts, to plenty of money in one quarter and not enough in the next. Any program requires continuity of personnel and consistency of effort. Neither is possible when a program's budget is uncertain and unpredictable.

Likewise, it is not genuine economy when we put off until tomorrow expenditures that have to be made today. Delay is expensive. Wasted time is never going to be recovered. A steady level of activity is indispensable if economy is to be achieved in any kind of operation: it can be controlled better, and the best possible use of resources can be obtained. Maximum results for minimum costs is possible only under this kind of program administration.

The price of false economy today, Mr. Speaker, is higher spending tomorrow.

The National Defense Education Act is a particularly discouraging example of the likely consequences of the committee's proposed action. The committee has, in effect, given a green light to one of the education activities while it has abruptly stopped all the rest.

Can our memories be so short as to allow us to forget the conditions and the stimulus which led the Congress to pass the National Defense Education Act only a few short months ago? Or can our judgments have so changed that what seemed critically important then has since faded into relative obscurity? Has the Soviet Union suddenly ceased to challenge the free world? Have Soviet developments in education, science and foreign languages, for example, become less significant in the struggle to influence the new countries of the world? Or has our own educational system demonstrated in the last half year that it does not need the help contemplated in the act? Are we really so superior, so proficient, so well provided for in these once-crucial fields of study?

If we can honestly answer "yes" to each of these questions, Mr. Speaker, then we have no business seeking to restore the $50,300,000 cut by the committee. But I doubt if any of us would be so foolhardy as to answer "yes" to a single one of these questions.

Let us, therefore, review for a moment the reasons why a supplemental appropriation is necessary for activities under the Defense Education Act.

The Committee on Labor and Public Welfare reported the education bill on July 15, 1958. In its report, the committee highlighted its motive as follows:

> America is confronted with a serious and continuing challenge in many fields. The challenge—in science, industry, government, military strength, international relations—stems from the forces of totalitarianism. This challenge, as well as our own goal of enlargement of life for each individual, requires the fullest possible development of the talents of our young people. American education, therefore, bears a grave responsibility in our times.

The committee also had this to report:

> The members of the committee believe that the bill offers an effective approach to those critical areas of shortage and neglect which now carry highest priority in the national interest—in the teaching of science, mathematics, and modern foreign languages. The committee believes, too, that the related sequence of programs in testing, counseling, scholarships, loans, and the fellowships—to identify, encourage and assist the ablest students who need help—will be of great value in the continuing effort to conserve and develop the critically needed human resources of our country.

In passing this momentous legislation, Congress announced to the world that it took seriously the challenge the committee had recognized, and it expressed its hope and expectation that the bill would help strengthen the Nation to meet the challenge successfully. This was no simple gesture or statement of empty words. It was the act of determined people, guided by high values and clear-sighted recognition of both the cost and the benefits of its action.

Earlier last year, our Committee on Appropriations also had something to say on the subject of education. On March 25, 1958, the committee reported the Departments of Labor, and Health, Education and Welfare appropriation bill for fiscal year 1959. Discussing the item for the Office of Education, the committee noted:

> During the past several months the Nation's attention has been called more forcibly to the fact that we cannot afford to be complacent. If we are to maintain a position of leadership it is more and more being recognized that education must keep up with the times.

The committee also remarked of the Agency that:

> The whole Office has been built up to a level where it can come closer to rendering the services that the educational system needs and must have if the Nation is to keep abreast of the changing conditions nationwide and worldwide.

This expression of concern for the need to improve education and this statement of regard for the Agency responsible for helping education was made, of course, before the Congress approved the vast new programs of the National Defense Education Act.

With passage of the act, which authorized appropriations of $182,800,000 for the first year, the Appropriations Committee was called upon to implement it with at least a preliminary appropriation of funds. The President estimated in August 1958, that $117,200,000 would be required to get the program started, though this figure was shortly revised upward when Congress approved the inclusion of the area vocational school program in the education bill, to a total of $133,700,000. In addition, $2,100,000 was estimated to be sufficient for salaries and expenses in the beginning months of the program.

As the distinguished gentleman from Rhode Island [Mr. FOGARTY], a member of the Appropriations Committee, declared during debate on the bill appropriating these interim funds: "The full requirements of the program for this fiscal year can then be assessed when the 86th Congress convenes in January. At that time we can consider the supplemental needs of the Office of Education for the remainder of fiscal year 1959. Certainly the least we should do is to appropriate these amounts before this Congress adjourns."

The Congress, however—under the stress of the final moments of the 85th Congress—appropriated only $40 million for the National Defense Education Act instead of $133,700,000; and it appropriated only $750,000 instead of the $2,100,000 for salaries and expenses.

While this left approximately $142 million of the first-year authorization unappropriated, the President requested only $75 million for the remainder of fiscal year 1959 in his January budget message to Congress. This reduction—which was nearly 50 percent—represented the administration's best judgment on the minimum defense education program the country could afford—de-

spite the fact that the act had received wide acclaim from educators throughout the country and despite the fact that the Office of Education had made an early and effective start in organizing a working and efficient program.

Therefore, it can hardly be alleged that the President's supplemental request of $75 million was anything but a minimum figure, carefully estimated and drastically reduced.

It is in this light, Mr. Speaker, that I must agree with the Secretary of Health, Education, and Welfare's reaction to the report of the Appropriations Committee as "incredible." He has estimated a whole year may be lost in putting into effect the program authorized by Congress to strengthen our country's educational system—unless the committee's cut is restored.

Again, Mr. Speaker, I ask what has happened since August 1958, to make it safer or wiser to stop so badly needed a program as this?

If we fail to restore these minimum appropriations, then our people and the whole world will be right in concluding that our concern for education last year was an idle fancy, a passing emotion, a meaningless jumble of words.

Mr. MONAGAN. Mr. Chairman, I am glad to support the second supplemental appropriation bill for 1959—H.R. 5916—in its amended form.

I believe that the House has approached this bill in a spirit which combines an interest in needed programs with a desire to keep appropriations within reasonable bounds.

It is worthy of note that the Committee on Appropriations reduced the recommendations of the Bureau of the Budget by $385,432,032 and even with the amendments passed by the House the final appropriations will be approximately $208 million below the budget.

I am happy to support the restoration of $100 million to the Development Loan Fund. Even though there are five other agencies supplying money in whole or in part for economic development abroad and in spite of the fact that we are currently receiving reports of discouraging mismanagement in our foreign assistance programs, nevertheless, I feel that the main objectives of these programs are valid. I feel that our administration of these programs is improving and I believe that our security and the stability of our friends throughout the world require that they be continued.

This does not mean that we should not keep these programs continually under observation. It is our duty to do this because of the amounts involved and because of the constant danger that their objectives will not be realized because of faulty administration. In our present status of international tension, however, I am sure that this is not a time to abolish these programs.

Mr. JENSEN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I see the gentleman from Texas [Mr. THOMAS] on his feet about to move that the Committee do now rise, and I am glad that he is going to do so because up to this time we have spent quite a little money, but still we have saved money and, as I said, even though we have spent a lot of money today, we are still below the budget to the extent of $208 million.

Mr. THOMAS. I must say my friend, the gentleman from Iowa, deserves a large share of the credit.

Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and, the Speaker having resumed the chair, Mr. BOGGS, 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. 5916) making supplemental appropriations for the fiscal year ending June 30, 1959, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. WILLIAMS. Mr. Speaker, I demand a separate vote on the Rooney amendment restoring the $100 million to the Development Loan Fund.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The question is on the amendments.

The amendments were agreed to.

The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 6, after line 22, insert:

"FUND APPROPRIATED TO THE PRESIDENT

*"Mutual security*

"Development Loan Fund

"For an additional amount for advances to the Development Loan Fund, as authorized by section 203 of the Mutual Act of 1954, as amended, $100,000,000, to remain available until expended."

The SPEAKER. The question is on the amendment.

Mr. WILLIAMS. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

Mr. FULTON. Mr. Speaker, I ask for a division.

The question was taken, and on a division (demanded by Mr. FULTON) there were—ayes 183, noes 59.

So the amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

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## GENERAL LEAVE TO EXTEND

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the bill just passed.

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

There was no objection.

## MINIMUM WAGE OF $1.25 AND EXTENSION OF COVERAGE

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

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

There was no objection.

Mr. RODINO. Mr. Speaker, it is essential that the Fair Labor Standards Act be amended without delay to increase the minimum wage and to extend its coverage to millions of workers who are not protected under the present law's restrictive provisions regarding exempted industries. To remedy these deficiencies, I have introduced a bill, H.R. 4740. This bill proposes to raise the minimum wage to $1.25 and to provide coverage for employees of employers who are engaged in activities affecting interstate commerce and to eliminate certain exemptions.

An increase in the minimum wage at this time will produce two beneficial results. First, it will raise the level of income for numerous workers who are subsisting on earnings that have lagged far behind those of organized employees in higher wage industries. Second, it will bolster the economy by placing additional purchasing power in the hands of consumers.

When the $1 minimum was voted in 1955, many people believed it to be inadequate and advocated the $1.25 rate now being considered. If it was felt at that time that the floor to wages should be raised to $1.25, how much more imperative it is today to establish the higher minimum. During the past 3 years that the $1 minimum has been in effect, the cost of living has risen steadily; the Consumer Price Index jumped from 114.7 to 123.8, an increase of 9.1 points. As a result, the purchasing power of the dollar has deteriorated to the extent that during the past year its purchasing power was 2.6 percent less than it was in 1957. All of us have felt the impact of higher prices, and it does not take much imagination to visualize the difficulties that the low-wage workers are undergoing to stretch their meager earnings to buy even the necessities of life.

We have been reminded from time to time, but it bears repeating, that the wage and hour law was enacted for the purpose of correcting and eliminating "conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers." We cannot, in all honesty, say that the present minimum of $1 is adequate to carry out this declared purpose. The majority of low-wage workers are unorganized and do not have collective support to plead their case. It is up to Congress to protect their interests and we should act now to bring relief to those living on substandard incomes.

The original Fair Labor Standards Act of 1938 was one of the measures enacted to fight the depression of the 1930's. The problem of unemployment and its solution were of utmost importance at that time and one of the aims of the act was to increase the incomes of consumers

and create a demand for goods and services. The increases in the minimum wage to 75 cents and $1 an hour in 1950 and 1956 were necessitated by the economic inflation, and the failure of wages in low-paying industries to keep abreast with higher living costs. Today the specter of unemployment again hangs over us, and the increase in the minimum wage to $1.25 will add to consumer purchasing power and help stimulate the economy and the demand for workers. We cannot hesitate to act to bring relief to the unemployed.

Since its enactment nearly 21 years ago, the Fair Labor Standards Act has provided protection to 24 million employees in industries in interstate commerce covered by the act. Unfortunately, there are still some 20 million workers who are denied coverage. Under my bill, it is proposed to correct the injustice done to approximately 7½ million workers in retail stores, laundry and dry cleaning establishments, service occupations, and other categories. The 7½ million workers I mentioned are employees of large business concerns, most of them employed in retail stores. The retail stores I have in mind are not the family, neighborhood variety. They are the ones connected with giant operations, such as the food chainstores and variety chainstores which have branches spread throughout broad areas or the whole expanse of the Nation. These giant concerns can readily pay the higher minimum, and the same is true of other exempt industries whose yearly amounts of business run into hundreds of thousands of dollars.

It has been argued that coverage of these employees should be left to the States. But let us take a look at this situation. Sixteen States do not have a minimum wage law; only 12 States that do have laws provide coverage for both men and women; even fewer States have basic minimum hourly rates of $1; and only 10 States and the District of Columbia set overtime rates in addition to the basic minimum for work beyond 40 hours a week. Probably one-fifth of the 20 million workers not covered by the Fair Labor Standards Act are afforded protection under State laws. Extension of coverage under the Federal law alone can at least partially eliminate the inequities and deprivations that exist today.

I earnestly ask you to support me in this endeavor to establish adequate minimum wage protection so urgently needed for the relief of our fellow countrymen and for the prosperity of the United States.

## NICHOLAS CHRISTOPILOS' CONTRIBUTION TO SCIENCE

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, recent press reports regarding the valuable contributions to American science which have been made by Dr. Nicholas Christopilos of the University of California Radiation Laboratory underline the importance to American research of utilizing all talented individuals, no matter how great a formal education the individual has had in nuclear physics.

I would like to refer to testimony presented to the Research and Development Subcommittee of the Joint Committee on Atomic Energy last year by Dr. George K. Green of Brookhaven National Laboratory, describing the extraordinary contribution which Dr. Christopilos has made in the field of high energy accelerators, despite the limited education he received before coming to the University of California from his home in Greece.

Brains are where you find them. I allude to the fact that Dr. Christopilos had made his fundamental discovery of the important strong focusing principle for accelerators while he was still working in Greece in a nonscientific job, and independently of the work being done by scientists in this country. In fact, he apparently discovered this principle about a year before U.S. scientists did, even though he had no formal affiliation with scientific research groups.

I call my colleagues' attention to the exchange from the subcommittee's hearings in February 1958, in which Dr. Green described the contributions of Dr. Christopilos. Let me read it.

After describing the work which had been done on several high energy accelerators in this country, Dr. Green goes on to say:

Dr. GREEN. So a group of our people sat down and discovered the strong focusing principle, whereby one could build a magnet of much bigger diameter with the magnet itself being a smaller cross section and it would not take so much steel. Interestingly enough, Nicholas Christopilos in Greece, working all by himself, discovered this strong focusing principle on his own, completely independently. It turned out he was born in the United States and taken back to Greece when he was 4 years old, and later on Nick came to work in our laboratory with us.

Representative PRICE. When was this?

Dr. GREEN. He apparently discovered this principle about a year before we did.

Senator ANDERSON. Did he not submit it to our people and we turned it down as being impractical?

Dr. GREEN. No.

Senator ANDERSON. Is that right?

Dr. GREEN. Let me be frank and tell the story.

Nick mailed a letter to Berkeley about accelerators, in which he was very interested, and the letter was a mess. People at Berkeley read it very carefully, analyzed it, and it was no good. So they wrote him back an explanation of what was wrong with all of these crazy ideas. Nick sat down, being a very brilliant individual, and proposed to correct his ideas. This letter from Berkeley did him a lot of good.

Then he sent to Berkeley a description of this strong focusing principle. People at Berkeley said it is another letter from that crazy Greek, threw it in the file and never read it.

When Nick came over and saw the article our people had published in Physical Review, he said, "I described that before." We telephoned Berkeley; they went and pulled it out of the file; their faces were very red and there it was.

Senator ANDERSON. I would say that is an easy explanation to make after the facts. Somebody did put it away and it did have the strong focusing principle in it and no attention was paid to it. That much we would have to agree on.

Dr. GREEN. Exactly. That is exactly what happened.

Senator ANDERSON. Nobody agrees that it was not as good as we had here?

Dr. GREEN. No. It looked like a crank letter. We get these crank letters.

Senator ANDERSON. You are not the only one that gets them.

I think that is a very fine statement, Dr. Green. I am happy that you do state that this was overlooked.

Dr. GREEN. Certainly.

Senator ANDERSON. It would be an amazing thing if you did not overlook anything.

Dr. GREEN. When we got acquainted with Nick, we were so well impressed with him, we hired him.

Senator ANDERSON. I could not commend you more for what you did.

## PASSPORTS AND THE COMMUNIST CONSPIRACY

Mr. SELDEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

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

There was no objection.

Mr. SELDEN. Mr. Speaker, last year I introduced a bill—H.R. 13760—that provided for the denial of passports to persons knowingly engaged in activities intended to further the international Communist movement. Although this measure was approved by the House without a dissenting vote, there was not sufficient time before adjournment for the Senate to consider it.

On January 7 of this year, I introduced an identical bill—H.R. 55—and, on several occasions since, I have called to the attention of this House the vital need for its enactment. An address delivered today, March 24, to the Chicago Council of Foreign Relations by the Honorable John W. Hanes, Jr., Administrator of the Bureau of Security and Consular Affairs of the Department of State, further emphasizes the necessity for the earliest possible enactment of H.R. 55 or similar legislation.

Mr. Hanes' address follows:

PASSPORTS AND THE COMMUNIST CONSPIRACY

(Address by the Honorable John W. Hanes, Jr., Administrator, Bureau of Security and Consular Affairs, at the Chicago Council of Foreign Relations luncheon meeting, Chicago, Ill., Tuesday, March 24, 1959)

I am very pleased to have an opportunity to meet with this particular group in this particular city. I want to talk with you about some basic matters involving our foreign relations and our national security.

Foreign relations used to be something that this country thought it could afford largely to ignore, or at least to delegate to the sole attention of a few people who were interested in such things in Washington. The pioneer work which your own organization, comprised of so many leading citizens of this great central city of the United States, has done for nearly 40 years is one very tangible reason why that situation has changed.

Today it is self-evident that our foreign relations are inseparable from our national security. We all recognize that our security, our lives and our very existence, both as individuals and as a nation, are effectively threatened from abroad. We all recognize

the existence of a powerful and implacable hostile force dedicated to world conquest, and to the destruction of all that our republic and our people stand for. The hostile force is international communism, and its primary manifestation is Soviet Russia. It is also, however, an international conspiracy that extends into every nation in the world, including our own.

These facts have a connection with the U.S. passport. I would like today to tell you why.

A great deal of confusion and misunderstanding has surrounded the matter of Communists and passports. The misunderstanding has related both to the facts and to the issues which are involved, as well as to others which are not, but which have been introduced into the controversy. I hope to set the record straight on these facts and issues.

THE SUPREME COURT DECISION

In June 1958 in the Kent, Briehl, and Dayton cases, the U.S. Supreme Court, by a majority of 5-4, handed down decisions holding, in effect, that the Secretary of State does not have the authority to refuse a passport because of membership in the Communist Party, or even because he has specifically found that an applicant is going abroad willfully and knowingly to engage in activities which would advance the Communist movement. In both decisions, the Court denied the Secretary's right because the Congress has not passed legislation specifically giving the Secretary that right. Contrary to popular belief the Supreme Court did not hold that it was unconstitutional to deny a passport to a Communist. It did say that any legislation giving the Secretary the right to make such a denial must carefully protect the constitutional rights of citizens.

Since that date, the administration has been urgently seeking the passage of such legislation by the Congress. Although the House overwhelmingly passed a bill in the closing days of the last session of Congress, the Senate failed to act; and neither House has taken action as yet in this session.

THE NATURE OF THE COMMUNIST CONSPIRACY

In order to understand why this situation is serious, it is necessary first to understand the nature and methods of the international Communist conspiracy.

That conspiracy today creates a greater menace to the United States than we have ever faced before.

With assets of some 900 million people and 16 once independent countries that have fallen under its control, it commands frightening resources. The United States is the only power strong enough to maintain the alliance which alone keeps international communism from its goal of world conquest. We would be naive indeed if we believed that its vast and harshly regimented resources were not consistently committed against us in every way which could do us harm—openly and secretly; abroad and at home.

This conspiracy is truly international. It is controlled and directed from Moscow. That part of it which exists in America is no more American than that part which rules in Hungary is Hungarian. Some hard-core supporters of the international Communist movement hold American citizenship, but they are not ordinary American citizens. They voluntarily give service and allegiance to a foreign ideology which promotes the objectives of a foreign power.

Some people feel that, because actual membership in the Communist Party, U.S.A., as of today is small, the American brand of communism therefore offers no threat to our internal security. Many top Communists, of course, are not party members. The Communists themselves do not even agree that the party is weak. Last month, William Lorenzo Patterson in an editorial in "The Worker" said: "The prevailing political atmosphere permits increasing activities with lessening dangers of victimization. * * * Let's be bolder." Every day brings us new evidence of the vitality, the far-flung operations and the current danger of the Communist conspiracy in the United States.

We believe that the travel abroad and the possession of a valid American passport by hard-core American Communists constitutes a real danger to our country. This is so because all the evidence about Communist organization and methods shows that the effective functioning of the international party machinery depends in large part on the freedom of its members to travel.

One does not have to be a student of Communist organization to realize the truth of this. Think of your own organizations. Everyone in business today travels almost constantly. You all know that personal contact is an essential part of doing business. The mails—even the telephone—are not an adequate substitute. If this is true of normal business operations, how much more true must it be of the enormously complex worldwide operation of an international conspiracy where virtually everything must also be kept secret. I do not know how one would go about recruiting an espionage agent by mail or by telephone. I doubt if the Communists know either. Such things require personal assessment, personal recruitment, personal contact. In an organization of this sort, to hamper the movements of any members of the organization is a crippling blow and puts the operations of the organization under a most heavy handicap.

Another thing that is important to understand is that the size and complexity of this Communist organization requires a a very great variety of orders and instructions and information and activities to keep it operating. It has top people in it, and it has little people. It isn't only the top people who are important. Each of the little people in this highly disciplined machine is a cog who has his own place and his own usefulness to the functioning of the whole machine. A relatively unimportant but reliable member of the conspiracy may act as a courier to carry an important message between Communist leaders in different countries. The whole elaborate organization which has surrounded every Communist espionage network which we know about in this country, such as in the Rosenberg case, has demonstrated conclusively the essential role played by the numerous unimportant little people in the organization without whom it would cease to function.

We are by no means helpless against this conspiracy, nor has our Government been inactive or unsuccessful in fighting back. Much of the success we have had is attributable directly to the dedicated fight over many years and many obstacles which has been carried on personally by Mr. J. Edgar Hoover and by the FBI. Their persistence and their results have inspired others who work in this field, and have done much to awaken the American people to a clear and present danger.

Our weapons against Communist subversion have been a closely interlinked set of techniques. They have included penetration of the conspiracy and constant surveillance and, always, to the extent we could achieve it, by passport and visa and immigration regulations, the denial of free movement in and out of the country and thereby of easy and satisfactory communications.

The loss of our ability to stop American members of the Communist apparatus from getting passports has blunted the other weapons we have against the Communist conspiracy. For example, our success in preventing the entry of foreign Communist agents and couriers with their financing and instructions from headquarters becomes rather hollow if American members of the apparatus can travel freely out of the country. Similarly, the most successful penetration of the domestic Communist apparatus by agents of the United States is rendered much less useful if the persons watched can evade observation for extended periods by traveling abroad, probably behind the Iron Curtain where we can hardly expect to know what they are doing.

I have sometimes been asked whether there is really any point in denying passports to American Communists, for after all they can travel legally to Latin America without a passport, and from there usually can obtain illegal passage to wherever they wish to go. This is undeniably true. However, it is also a fact that, in the years during which we denied passports to Communists, very few important members of the apparatus took advantage of this roundabout route. One reason may be that whenever you require an organization to utilize cumbersome and devious and illegal methods of this sort, you stretch that much further and that much thinner the trail which the conspirators cannot fail to leave. They must utilize more people with more risk of some breakdown in the system and compromise of its secrecy. It is that much more likely that somewhere along the trail those whose job it is to counter the Communist conspiracy will uncover it. Undoubtedly, one of the greatest protections we have against the conspiracy is knowledge of what is taking place within it. Whenever such a trail can be uncovered at any point, it can usually be unraveled fairly easily in both directions with the result of a considerable increase of our knowledge about the whole conspiracy.

COMMUNIST INTEREST IN PASSPORTS

Our own Government has long recognized how important American passports are to the Communist conspiracy. Forty years ago, just after the Bolshevik revolution, the Department of State became aware that American Communists were carrying on espionage, propaganda and revolutionary activities for the Soviet Government and the international Communist movement. The State Department decided in 1920 that passports should be refused to persons who advocated the overthrow of governments by force, who espoused publicly the Soviet cause, or were carriers of Communist correspondence. This policy remained in force until 1931. At no time, I might point out, during this 11 years was the Secretary's discretion in the matter ever challenged in the courts.

The American passport has always been valuable to espionage rings, as you can well imagine. For example, prior to World War II an espionage agent was arrested in Copenhagen and found to have four U.S. passports in his possession. The Communist underground has long maintained workshops devoted to the wholesale forgery and falsification of passports and other documents.

However, genuine American passports were highly prized at intelligence headquarters in Moscow, according to a former chief of Soviet intelligence in Europe. During the Spanish Civil War, Communist leaders assiduously collected the passports of the several thousand Americans in the International Brigade, and the bulk of these passports eventually found their way to Moscow for alteration and possible use by Soviet agents. In fact, so many American passports were collected from this source that, as a countermeasure, the U.S. had to replace every outstanding passport in the world with a new document.

CONGRESS ACTS

In 1949, 11 members of the National Board of the Communist Party, U.S.A., were convicted of conspiring to advocate the overthrow of the U.S. Government by force or violence. In 1950, American Communists

were actively supporting the enemy position in the Korean war. Congress, recognizing these dangers, passed the Internal Security Act and found that "travel of Communist members, representatives, and agents from country to country facilitates communication and is a prerequisite for the carrying on of activities to further the purposes of the Communist movement."

Congress also said that Americans who participate knowingly in the world Communist movement "in effect repudiate their allegiance to the United States, and in effect transfer their allegiance to the foreign country in which is vested the direction and control of the world Communist movement." Yet allegiance is the touchstone of the right to a passport.

Indeed, the Internal Security Act of 1950 made it a crime to issue passports to members of registered Communist organizations; but this sanction still has no legal effect because protracted litigation in the courts has been able to prevent that part of the act from becoming applicable.

Again in 1954 Congress made its intention clear when it declared that the Communist Party of the United States, "although purportedly a political party, is in fact an instrumentality of a conspiracy to overthrow the Government of the United States." Congress further found that the role of the Communist Party, U.S.A., as the agency of a hostile foreign power renders its existence a "clear, present and continuing danger to the security of the United States."

THE DEPARTMENT'S REGULATIONS

The Secretary of State, charged by law with the issuing of passports, could hardly have ignored these congressional findings. In 1952, the Department's policy was made a matter of official record when Secretary Acheson issued regulations establishing the criteria for refusing passports to Communists and Communist supporters.

The publication of these regulations triggered a violent attack by the Communists through their press and through the courts, utilizing every device of law and procedure. Their clever campaign gained respectability because many sincere persons, who have no sympathy whatever with communism, became disturbed by the argument that the regulations permitted the Secretary of State arbitrarily to restrict a citizen's rights. These were the regulations which in 1958 the Supreme Court struck down by finding that they had not been specifically authorized by Congress.

I think it might be well to put into perspective exactly how these regulations operated, and their practical effects, by giving you some statistics on the numbers of Communist supporters refused passports under them and the numbers of Americans who received passports. For the 2 calendar years preceding the Supreme Court's decision, 1956 and 1957, 1,145,000 passports were issued or renewed. During that same period, the Passport Office limited the passport privilege of 51 persons because of Communist grounds. Every one of those persons had access to an elaborate and impartial appeal mechanism, and many of them utilized it.

From the time this mechanism was set up in 1952 until the Supreme Court's decision in June 1958 the Secretary of State—and it must be the Secretary personally—refused passports to only 15 persons on Communist grounds after full hearings. A number were granted passports after hearings; some others, of course, did not contest the Passport Office's denial; and undoubtedly many active Communists never bothered to apply at all, knowing they would be scrutinized and required to make a sworn statement about Communist Party membership.

I believe it is important to remember these figures when statements are made about the arbitrary action of the Department in passport matters. I assure you that these 15 persons who were denied passports by the Secretary did not include a single one who was an ordinary American citizen, or whose only activity in behalf of the Communist movement was some vague alleged beliefs and associations.

HISTORY OF PASSPORTS

American passports, of course, are valuable documents, and well worth all this trouble that the Communists have gone through to get them. Our passport requests foreign governments to let the bearer, an American citizen, pass safely and freely, and to give him all lawful aid and protection. It invokes for him the full prestige of the U.S. Government; and foreign governments usually accept it as meaning that he is a reputable person.

The passport has also become a practical necessity for travel. Today 75 percent of all countries, including most of Latin America, require foreigners, including Americans, to have passports for entry; and we ourselves require Americans to obtain passports for travel outside the Western Hemisphere because we are still in a state of national emergency.

We have made it easy, however, to meet this requirement. We issue nearly three-quarters of a million passports each year, each one valid for a maximum of 4 years. We refuse only an infinitesimal number.

Much of the meaning of even the very few, but very important refusals became academic, of course, in June 1958, when the Supreme Court's ruling was handed down. Since then, as we anticipated, there has been a flood of applications from persons with records of Communist affiliations or activities. Some of them had previously been denied passports, but many had never previously applied. Many we know a great deal about, and none of it is good. Others we would like to know more about, but the Department of State is no longer in a position even to inquire, much less investigate, whether any such applicant is a Communist Party member, or how dangerous he may be. There is quite a difference, for example, between a known courier and a harmless fellow traveler.

This flood of applications continues today. The Communists are getting passports while they can. Naturally, in all these cases the Department's previous policy has had to give way and passports have been and are being issued to all these people.

LEGISLATION REQUIRED

Immediately following the Supreme Court decision, Secretary Dulles sent Congress a draft bill to provide the specific legislative authority which the Court held was lacking. He wrote to the Congress:

"I think there can be no doubt in anyone's mind that we are today engaged for survival in a bitter struggle against the international Communist movement. * * * [This] movement seeks everywhere to thwart United States foreign policy. It seeks on every front to influence foreign governments and peoples against the United States and eventually by every means, including violence, to encircle the United States and subordinate us to its will. The issuance of United States passports to supporters of that movement facilitates their travel to and in foreign countries. It clothes them when abroad with all the dignity and protection that our Government affords. Surely, our Government should be in a position to deny passports to such persons."

President Eisenhower urgently endorsed the legislation, saying: "Each day and week that passes without it exposes us to great danger."

What must such legislation do?

Again, the President has expressed it well. He said:

"In exercising these necessary limitations on the issuance of passports, the executive branch is greatly concerned with seeing to it that the inherent rights of American citizens are preserved. Any limitations on the right to travel can only be tolerated in terms of overriding requirements of our national security, and must be subject to substantive and procedural guarantees."

Simply stated, what we need is legislative authority which will allow the Secretary of State to deny passports to hard-core supporters of the international Communist movement. We believe such denial should occur under due process of law, including judicial review. We believe that it should apply only to those who knowingly engage in activities—not merely hold beliefs or have associations—but engage in activities in furtherance of the international Communist movement, or who are going abroad to engage in such activities.

We do not seek statutory passport authority to stifle criticism of this Government or its policies. We do not believe that the passport should or can be used to restrict the movement of people who hold political, social, or economic opinions which are not of the orthodox American variety.

We do not seek or want authority to deny passports to any whose travel or activity abroad is merely an embarrassment to our country. I believe that the United States is strong enough to survive embarrassment if we must.

Neither do we wish to penalize loyal Americans who at one time, before the nature of the Communist conspiracy became as crystal clear as it is today, may have sympathized with Communist theories or even belonged to Communist organizations in this country.

All we seek, and what I feel we must have, is the capacity to protect ourselves by denying passports to those relatively few hard-core, active Communist supporters who are not ordinary American citizens and whose travel abroad constitutes a danger to the United States.

Much has been said concerning the constitutionally protected right to travel of an American citizen, Communist or not. I believe we should understand such terms thoroughly, for they are central to this issue.

Our Constitution can and does guarantee the citizen's freedom to travel among the 50 States in the Union. However, it obviously does not and cannot guarantee any right of an American citizen to enter any foreign country. We do not recognize the right of any alien to enter our own country except as we, as an act of sovereignty, grant him permission to do so. An excellent example of a foreign regime exercising sovereignty in this way is the Chinese Communists. For nearly 2 years now, some 25 American newsmen representing the major foreign newsgathering organizations of this country have had and still have American passports valid for travel to Communist China, but that regime has refused to let them enter.

The constitutionally protected "right to travel" abroad, therefore, is really only the right to leave the United States, and I certainly agree that this right is part of the liberty of which the citizen cannot be deprived without the due process of law of the fifth amendment. However, like any other constitutional right, it is not absolute and may be abridged by society for good and sufficient reasons involving its own protection so long as due process is observed.

In the case of passports "due process" means that the Secretary of State cannot be arbitrary or capricious but must have sound reasons for restricting an individual's right of exit. It means that he must tell the individual the reasons for his action in sufficient detail and under such circumstances that the individual may have an opportunity to show the reasons untrue. Such circumstances should include a full hearing and review with the Department of State, and, ul-

timately, of course, the right which now exists to appeal to the courts.

It is interesting to note in this connection that even such citadels of democracy and individual rights as the United Kingdom, France, and Canada do not provide for any judicial review of passport denials. In those and other free countries, passport denials are matters strictly within the jurisdiction of the executive branch, from whose decision there is no appeal.

There is one other essential of passport legislation which is much misunderstood, and that is the necessity for the Government to be able to utilize confidential information as part of the basis of its decision.

I can say bluntly that any legislation concerning denial of passports to Communist supporters would be meaningless and would not achieve any purpose if it prohibited the Government from utilizing confidential information. Almost without exception, dangerous cases in the Communist area involve confidential information and investigative sources. Indeed, the more recent and meaningful our information is, the more likely it is that it has come from current confidential investigative sources within the Communist movement.

The Government has a legitimate and overriding interest in maintaining the security of these investigative sources and methods. If faced with the unpalatable choice between exposing and thereby destroying a valuable and continuing source of information about the activities of the Communist conspiracy, and issuing a passport to an individual member of that conspiracy, the Government has no alternative but reluctantly to issue the passport as the lesser evil.

Some people feel that the use of confidential information in such cases means using vague and unsubstantial gossip or allegation that will not stand the light of day. This is nonsense. In the first place, if one is prepared to believe that the Secretary of State, who must personally decide passport appeals cases, would actually base a considered decision upon anything less than substantial and corroborated evidence, then one must believe that our country's security is in far greater danger than from the capricious denial of passports.

In the second place, confidential information is almost always a small part of any total case, although usually essential because of the clear proof it provides. Most of every case can be fully and publicly disclosed.

Beyond this, however, we believe, based on a careful review of the Communist cases we have had in the past, that in every case the Government can provide a fair summary of even the confidential information both to the applicant and to the courts. Such a fair summary would include all the pertinent reasons for which the passport is denied, and would exclude only those details required to protect confidential sources of information.

I would have no objection to any legislation requiring the Government in all cases to provide such a fair summary of the content of any confidential information relied upon.

THE CLEAR AND PRESENT DANGER

One other thing should be clear. What we are talking about is not a criminal proceeding in which someone is being tried or punished for past actions, but an administrative process which attempts to predict someone's future course of action if he travels abroad, and to balance its potential danger to the United States against the desirability of facilitating the travel and giving him protection while he is performing it. These are services which the Government should extend to its citizens, but they are not inviolable rights which the individual can demand no matter what the menace to society may be.

Even having said this, however, much about this subject remains repugnant to Americans. The use of confidential information in any kind of proceeding, judicial or not—indeed, any sort of governmental restriction, whether on travel or passports or any other activity of the individual—these are things which we will never like and which I hope we never accept apathetically.

Here, however, I believe, we must face squarely one fact which is inherent in every aspect of this matter which we have been discussing today. That is, simply stated, that our Nation, although not technically at war, assuredly is not at peace. We face, almost on a daily basis, actual threats to our national security and to our very existence which very clearly are the equal of any threats we have ever faced in peace or war. One need only think of the implications of Berlin today, or the countless crises of the past decade, to realize that the cold war is a contradiction in terms.

This uneasy situation of not-peace not-war is something entirely new to our experience. It places a tremendous strain upon our governmental and constitutional institutions, for it blurs lines which had always previously been considered sharp and clear.

It used to be that when our Nation was not at war it was truly at peace. Certain rules obtained and governed our lives in peacetime. These rules were evolved over a century and a half by and for a free people who since the earliest days of their history had been faced by no serious external threat to their freedom or their national existence. Occasionally war came, and there was a clear line of demarcation. War was declared and waged with certain formalities. During wartime certain special rules obtained because the Nation temporarily required the subordination of individual desires to the overall national effort. These special rules, while repugnant, were considered tolerable for the limited duration of the war. When the war was over, other prescribed formalities occurred, the Nation was at peace again, and the special wartime rules, which were usually incompatible with complete constitutional freedom were dropped.

This sharp demarcation between peace and war does not exist today. International communism has thrown away the rule book. It does not consider itself ever at peace. It is always totally mobilized to advance its aim of world domination. It does not recognize any of the accepted rules of international or legal or human conduct except when, and only for as long as, those rules may suit its purpose.

This situation creates an unprecedented threat both to our liberty and to our very existence. Our response must include a recognition of these changed circumstances, or risk the loss of existence and liberty together.

The threat, moreover, will continue to exist, perhaps for many years in the future. This makes it imperative that whatever response we do adopt must be one that we can indefinitely sustain, and without endangering the strength or the integrity of our basic and cherished institutions which we are seeking to protect.

I believe that such a response is possible to a free people. I believe that our institutions—our Constitution, our laws, and our form of government—are strong enough and flexible enough to adjust to these changed circumstances, just as they have adjusted to many changes in the past.

I have tried to illustrate what I mean by suggesting, in the limited but important field of passport policy, a procedure which meets these criteria. It meets, I believe, the most pressing requirements of national security. It does so by law and under the Constitution. I think, for the reasons I have given, that adequate passport legislation is essential to our security. But let me be very clear. I do not believe that this piece of legislation will eliminate all the dangers which we face from the Communist conspiracy; or even all of those which it is intended to counter.

I do believe that adequate passport legislation is a necessary and integral part of the screen of weapons we have raised against the conspiracy, and that it will seriously cripple the effectiveness of that conspiracy.

I do believe, finally, that all our weapons together, wisely and effectively used, will contain the internal menace of the Communist conspiracy within tolerable limits while our military strength deters its worldwide menace and our foreign policy seeks to replace its threat with a just and durable peace.

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## PEACETIME DRAFT

The SPEAKER. Under the previous order of the House, the gentleman from New York [Mr. POWELL] is recognized for 60 minutes.

Mr. POWELL. Mr. Speaker, in these days of continuing emergency our young men are required to make a great sacrifice. Eight of the best years of their lives are now kept at the disposal of the Armed Forces. This continuous peacetime draft is a new thing in our country and one that requires a hard look at the conditions which surround our Armed Forces.

For many years I have heard my colleagues from the South speak on the need for respecting the peculiar institutions of that region. One of the peculiarities that has come to my attention is the number of camps, forts, and other military establishments which are located in the 13 Southern States.

According to the Department of Defense there were 677,471 members of the Armed Forces in the 13 Southern States as of June 1958—not including that part of Virginia which is in the immediate vicinity of Washington:

| | |
|---|---|
| Alabama | 25,327 |
| Arkansas | 17,376 |
| Florida | 69,718 |
| Georgia | 67,748 |
| Kentucky | 44,925 |
| Louisiana | 31,017 |
| Mississippi | 16,864 |
| North Carolina | 70,201 |
| Oklahoma | 35,102 |
| South Carolina | 53,369 |
| Tennessee | 17,298 |
| Texas | 169,187 |
| Virginia (not including area near Washington, D.C.) | 59,339 |

The national figure for all the States was 1,551,642. So we see that the armed personnel in the 13 Southern States amounted to more than 43 percent of the total. Yet we know that areas outside those 13 States subject Negroes to discrimination. Also we know that colored people other than Negroes are discriminated against in some parts of this country. So I would estimate conservatively that 50 percent of the armed personnel of our Government in this country is being trained in a discriminatory environment.

I realize that the Government installations are important economically to a region that needs help. But I am concerned about the young men who are drafted into the Army and sent to these camps. Must they suffer in order to respect the peculiar local discriminations of the South? I say that the Federal Government has no right to subject citizens to such discrimination.

That is why, Mr. Speaker, I have introduced H.R. 5277. I hold it to be an essential duty of this Government to prevent discrimination against members of the Armed Forces. Of course this House knows that I do not favor discrimination anywhere, but at the very least we should protect our soldiers and sailors against it.

H.R. 5277 is an amendment to the United States Code, chapter 13 of title 18. It would prevent hotels, restaurants, theaters, parks, and all public transportation from discriminating against members of the Armed Forces in uniform because of race, color, or creed.

It is as simple as that, Mr. Speaker, but even more it would prevent our soldiers and sailors from being treated as second-class citizens in their own country, for whose defense they are making a great sacrifice.

The ignoble practice of segregation has no legitimate place in a democracy. If it still persists in some area of this country, at least those who have been raised in the freer areas should not be subjected to it by the Federal Government.

One-half of our armed personnel is now being unfairly punished by the Federal Government because of the conditions of segregation which they must endure as a part of their military service.

This is unfair, unpatriotic, and unwise. I call upon my colleagues from all parts of the country to support H.R. 5277 so that we may put an end to such an abuse of our young citizens.

If they are trained in a free environment they will know better the importance of defending freedom.

## RIGGED PRICES IN DOMESTIC OIL AND PETROLEUM PRODUCTS

The SPEAKER. Under the previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 5 minutes.

Mr. VANIK. Mr. Speaker, rigged prices in domestic oil and petroleum products are the direct result of President Eisenhower's proclamation restricting oil imports for the benefit of the domestic oil industry.

The President's proclamation restricting oil imports for the benefit of the poverty-stricken and depressed domestic oil industry is without question the most inflationary and arbitrary action executed by the President during his term of office.

The obvious purpose of the executive order is to prop up and support the domestic prices of oil and petroleum products in a sagging world market. While import controls close out competition from abroad, the Texas Railroad Commission, controlling most of the domestic oil production, is limiting production to only 11 days per month. The combination of controlled imports and controlled domestic production results in controlled supplies and controlled consumer prices. The only thing that remains uncontrolled is the stranglehold which the oil industry has on our economy.

In his proclamation the President said the administration would carefully watch the inflationary or price-raising impact of the administered price order.

Well, prices have already responded to the effect of the President's proclamation. Continental Oil yesterday increased its prices on all grades of gasoline a half-cent per gallon in five States: Colorado, New Mexico, Wyoming, Oklahoma, and Montana.

In its operating areas, Standard Oil of Indiana yesterday raised its gasoline prices 1.8 cents per gallon simply because it must pay more for domestic petroleum in the face of cutbacks on imports.

If the President's oil import control program is continued, the average American motorist will be paying 3 to 4 cents more per gallon of gasoline by midsummer. The President's timid capitulation to the domestic oil industry will force America from large automobiles to a motor-scooter economy before the expiration of his term.

## SLUMS

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 15 minutes.

Mr. LANE. Mr. Speaker, there was a time when a roof and four walls met the minimum requirements for human shelter. The spreading blight of the slums in every community has opened our eyes to the fact that this definition is no longer adequate. As a result, nearly everyone agrees that we should have a housing program, encouraged and aided by the Federal Government. As we consider the Housing Act of 1959, there will be no dispute concerning the overall need for such legislation. There will be strong differences of opinion, however, concerning some parts of the bill.

One of the most successful features of our Federally sponsored housing program, has been FHA mortgage insurance. This has been so popular, that, in recent years, the FHA has practically used up its insurance authorization. There is need for a substantial increase in the insurance ceiling, to coax more private capital into housing development. We have tried, under FHA mortgage insurance, to provide every possible incentive to private enterprise, and it has responded with impressive results. A larger number of Americans have been able to buy homes of their own.

At the same time, we recognize that there are certain areas where private initiative cannot do the job. Public housing for low-income groups has helped to fill a long-neglected need. Experience has revealed the necessity of a new program designed to provide rental housing for elderly persons at rentals which they can afford.

Many of us believe that a new loan program should be established to provide low-cost financing on liberal terms to nonprofit corporations interested in building housing for the elderly. The maximum interest rate to the borrowing nonprofit corporation would be held to a limit of 3½ percent annually. The loan term could extend to 50 years, and loans would be provided up to 98 percent of the project cost. As the required equity investment of the sponsor would be reduced to 2 percent, this would be a great inducement for such sponsors to proceed from plans to blueprints and actual construction.

By such methods it will be possible to build housing units that will rent for approximately $20 a month less than the rent that would be required for the same unit under financing restrictions of the present section 207 program.

Under the new program "elderly families" would mean families the head of which—or his spouse—is 62 years of age or over; and the term "elderly persons" would mean persons who are 62 years of age or over.

To prevent exploitation of this program by those not eligible for its benefits, the proposed legislation will prohibit such undesirable practices as the use of an elderly person as a "screen" in order to gain occupancy for younger persons whose economic circumstances are adequate to permit them to afford decent housing elsewhere.

The administration wants to raise the interest rate on VA loans, currently limited by law at 4¾ percent, to 5¼ percent, in order that veterans will be able to get mortgage money to build their homes. The Congress prefers additional direct loans to veterans for this purpose. It is likely that there will be some compromise on this issue.

It is advisable to extend and improve the low-rent public housing program. It is an undeniable fact that a large proportion of the millions of families now living in slums do not have sufficient income to afford the prices or rents which private enterprise must, of necessity, charge for decent housing under present-day conditions. They will never be able to escape from the slums unless more public housing units are built to accommodate them. Furthermore, approximately half of the families displaced by urban renewal, highway construction, and other public activities, cannot be rehoused except in public housing because of their low incomes.

Central to the whole housing problem is the need for urban renewal, under which the Federal Government provides advances, loans, and grants to localities to assist in the elimination of slums and blight, and to prevent their recurrence.

An expert in this field recently commented, concerning a big city along the eastern seaboard, that one-third of its housing accommodations should be torn down or substantially renovated, because little or no attempt was made to remedy their deterioration over the years. It is from many of these areas that our veterans come, determined to build small ranchhouses in the suburbs or the country, so that their young families may grow up in healthy and wholesome accommodations that serve a much better purpose than a mere roof and four walls.

It is here that many elderly couples live, now that their children have grown up and moved away, in order to be close to the downtown area and its conveniences.

The committee which thoroughly studied this problem reported that:

> The urban renewal program is the best means yet devised to eliminate slums, arrest blight, and save the vast human and economic resources which are our great urban

centers. As a matter of paramount national interest, the program must be sustained at a high level through the provision of substantial amounts of capital grant authority over the next several years. Spreading slums and blight threaten to engulf our cities, bringing misery to millions of our fellow Americans and haunting many cities with the specter of municipal bankruptcy. Your committee is convinced that local and State governments just do not have the resources to finance unaided the massive urban renewal program which is required to save and preserve our American cities.

Since the beginning of this program, $1,350 million has been made available to meet the Federal share of the cost of urban renewal projects. As of December 31, 1958, $1,326 million had been reserved, contracted for, or disbursed in connection with 648 projects in 386 localities.

A program that is only partly completed can waste all previous investment in it, by curtailing the lifegiving funds that are essential for its fulfillment. The failure to implement this program last year has raised havoc with urban renewal plans.

Additional capital grant authority is needed immediately to "unfreeze" the backlog of applications. It is proposed to increase these authorizations by $500 million on the date of enactment and by $500 million on July 1, 1959, and July 1, 1960. It is believed that this is the irreducible minimum to maintain an effective urban renewal program.

The rotting slums of our cities are a threat to the economic health of our Nation. Sixty-five percent of our people live in the cities. From here, the Federal Government derives more than three-fourths of its revenues. If their manufacturing and commercial activities which contribute to the wealth and prosperity of our Nation are slowed down by this spreading deterioration, the Government itself will feel the consequences.

The Housing Act of 1959 will help to reverse that downward trend. For we cannot stand aside and watch our cities slowly die.

## EXTENSION OF REMARKS

Mr. COHELAN. Mr. Speaker, I ask unanimous consent that the following Members may be permitted to extend their remarks at this point in the RECORD and to include extraneous matter if they so desire: Messrs. DINGELL, RIVERS of South Carolina, PATMAN, and HAGEN.

## UNEMPLOYMENT STATISTICS

Mr. DINGELL. Mr. Speaker, the unemployment statistics for the month of February have been made available to the American people. Contrary to the blithe and happy statements of the administration that an economic upswing is upon us, the statistics give us grave cause for concern. Lack of sound economic approach by the administration was no better characterized than by the recent action of the Federal Reserve Board in raising the rediscount rate from 2½ to 3 percent.

Ordinarily February is a month when jobs rise and unemployment falls. The corrected unemployment rates for February shows an increase from 6 to 6.1 percent. Translated into statistics which we can more easily understand, 1 man in 16 was looking for and unable to find employment.

For the benefit of the administration, unemployment has exceeded 6 percent or higher for 3 months, a performance characterized by the Washington Post and Times Herald as "probably the worst recovery in jobs following the three postwar slumps.

Unemployment in the State of Michigan and the city of Detroit is still worse. The city of Detroit in February of 1959 had 229,000 unemployed or 15.4 percent of the work force, and the State of Michigan had 364,000 unemployed or 12.4 percent of the work force.

A comment which should not be lost on us comes from no less than Mr. Raymond J. Saulnier, Chairman of President Eisenhower's Council of Economic Advisers, who said he was baffled by the figure of 6.1 percent unemployed in December. Mr. Saulnier said further before the Joint Economic Committee:

> If I found those figures for January and February continuing to lag substantially, I would be concerned.

From the foregoing it becomes clear that Congress must take vigorous and forceful action to see to it that recovery, apparently lacking or stifled by the administration's economic policy, is accelerated. As an interim step Congress must extend the temporary unemployment compensation program for another year. Failure to do this means that over 337,000 people will go off the rolls on April 1 when the program expires. We find in January 1959 that 212,416 people over the United States and 12,198 people in the State of Michigan had exhausted their unemployment compensation. In 1959, 2.6 million in the United States and 244,000 in Michigan exhausted their unemployment compensation. Indeed 668,000 and 107,000 exhausted their temporary unemployment compensation benefits in the United States as a whole and in the State of Michigan, respectively for 1958. In January 1959, 121,000 and 14,000 for the United States and Michigan respectively exhausted temporary unemployment compensation.

A second thing that Congress can and must do is to pass legislation of the sort authored by Congressman THADDEUS MACHROWICZ and others including myself, to provide for unemployment reinsurance grants to the States, to revise, extend, and improve the unemployment insurance program. This will meet the long-term need for adequate standards in the unemployment compensation field.

A distinguished economist was recently quoted as saying that the present unemployment compensation program was inadequate to meet either the needs arising from a protracted period of economic downturn or a recession of severe character, a situation which will describe the recent and continued economic downturn. I need remind no one that the last recession was substantially cushioned by the pumping into the economy of better than $3,512 million from the various State unemployment compensation programs during 1958. This fact was chronicled by a statement in a recent issue of the U.S. News & World Report which stated that the economic downturn would have been much worse were it not for these and other economic cushions. Economists have been known to call 3 or 4 percent of the work force unemployed a normal situation. With this I do not agree. Mr. Ira T. Ellis, a leading business economist employed by the Du Pont Co. is reported to have predicted a 5-percent unemployment rate would persist in the foreseeable future; a gloomy prediction in which he is joined by a number of other reputable economists. Five percent is certainly an excessive unemployment figure.

In addition to the above-mentioned action, Congress must report out other legislation which will include a vigorous and substantial urban renewal program and Federal assistance to depressed areas.

## IMPROVED ADMINISTRATION OF ARMY-AIR FORCE DENTAL SERVICES

Mr. RIVERS of South Carolina. Mr. Speaker, I am today introducing bills to place the Army and Air Force dental services on a par with the highly efficient Naval Dental Corps. This legislation has the solid endorsement of the Nation's dentists. Less than 6 months ago, the American Dental Association, in behalf of its 90,000 members—more than 85 percent of America's practicing dentists—reaffirmed its long-standing policy that the dental programs of the Army and Air Force, like the Navy's, should be under the direction of dentists. This is the best assurance that control over dental professional matters and over decisions involving the professional activities of dental personnel will be vested in dentists.

It is axiomatic that dentists are best equipped to manage programs of dental care. It is equally obvious that this is in the best interests of our active duty military personnel.

I believe, furthermore, that Congress has the responsibility to see that military health care programs are administered at the highest level of professional excellence. If this means that Congress must chart legislative guidelines for the Army and Air Force dental services, as we did for the Navy, then I believe we should not hesitate to do so.

In 1945 I introduced and supported for the Navy Dental Corps, a counterpart to the bills I have introduced today. This legislation became Public Law 284, 79th Congress. Under that law the advancement made by the Navy Dental Corps in developing an outstanding career service and in improving its health care functions have been monumental. One need only look at the record to become convinced that the Navy Dental Corps has far excelled its sister services of the Army and Air Force.

For example, the Navy Dental Corps in 1958 had 1,012 regular dental officers out of a total strength of 1,599 dental officers. The Army had 529 regulars out of 1,779; the Air Force had only 441

regulars out of 1,777. These figures were set forth by the distinguished gentleman from Georgia [Mr. VINSON] during the recent debate on the draft extension bill, H.R. 2260.

I believe that the Army-Air Force dental bills I am introducing today will, if enacted, enhance the career programs of the Army and Air Force dental services. What is more, they will achieve economy. Today the personnel turnover in the Army and Air Force dental services far exceeds that of the Navy Dental Corps. This needless turnover is not only expensive; it is disruptive to effective management of an essential health care program.

I have included at the end of these remarks—exhibit 1—a comparison of the provisions of the Navy dental law with the proposed provisions of the Army-Air Force bills as the latter would appear in title 10, United States Code, if enacted. This comparison does not reflect a provision within the Air Force dental bill which would create a statutory identification of the Air Force Surgeon General and a general designation of his responsibilities.

It is my earnest hope that Congress will shortly enact the legislation I have introduced today so that the Army and Air Force dental services will be able to match the achievements made by the Navy Dental Corps in developing an outstanding career service.

EXHIBIT 1

COMPARISON OF PROPOSED ARMY-AIR FORCE DENTAL BILL WITH NAVY DENTAL LAW (PUBLIC LAW 284, 79TH CONG., 1ST SESS.)

| NAVY LAW | ARMY (PROPOSED) | AIR FORCE (PROPOSED) |
|---|---|---|
| (a) There is a Dental Division in the Bureau of Medicine and Surgery. An officer of the Dental Corps in the grade of rear admiral shall be detailed as Chief of the Dental Division (10 U.S.C. 5138(a)). The Dental functions of the Bureau of Medicine and Surgery shall be so defined and prescribed by Bureau directives, and if necessary by regulations of the Secretary of the Navy, that all such functions will be under the direction of the Dental Division. All matters relating to dentistry shall be referred to that Division (10 U.S.C. 5138(c)). | [There is an Assistant Surgeon General appointed from the officers of the Dental Corps. An appointee who holds a lower regular grade shall be appointed in the regular grade of major general.] He is the Chief of the Dental Corps and is responsible to the Surgeon General and the Secretary for making recommendations on all matters concerning the dental health of the Army. (Bracketed language appears in existing law (10 U.S.C. 3040(b))). | There shall be a Dental Service in the Air Force. The Dental Service shall consist of (1) the Chief of the Dental Service; and (2) such dental, auxiliary, and ancillary personnel as the Secretary of the Air Force shall, by regulation, prescribe. There is a Chief of the Dental Service in the Air Force, who is appointed by the President, by and with the advice and consent of the Senate, from dental officers of the Air Force above the grade of major. The term of the office is 4 years, but may be sooner terminated or extended by the President. An appointee who holds a lower regular grade shall be appointed in the regular grade of major general. The Chief of the Dental Service shall be responsible to the Surgeon General and to the Secretary of the Air Force for making recommendations on all matters concerning the dental health of the Air Force. |
| (b) The Dental Division shall (1) establish professional standards and policies for dental practice; (2) conduct inspections and surveys for maintenance of such standards; (3) initiate and recommend action pertaining to complements, appointments, advancement, training, assignment, and transfer of dental personnel; and (4) serve as the advisory agency for the Bureau on all matters relating directly to dentistry (10 U.S.C. 5138(d)). | The Secretary of the Army shall, by regulation, require the Chief of the Dental Corps to (1) establish professional standards and policies for dental practice; (2) conduct inspections and surveys for the maintenance of such standards; (3) initiate and recommend action pertaining to Dental Corps and auxiliary strength, appointments, advancement, training, assignment and transfer of dental personnel; and (4) serve as the adviser to the Army Medical Service on all matters relating directly to dentistry. | The Secretary of the Air Force shall, by regulation, require the Chief of the Dental Service to (1) establish professional standards and policies for dental practice; (2) conduct inspections and surveys for the maintenance of such standards; (3) initiate and recommend action pertaining to Dental Service and auxiliary strength, appointments, advancement, training, assignment and transfer of dental personnel; and (4) serve as the adviser to the Surgeon General of the Air Force on all matters relating directly to dentistry. |
| (c) The Secretary of the Navy shall prescribe regulations for dental services on ships and at shore stations. Such services shall be under the senior dental officer, who is responsible to the commanding officer of the ship or station for all professional, technical, and administrative matters concerning dental services (10 U.S.C. 6029 (a)). | The Secretary of the Army shall, by regulation, provide for the organization of the dental service throughout the Army, so that the senior dental officer for each major command, Army division, or other headquarters or installation shall be directly responsible to the commanding general or officer for all professional, technical, and administrative matters pertaining to the dental health of the command, including, but not limited to, the assignment or detailing of dental officers and assigned auxiliary personnel within the command, division, headquarters, or installation. This subsection does not prevent the Secretary from providing for the assignment of dental officers as commanding officers of other appropriate health activities or functions. | The Secretary of the Air Force shall, by regulation, provide for the organization of the dental service throughout the Air Force, so that the senior dental officer for each command, or other major Air Force organization, activity, or installation shall be directly responsible to the commanding general or officer for all professional, technical, and administrative matters pertaining to dental health, including, but not limited to, the assignment or detailing of dental officers and assigned auxiliary personnel within the command, organization, activity, or installation. This subsection does not prevent the Secretary from providing for the assignment of dental officers as commanding officers of other appropriate health activities or functions. |
| (d) No specific provision. | The Secretary of the Army shall, by regulation, provide for the training of an adequate number of personnel in military occupational specialties auxiliary or ancillary to the practice of dentistry, and for the assignment of such personnel in effective numbers to duty with personnel of the Dental Corps. | The Secretary of the Air Force shall, by regulation, provide for the training of an adequate number of personnel in military occupational specialties auxiliary or ancillary to the practice of dentistry, and for the assignment of such personnel in effective numbers to duty with personnel of the Dental Service. |

## WHY MAIN STREET VOTED DEMOCRATIC

Mr. PATMAN. Mr. Speaker, a few days ago, to be exact March 16, 1959, one of the leading Republican Party campaigners lamented the recent heavy losses by his party. He stated:

There are 8 million voters who left the party between 1954 and 1958. Some of these are Republicans who never before have voted Democratic. These 8 million could tell you something about the Republican Party.

In that connection he remarked:

It is strange indeed to see even the small-business men leaving the party—to see us losing Main Street.

Well, it is not strange to me that political upheavals are taking place on Main Street. There is a perfectly clear reason, though many of us have preferred to ignore it. The fact is that small-business people are disappearing—Main Street is disappearing.

MAIN STREET IS BEING RUN FROM WALL STREET

Yes, the store fronts are still there, but behind these store fronts the Main Street we used to know is no longer there. We still like to think of Main Street as a place of hometown mer-

chants—a place where independent, locally-owned businesses of all kinds have their shops, their banks, and their offices. But we are dreaming.

The Main Streets of this country today are largely owned and operated by a few nationwide corporations. Behind the new glass fronts on Main Street there are local men and women who appear to be in charge, but actually they are working for absentee owners. Sometime we may imagine that these local managers can decide such things as what kind and quantity of goods they will offer the local people, what price tags will be put on these goods, how many employees will be laid off and in what age groups, and so on. But more and more all such matters affecting the welfare of the local communities are decided in the board rooms of Wall Street and by the mechanical computers in the plush offices of Madison Avenue.

Big business has been taking over, while many of us in Congress looked the other way and the administration was busy making slogans about how small business is thriving as never before. Locally owned, independent business is being pushed out at a rate much too fast for comfort.

Recently Miss Sylvia Porter wrote a series of articles about what she found behind the store fronts on a visit to the lovely city of Louisville, Ky. This is one of the most shocking reports I have ever read. She found that 60 percent of all the factory jobs in Louisville are in absentee-operated industries; and in the retail stores an even bigger percentage of the business is absentee run.

Think of this: Between 80 percent and 90 percent of all the employees in retail stores in Louisville are working in a branch of a coast-to-coast chain.

So I think the reason why small-business people have been deserting the political party of big business is not too hard to find.

THE BIG BUSINESS ADMINISTRATION DESERTED SMALL BUSINESS FIRST

When things are going reasonably well for the people at home, they tend to give credit to the administration in power and to be content with the administration in power. And likewise, when they fall on great hardships or are greatly disturbed by trends that threaten the Nation's welfare, they tend to blame the administration and the party in power.

Small-business people have more and more shifted their support to Democratic candidates in both local and national elections for reasons of self-interest, obviously, but also because—and this I personally know—they are deeply concerned for the welfare of our country as they see this creeping corporate collectivization taking place.

But more than this, small-business people are not completely ignorant of the record. Despite the short rations of facts about the doings in Congress which they receive, and in spite of the massive efforts being made by the U.S. Chamber of Commerce, the NAM, and other such organizations to keep small-business people propagandized and in line politically, some of the facts do leak through and many small-business people are beginning, as they say in the cigarette ads, to think for themselves.

The habit of making glowing speeches in Congress about small business is not an acceptable substitute for a Member's active support of small-business legislation. Small-business people no longer accept lip service as an excuse for their Congressman's failure to get small-business bills out of the committee and out into the open for a vote in this Chamber.

INDIVIDUAL MEMBERS OF CONGRESS ARE ON TRIAL

The practice of declaring support to small business in general and then finding plausible excuses to oppose, to whittle down, or to insert monkey wrenches in each small-business bill that arises comes to have a cumulative impact on the thinking of small-business people, as it does on their opportunity for survival.

The party labels attached to the Members of Congress who have actually tried to do the right thing by small business have, of course, given small-business people reason to believe that Democratic candidates for Congress will give more support to their cause and offer them a fairer chance to survive. Yet they do not think—if I know their thinking—that the small-business record of the last two Democratic Congresses is anything to brag about. Nor do I. The last Congress passed more measures to correct the inequalities heaped on small business than any one Congress in history, and for that we can all be grateful. But these measures are not adequate to bring back a climate of laws and practices in which efficient firms without great aggregation of economic power have a fair chance to compete.

In truth, this Democratic Congress is on trial insofar as small business is concerned. And more particularly, the Members of this House are on trial individually, because this country has learned that when it comes down to small-business bills and antimonopoly bills, the record of the individual Member must be considered. When big-business influence is at work, neither party label nor section of the country a Member comes from are reliable indexes as to how a Member stands.

BIPARTISAN EFFORT NEEDED TO AVOID GHOST TOWNS

We are face to face with a most serious problem—a most serious trend which will not wait until we remain undecided about what we would like to do about it. The welfare of all of our hometowns is at stake. The communities in all of our districts are being affected. So let all of us who realize what this means join together, without respect to our party labels, and make the great effort that will have to be made if this problem is to be solved. On other occasions when our country was seriously threatened, Republicans and Democrats have been willing to join together in bipartisan efforts for the common good. Our way of life is threatened today, from forces within our country, as surely as it has been threatened from the forces of foreign aggression. So let us not hesitate to make a bipartisan effort now—time is short.

Small business has many problems. Hundreds of adjustments would have to be made if we were to remove all of the injustices and obstacles now standing in the way of a free and fair opportunity for business firms of all sizes to compete.

But most of the problems will be solved if we do no more than plug the loopholes in our antitrust laws and remove the discriminations in our tax laws. These are the main things, and if we can accomplish these we will turn back the tide.

Business success in this country today depends upon economic power, not on how efficient the business firm may be. Our antitrust laws permit abuse of power and in some instances actually encourage abuse of power.

For example, for several years now I have called attention repeatedly to the fact that the decision of the Supreme Court in the Standard Oil—Indiana—case opened up a loophole in the Robinson-Patman Act almost as big as the antitrust law itself. This decision opened up small business' one protection against the most destructive and most common of all abuse of power—price discrimination.

ABUSE OF POWER AND DISCRIMINATORY TAX LAW ARE MAIN THINGS WRONG WITH MAIN STREET

The game of price discrimination is nothing more or less than a power game. It is a surefire monopoly game, because the biggest competitor is sure to win out. The biggest competitor wins out as quickly or as leisurely as it chooses to crush its smaller opponents. So if we really intend to save small business, we will have to put some restraints on this kind of abuse of power. We cannot allow small firms to continue to be wiped out in wholesale lots by a practice which does no one any good, except, of course, the giant corporations that are gaining monopoly control and then hold consumers at their mercy.

And so, too, our tax system is a sure road to monopoly. It imposes back-breaking taxes on the little man but sets up a great escape hatch for the giant corporations. It is a system which allows the administered-price corporations to shift the tax burden onto consumers and thus immunize their stockholders from any tax on their accumulations of wealth left in the corporation. But this system reaches deep into the pocket of the small-business man and it leaves him without funds with which to expand or improve his business equipment. Surely we must make this tax system fairer and give a better chance to small business.

If we can do these things in this session of Congress—improve our antitrust and tax laws—we will bring about a renewed opportunity for local people to do business on Main Street.

I invite the Members' most serious attention to Miss Sylvia Porter's article which I have mentioned. I do this without any reflection on the city of Louisville, Ky. In fact, if the problems facing us were peculiar to just this one city, it would perhaps not be necessary to mention them at all. Obviously these

problems are not peculiar to this one city. They are common problems of all of the cities, towns, and villages of our country. Miss Porter's articles are as follows:

EIGHTY TO NINETY PERCENT OF ALL JOBS IN RETAIL STORES ON MAIN STREET NOW UNDER ABSENTEE OWNERS

[From the Louisville Times]

THE LOUISVILLE STORY—NO. 1: A CITY OWNED BY OUTSIDERS—OVER 60 PERCENT OF FACTORY JOBS ARE IN ABSENTEE-RUN INDUSTRIES; BIG STORE PICTURE MORE STARTLING

(By Sylvia Porter)

If you work for a manufacturing firm in Louisville today, the odds are better than 6 to 4 that you are an employee of a plant owned by outsiders—controlled by interests far removed from your hometown.

More than 60 percent of the manufacturing jobs in your proud, 187-year-old Kentucky city are in absentee-owned corporations. Decisions of crucial importance to you, your family, your entire community are not made by Louisville residents; often they're made by tycoons, efficiency experts or financiers who only rarely visit your city.

If you work for a big retail store in Louisville, the odds are a towering 8 or 9 to 1 that you are working for a branch, a coast-to-coast chain.

REALITY IS HERE

Of Louisville's seven biggest stores, only one is home-owned and that one is No. 5 in size. Your store manager may appear in charge but it's most improbable that the key policies are set by him. Rather, the likelihood is they're fixed at headquarters elsewhere.

In Louisville, absentee ownership of industrial plants, stores, major service organizations is no longer a threat arising from the great merger trend of this decade.

Here, the trend—which I first reported from Rochester, N.Y., a month ago—has become a startling reality. And the implications go far beyond the obvious—the inclination of imported managers to disregard local charities, to give only minimum support to city groups.

In Louisville, absentee control is striking at the very industrial and financial heart of the city itself. Here is a tale which cities the Nation over will ignore at their own peril.

The list of Louisville companies sold to or absorbed by nationwide concerns since World War II covers dozens upon dozens of once-famous names. And I'm not including new factories which American corporations have established here—such as General Electric's creation on Louisville's outskirts of Appliance Park, the world's largest home appliance factory. Nor am I touching on the hundreds of small distilleries which have been gobbled up by the liquor giants. Omitting these, consider that just in the past 10 years:

Mengel Furniture has become Kroehler, and Mengel Box has become Container Corp. of America. Girdler Tube-Turns has become National Cylinder Gas (Chemetron), and B. F. Avery became Minneapolis-Moline (now closed here). Ballard Mills has become Pillsbury, and C. T. Dearing Printing has become Fawcett Publications. Cochran Foil has become Anaconda Co., and Enro Shirt has become Wilson Bros. And so it goes.

Of course, in many instances the workers and city have benefited. Some payrolls have been sharply increased. New talent has come into town. And, as Archie P. Cochran, head of Cochran Foil until its merger with Anaconda 2 months ago, put it to me, "We had reached a size where we had to compete for national markets, but we didn't have the cash, research, or marketing faciilties to do so properly. Merger will bring us these."

But in other instances payrolls have dwindled, disappeared. And hidden beneath the surface are threats which are actively worrying leaders of Louisville. Here are exact quotes from Louisville citizens, whose names I am deliberately withholding:

"We go into a plant, ask for contributions to the Community Chest or Louisville Fund, and what we get is an indifferent nod. The managers aren't part of Louisville. They feel they're camping out, and they don't care about the city's future."

"WE'LL HAVE TO CHECK * * *"

"Some executives who seem to be big shots can't spend $15 of the company's money on their own initiative. They duck out by saying, 'We have to check the home office.' The home office doesn't answer, or, when it does, the answer is 'No' or a piddling contribution."

"The frustration is maddening. The city isn't controlled by us. It's controlled elsewhere. It's infuriating to ask about a personnel policy or a product and get the answer, 'We haven't heard from New York yet.' "

But these, I repeat, are just some of the obvious disadvantages of absentee ownership of a city. Much more vital is what this is doing to the Louisville economy itself. This tale I'll report tomorrow.

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THE LOUISVILLE STORY—NO. 2: SOUNDS A WARNING TO ALL—DREADFUL PLIGHT OF DOWNTOWN IS TIED TO ABSENTEE OWNERSHIP; MEETING MONDAY WILL SEEK ACTION

(By Sylvia Porter)

Usually, when I visit a city on a business trip for the first time, my hosts insist on driving me through the finest areas of town. And usually, they boast and I exclaim about the city's new houses, stores, civic centers, and so forth.

Here in Louisville, though, I was given the reverse treatment. For in Louisville, my hosts took me on a drive through the downtown shopping district, the downtown streets bordering on the Ohio River, the downtown areas where once were mansions of Kentucky's oldest families. And I saw * * *

Street after street choked with stores bearing nationally known names but thoroughly identified with lower-income shoppers. Street after street deformed by massive, decaying structures shockingly out of place in the heart of Kentucky's largest city. Street after street of old homes haphazardly turned into makeshift offices. And slums, used-car lots, minimum-income apartments on land which in almost any other city of comparable size would be in the highest price category.

TAKES GUESTS ELSEWHERE

"This is dreadful," I said to my hosts. "This I didn't expect."

"Yes," nodded the operating head of one of the biggest industrial firms in the area. "When I bring in important people, I bypass downtown. I take the long way around so they don't see this area."

"This is the tragedy of Louisville," added another of the town's most prominent citizens, and he gave me statistics to prove what is happening. Athough population has been expanding, the number of businesses in Louisville's central business district actually is down from a decade ago. The percentage of the city's retail sales in downtown has slumped from almost 50 percent in 1948 to under 40 percent now. Downtown Louisville is not only failing to progress, it is retrogressing rapidly.

Why?

The answer lies in the story I reported yesterday. Specifically, absentee ownership—control of a vast portion of Louisville's industrial, financial, and commercial enterprise by interests located elsewhere and concerned not with Louisville's beauty or potential growth but primarily with maintaining their profit margins or return on an initial investment.

It's a harsh indictment. But the evidence is unmistakable.

As an illustration, many of the men in charge of big operations here are not really the bosses. They are branch managers. As one put it frankly to me, "We'd like to help in rebuilding Louisville but it's not within our power to do so. We haven't the right to invest major capital. We must get permission from headquarters and they tell us 'If we do it here, we must do it elsewhere. We can't participate in the redevelopment of every city in which we are located.' "

Headquarters' reply makes financial sense but it doesn't help an absentee-owned city.

As a second illustration, in Louisville as in many other cities, the downtown land itself is owned "in trust," controlled by wealthy families who care more about dividends than about risking capital. On top of this land are the stores owned by national corporations. The combination presents defiant difficulties to sponsors of a redevelopment program.

What happens now?

ACTION IS THE GOAL

One thing that will happen in Louisville is a meeting next Monday to compel action instead of just talk. It's an ill-concealed secret that at this meeting, the city's leading businessmen and financiers will be asked to put up a big nest egg to finance practical planning by professionals who "are now or will become Louisville citizens with a stake in the community's future." (Coming to the meeting, incidentially, will be Albert M. Greenfield, head of City Stores, with which one of Louisville's major stores is affiliated. And although Greenfield may not know it yet, he's to be tapped for a fat contribution.)

[EDITOR'S NOTE.—Kaufman-Straus, the Louisville affiliate of City Stores of which Mr. Greenfield is chairman, already has accepted its quota. There will be no solicitation at the March 9 dinner.]

Also under way is a study to wipe out the eyesores along the Ohio River just as New York has replaced her slums on the East River and is about to revive deteriorating properties along the Hudson River.

"The other day someone asked me why I cared so much about this," remarked one of my hosts. "Without thinking, I said, 'Why, I live here.' "

That one simple reply holds the key—and shouts a warning to all cities which welcome absentee ownership without pondering its implications and taking steps to offset its dangers.

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## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. STRATTON, for March 26, 1959, on account of official business of the Committee on Armed Services.

Mr. VINSON (at the request of Mr. PRESTON), for the balance of the week, on account of official business.

Mr. LOSER (at the request of Mr. DAVIS of Tennessee), for today and the balance of the week, on account of official business.

Mr. MULTER (at the request of Mr. SANTANGELO), for the balance of the week, on account of illness.

Mr. COHELAN, for Thursday, March 26, 1959, on account of Armed Services Committee inspection trip to Berlin.

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## 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. LANE, for 15 minutes, on today.

Mr. SIKES, for 30 minutes, on Thursday, April 9.

Mr. LEVERING (at the request of Mr. COHELAN), for 15 minutes, on Wednesday next, March 25, 1959.

## EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ALGER in 10 instances.

Mr. GAVIN and to include extraneous matter.

Mr. FOGARTY, to revise and extend the remarks he made in the Committee of the Whole today and include extraneous matter.

Mr. ROOSEVELT, to include two telegrams in the remarks he made in the Committee of the Whole today.

Mr. BOLAND, to revise and extend the remarks he made in the Committee of the Whole today and include extraneous matter.

Mr. ROONEY, to revise and extend the remarks he made in the Committee of the Whole today and include extraneous matter.

Mrs. KEE.

Mr. DORN of New York.

Mrs. ROGERS of Massachusetts, to include in her remarks made in the Committee of the Whole certain telegrams from veterans' organizations.

Mr. KING of Utah in two instances and include extraneous matter.

(The following Member, at the request of Mr. COHELAN, and to include extraneous matter:)

Mr. ANFUSO.

## SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 722. An Act to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically depressed areas; to the Committee on Banking and Currency.

## ADJOURNMENT

Mr. COHELAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 53 minutes p.m.) the House adjourned until tomorrow, Wednesday, March 25, 1959, 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:

758. A letter from the Comptroller General of the United States, transmitting a report on the review of the Capehart housing program of the U.S. Army Engineer Center and Fort Belvoir, Fort Belvoir, Va.; to the Committee on Government Operations.

759. A letter from the Secretary of Agriculture, transmitting a report relative to a program for the national forests; to the Committee on Agriculture.

760. A letter from the Acting Secretary of Defense, transmitting a report by the Department of Defense on payments made under Public Law 220, 82d Congress, relating to the correction of military or naval records for the period July 1 through December 31, 1958; to the Committee on Armed Services.

## 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. FORRESTER: Committee on the Judiciary. House Concurrent Resolution 80. Concurrent resolution extending a welcome to the Inter-American Bar Association; without amendment (Rept. No. 246). Referred to the House Calendar.

Mr. FORRESTER: Committee on the Judiciary. House Concurrent Resolution 103. Concurrent resolution to commemorate the quadricentennial anniversary of Florida and to recognize the quadricentennial anniversary commission of that State; without amendment (Rept. No. 247). Referred to the House Calendar.

Mr. LANE: Committee on the Judiciary. H.R. 470. A bill to amend title 10, United States Code, to authorize the Secretary of Defense and the Secretaries of the military departments to settle certain claims for damage to, or loss of, property or personal injury or death, not cognizable under any other law; with amendment (Rept. No. 251). Referred to the Committee of the Whole House on the State of the Union.

Mr. LESINSKI: Committee on Post Office and Civil Service. H.R. 4595. A bill to clarify and make uniform certain provisions of law relating to special postage rates for educational, cultural, and library materials, and for other purposes; with amendment (Rept. No. 252). Referred to the Committee of the Whole House on the State of the Union.

## 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. LANE: Committee on the Judiciary. H.R. 5362. A bill for the relief of M. E. Boales; without amendment (Rept. No. 244). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 5733. A bill for the relief of Park National Bank; with amendment (Rept. No. 245). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H.R. 1758. A bill for the relief of Gerald M. Cooley; with amendment (Rept. No. 248). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. House Resolution 189. Resolution providing for sending the bill (H.R. 5093) for the relief of North Counties Hydro-Electric Co. and accompanying papers to the Court of Claims; without amendment (Rept. No. 249). Referred to the Committee of the Whole House.

Mr. TOLL: Committee on the Judiciary. H.R. 2594. A bill for the relief of certain claimants against the United States who suffered personal injuries, property damage, or other loss as a result of the explosion of a munitions truck between Smithfield and Selma, N.C., on March 7, 1942; with amendment (Rept. No. 250). 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. BURNS of Hawaii:

H.R. 5968. A bill to amend section 104 of title 23 of the United States Code to provide for apportionment of certain minimum amounts for highways in the Territory of Hawaii; to the Committee on Public Works.

By Mrs. CHURCH:

H.R. 5969. 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. DENTON:

H.R. 5970. A bill granting the consent and approval of Congress to the Wabash Valley compact, and for related purposes; to the Committee on the Judiciary.

By Mr. DOYLE:

H.R. 5971. A bill to amend chapter 15 of title 38, United States Code, to provide for payment of a pension of $100 per month to World War I veterans who have attained the age of 60 years; to the Committee on Veterans' Affairs.

H.R. 5972. A bill to repeal the excise tax on amounts paid for communication services or facilities; to the Committee on Ways and Means.

By Mr. EVINS:

H.R. 5973. A bill to provide for the removal of the restriction on use with respect to a certain tract of land in Cumberland County, Tenn., conveyed to the State of Tennessee in 1938; to the Committee on Agriculture.

By Mr. FINO:

H.R. 5974. A bill to amend title II of the Social Security Act to provide that a widow under retirement age may continue to receive mother's insurance benefits (but at a reduced rate) even though none of the children of her deceased husband are any longer entitled to child's insurance benefits; to the Committee on Ways and Means.

By Mr. HARRISON:

H.R. 5975. A bill to provide for the erection of a Woodrow Wilson memorial in the District of Columbia; to the Committee on House Administration.

By Mr. HÉBERT:

H.R. 5976. A bill to repeal the excise tax on amounts paid for communication services or facilities; to the Committee on Ways and Means.

By Mrs. KEE:

H.R. 5977. A bill to amend the Federal-Aid Highway Act of 1958 (72 Stat. 89) to provide additional funds for the construction of highways in labor surplus areas; to the Committee on Public Works.

By Mr. LANKFORD:

H.R. 5978. A bill to provide for the payment for unused leave of members of the Armed Forces who were killed in action during World War II or the Korean conflict; to the Committee on Armed Services.

By Mr. McINTIRE:

H.R. 5979. A bill to amend the Federal Farm Loan Act to transfer responsibility for making appraisals from the Farm Credit Administration to the Federal land banks, and for other purposes; to the Committee on Agriculture.

H.R. 5980. A bill to provide a revolving fund for certain loans by the Secretary of Agriculture, for improved budget and accounting procedures, and for other purposes; to the Committee on Agriculture.

By Mr. MEYER:

H.R. 5981. A bill to authorize multiple-purpose development at Victory Reservoir site, Vermont; to the Committee on Public Works.

By Mr. PELLY:

H.R. 5982. A bill to amend section 1371 of the Internal Revenue Code of 1954 to provide that a husband and wife shall be treated as one shareholder for purposes of determining whether a corporation is a small business corporation; to the Committee on Ways and Means.

By Mr. QUIE:

H.R. 5983. A bill to enable producers to provide a supply of turkeys adequate to meet the needs of consumers, to maintain orderly marketing conditions, and to promote and expand the consumption of turkeys and turkey products; to the Committee on Agriculture.

By Mr. RIVERS of South Carolina:

H.R. 5984. A bill to amend title 10, United States Code, to provide more efficient dental care for the personnel of the Army, and for other purposes; to the Committee on Armed Services.

H.R. 5985. A bill to amend title 10, United States Code, to provide more efficient dental care for the personnel of the Air Force, and for other purposes; to the Committee on Armed Services.

By Mr. RODINO:

H.R. 5986. A bill to amend chapter 71 of title 38, United States Code, to permit judicial review of decisions of the Board of Veterans' Appeals in compensation and pension claims; to the Committee on Veterans' Affairs.

H.R. 5987. A bill to provide pension for widows and children of veterans of World War II and of the Korean conflict on the same basis as pension is provided for widows and children of veterans of World War I; to the Committee on Veterans' Affairs.

H.R. 5988. A bill to amend the Federal Credit Union Act; to the Committee on Banking and Currency.

H.R. 5989. A bill to revise the basis for establishing wartime service connection for multiple sclerosis and the chronic functional psychoses; to the Committee on Veterans' Affairs.

By Mr. SIMPSON of Pennsylvania:

H.R. 5990. A bill to amend section 270(b) of the Internal Revenue Code of 1954 relating to limitation on deductions allowable to individuals in certain cases; to the Committee on Ways and Means.

H.R. 5991. A bill to amend section 170 of the Internal Revenue Code of 1954 (relating to the unlimited deduction for charitable contributions for certain individuals); to the Committee on Ways and Means.

By Mr. STEED:

H.R. 5992. A bill to encourage the development of petroleum and coal reserves within the United States; to the Committee on Ways and Means.

By Mr. THOMPSON of Louisiana:

H.R. 5993. A bill to permit certain real property heretofore conveyed to the board of supervisors of Louisiana State University and Agricultural and Mechanical College to be used for general educational purposes; to the Committee on Government Operations.

By Mr. WEAVER:

H.R. 5994. A bill to amend the Federal Property and Administrative Services Act of 1949 to require the disposal of certain surplus land for agricultural use in family-type farm units; to the Committee on Government Operations.

By Mr. ZELENKO:

H.R. 5995. A bill to require the Secretary of the Treasury to issue identifying numbered receipt upon the filing of income tax returns in order to aid in the collection of income taxes; to the Committee on Ways and Means.

By Mr. ADAIR:

H.R. 5996. A bill to provide that no application shall be required for the payment of statutory awards for certain conditions which, prior to August 1, 1952, have been determined by the Veterans' Administration to be service connected; to the Committee on Veterans' Affairs.

By Mr. BERRY:

H.R. 5997. A bill to provide that certain lands shall be held in trust for the Lower Brule Sioux Tribe in South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. BLATNIK:

H.R. 5998. A bill to reduce the import duty on cigars; to the Committee on Ways and Means.

By Mr. BURDICK:

H.R. 5999. A bill relating to acreage allotments for durum wheat; to the Committee on Agriculture.

By Mr. CELLER:

H.R. 6000. A bill to amend title 28 of the United States Code to increase the limit for administrative settlement of claims against the United States under the tort claims procedure to $3,000; to the Committee on the Judiciary.

By Mr. DELANEY:

H.R. 6001. A bill to amend section 203 of the Social Security Act to increase the amount of outside earnings permitted without deductions from benefits, and to liberalize the provisions under which such earnings are charged for purposes of such deductions; to the Committee on Ways and Means.

H.R. 6002. A bill to increase the personal income tax exemptions of a taxpayer, including the exemptions for a spouse and dependents and the additional exemptions for old age and blindness from $600 to $800; to the Committee on Ways and Means.

By Mr. FISHER:

H.R. 6003. A bill to amend the Internal Revenue Code of 1954 to provide a procedure under which the excise tax on tires and tubes will not be imposed until they are sold at retail; to the Committee on Ways and Means.

By Mr. FULTON:

H.R. 6004. A bill to amend the Veterans' Readjustment Act of 1952 to make the educational benefits provided for therein available to all veterans whether or not they serve during a period of war or of armed hostilities; to the Committee on Veterans' Affairs.

H.R. 6005. A bill to provide for a study by the Secretary of the Interior of strip-mining operations in the United States and for a report to Congress of the results of such study, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 6006. A bill to prohibit unjust discrimination in employment because of age; to the Committee on Education and Labor.

By Mr. GUBSER:

H.R. 6007. A bill to repeal the excise tax on amounts paid for communication services or facilities; to the Committee on Ways and Means.

By Mr. HAYS:

H.R. 6008. A bill to promote the foreign policy of the United States by providing for the appointment of an assistant to the Secretary of State to assure the coherent development of all official international cultural activities of the United States; to the Committee on Foreign Affairs.

By Mr. HOGAN:

H.R. 6009. A bill to amend the Federal Property and Administrative Services Act of 1949 to provide for making payments in lieu of taxes with respect to a Government installation located on real property owned by the United States; to the Committee on Government Operations.

By Mr. HOLIFIELD:

H.R. 6010. A bill to repeal the cabaret tax; to the Committee on Ways and Means.

By Mr. McSWEEN:

H.R. 6011. A bill to permit certain real property heretofore conveyed to the board of supervisors of Louisiana State University and Agricultural and Mechanical College to be used for general educational purposes; to the Committee on Government Operations.

By Mr. MATTHEWS:

H.R. 6012. A bill to amend the Annual and Sick Leave Act of 1951 to provide that annual leave credited to an employee at the end of a leave year in excess of the maximum amount which may be carried over into the next leave year shall be credited to the employee's sick leave account; to the Committee on Post Office and Civil Service.

H.R. 6013. A bill to amend the Civil Service Retirement Act (5 U.S.C. 2259) to authorize length of service credit for periods of employment by agricultural stabilization and conservation county committees; to the Committee on Post Office and Civil Service.

By Mr. MASON:

H.R. 6014. A bill to amend the Internal Revenue Code of 1954 with respect to the involuntary liquidation of LIFO inventories as the result of labor disputes; to the Committee on Ways and Means.

By Mr. METCALF:

H.R. 6015. A bill to provide for the establishment of the Morrill Homestead National Monument at Strafford, Vt.; to the Committee on Interior and Insular Affairs.

By Mr. O'NEILL:

H.R. 6016. A bill to provide evaluation of rehabilitation potentials and rehabilitation services to handicapped individuals who as a result thereof can achieve such ability of independent living as to dispense with the need for expensive institutional care or who can dispense with or largely dispense with the need of an attendant at home; to assist in the establishment of public and private nonprofit workshops and rehabilitation facilities; and for other purposes; to the Committee on Education and Labor.

By Mr. ROBISON:

H.R. 6017. A bill to amend section 72 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. VAN ZANDT (by request):

H.R. 6018. A bill to authorize the Foreign Claims Settlement Commission of the United States to amend its determinations on certain claims under section 6 of the War Claims Act of 1948, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. MOULDER:

H.J. Res. 319. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. ADAIR:

H.J. Res. 320. Joint resolution designating the fourth Sunday of September as Senior Citizens Day; to the Committee on the Judiciary.

By Mr. FISHER:

H.J. Res. 321. Joint resolution proposing an amendment to the Constitution of the United States providing that a provision of a treaty which conflicts with any provision of the Constitution shall not be of any force or effect; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H. Res. 222. Resolution to provide for a flag for the Members of the House of Representatives; to the Committee on House Administration.

By Mr. SHELLEY:

H. Res. 223. Resolution to provide for a flag for the Members of the House of Representatives; to the Committee on House Administration.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H.R. 6019. A bill for the relief of Isak Irving Herz; to the Committee on the Judiciary.

By Mr. CLARK:

H.R. 6020. A bill for the relief of Ivica Basic; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 6021. A bill for the relief of Ada E. V. Gigante; to the Committee on the Judiciary.

H.R. 6022. A bill for the relief of Giuseppe Faraci; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 6023. A bill for the relief of William J. Kaiser; to the Committee on the Judiciary.

By Mr. FULTON:

H.R. 6024. A bill for the relief of Mrs. Helen Hranisavljevic; to the Committee on the Judiciary.

By Mr. GALLAGHER:

H.R. 6025. A bill for the relief of Ruth Adams, Joseph Adams, and Thomas Herbert; to the Committee on the Judiciary.

By Mr. HOLT (by request):

H.R. 6026. A bill for the relief of Harold Janklowicz; to the Committee on the Judiciary.

By Mr. MONAGAN:

H.R. 6027. A bill to provide for the payment of a disability retirement annuity to Joseph J. O'Loughlin; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 6028. A bill for the relief of Roger Sajous; to the Committee on the Judiciary.

H.R. 6029. A bill for the relief of Mrs. Jessie Mullings; to the Committee on the Judiciary.

By Mr. ROBISON:

H.R. 6030. A bill for the relief of Mrs. Marcia W. Barrett Bowes; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H.R. 6031. A bill for the relief of James N. D. Liang; to the Committee on the Judiciary.

By Mr. WALTER:

H.J. Res. 322. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H.J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens; to the Committee on the Judiciary.

H.J. Res. 324. Joint resolution to waive certain provisions of section 212(a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

## PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

131. By Mr. DOOLEY: Resolution of the Council of the City of New Rochelle, N.Y., opposing the proposed McDonough amendment (H.R. 5096) to the pending urban renewal, slum clearance and housing bill which would subject local housing authority bonds to Federal taxation; to the Committee on Ways and Means.

132. By the SPEAKER: Petition of H. W. Reed, Dupo, Ill., with reference to Senate bills 505 and 748 relating to labor organizations; to the Committee on Education and Labor.

133. Also, petition of Joseph E. Hughes, member of Smith's Wage and Negotiation and Grievance Committee, Minneapolis, Minn., petitioning consideration of their resolution with reference to requesting passage of a hospital assistance measure for our senior citizens, age 62 and older; to the Committee on Ways and Means.

# EXTENSIONS OF REMARKS

## Fighting Progress and Committing Suicide

EXTENSION OF REMARKS

OF

### HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. ALGER. Mr. Speaker, when chainstores and mail-order houses came into the retail sales field there was great resistance to them. They offered better service and lower prices. Is this bad? No; the consumers liked them fine. Some merchants resented this intrusion, however, progress notwithstanding, and forgetting that most businesses start as price cutters and offerers of unusual service, decided to eliminate this new threat. First, there were horizontal conspiracies where dealers got together to blacklist the offenders. Ninety such suits are contained in Antitrust Assistant Bicks' brief—1958 Senate Select Committee on Small Business, appendix I—wherein the Government had to prosecute the dealers and others who endeavored to enforce an economic blockade in one way or another.

Then came another effort or reaction—the vertical price-fixing attempt to eliminate the new upstart business wherein manufacturers, distributors, and dealers variously conspired with each other. Here again antitrust action by the Government was necessary. Fifty-three such vertical combinations were prosecuted and are listed in Mr. Bicks' brief—appendix II. Finally, these new businesses were accepted by merchants because of consumer acceptance. A new, more efficient distribution and sales effort had won out.

But today the lessons are forgotten. Now once again retailers resist new and tough competition, only now they want a so-called fair trade law with the antitrust law set aside so that prices can be set by manufacturers, thus assuring the same price by force of law for every retailer. Aside from depriving consumers of lower prices, these retailers seeking this fair trade law are asking, first, Federal intervention which is bad enough; and second, the curses of planned economy rather than the blessings of a free market; and third, worst of all are unbeknownst to themselves trying to commit suicide by holding an umbrella over the big retailers who can market their own brands at their own prices. The smaller retailers will not be able to compete because the fair trade law will not permit it. Fair?

## M Men Basketball: Bulwark of Spirituality and Clean Living

EXTENSION OF REMARKS

OF

### HON. DAVID S. KING

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. KING of Utah. Mr. Speaker, the senior tournament of the largest basketball program in the world is being played this week in my district, on the campus of the Brigham Young University, at Provo, Utah. Its junior counterpart was played last week in Logan, Utah.

These tournaments are the annual all-church basketball tournaments of the Church of Jesus Christ of Latter-day Saints. The participants represent the best of more than 2,500 teams and 25,000 players scattered throughout the 49 States, Canada, and Mexico.

However, Mr. Speaker, it is the ideal and the program behind the tournaments, and not their size, which compels me to call them to the attention of my colleagues. In a Nation deeply disturbed over the growing menace of juvenile delinquency, this program represents a shining example of wholesome and constructive youth activity which has taught thousands of young Americans a respect for good health, clean living, morality and chastity, and, at the same time, has given them a deeper love of God.

This program is carried out by the Mutual Improvement Association of the Church of Jesus Christ of Latter-day Saints, which was founded by Brigham Young. This great western colonizer, who was the second president of the Latter-day Saints—Mormon—Church, saw the teen-age problem in his own day. In 1869 he called together his teen-age daughters and, through them, established an association to give effective supervision and direction to young women of the church in their use of leisure time. In 1875 he founded a similar organization for the young men.

The wisdom and vision of Brigham Young were apparent in the associations from their beginning. An early issue of the magazine which the young men established soon after they were organized observed:

> The organization spread with astonishing rapidity, and in a few months, towns where there had been crowds of uncouth boys loitering around the stores, holloaing in the streets and breaking horses on the Sabbath day, a change was seen. In some cases, the roughest of these boys had been chosen presidents of associations.

In this century, as the delinquency problem has grown, these organizations have grown in both size and influence. Their total membership has passed 355,000 in some 2,000 wards and branches of the church throughout the world.

The scope of the program has broadened over the years, but the purpose has remained constant: the constructive use of leisure time in wholesome recreation, study, social, and athletic activity, and, above all, in religious training.

A lack of religious training has been a major cause of delinquency. This fact has been asserted repeatedly by

J. Edgar Hoover, a peerless authority on the problem.

This celebrated Director of the Federal Bureau of Investigation has said:

> The churches are in the front trenches of America's crime prevention crusade * * * I have been profoundly impressed with the fact that the churchgoing people are the most substantial group of citizens in the Nation. Church attendance and crime appear to be like * * * oil and water—they do not mix. * * * The greatest single factor in crime causation among juveniles today is the disintegration of the American home.

Mr. Hoover has also observed:

> Juvenile delinquency is always rooted in adult delinquency, and only through general acceptance of higher moral values can we solve the problem entirely. The easiest way to bring this about, in my judgment, is through a return to religion. For several decades the general trend has been away from the age-old belief that man is God-centered and responsible for his thoughts and behavior to a higher power as well as to his fellow man. The resultant materialism has emphasized the values of expediency, shirking responsibility, and selfishness.

The Mutual Improvement Associations offer instruction and supervision for every teenage group, and for young men and women. It also encourages the participation of parents.

At the local level, the associations meet weekly throughout the year—usually on Tuesday nights. The meetings open with a song, prayer, and with other appropriate devotional exercises. Later the members separate for classwork, project activity, and special events.

Variety and flexibility are cornerstones in the program's success. Members have ample opportunity to express and cultivate their special interests and talents—including athletics, public speaking, and the cultural arts.

In the winter months, the young men organize basketball teams. The winners in league play advance to division tournaments, and the division champions become the participants in the all-church tournaments.

The senior tournament, which is being played this week, is held annually in the spacious George Albert Smith Fieldhouse at Brigham Young University, which is the largest church-operated university in the Nation. With pride and enthusiasm, Dr. Ernest L. Wilkinson, Brigham Young University president, and the school's 10,000 students serve as hosts and provide cheering sections for the 32 teams. Thousands of spectators annually see the tournament, whose championship game traditionally is televised to western audiences.

In other seasons the young men and boys play softball and volleyball. MIA athletics are a year-round program which stresses the blessing of good health and the value of physical fitness. The all-church championships are cherished prizes. But the emphasis lies not alone upon winning. In every all-church tournament a prize more coveted than the championship itself is the sportsmanship trophy, whose winners are rousingly applauded as real champions in their own right.

In the local league play, and in the tournaments, the players invariably convene in prayer. Under no circumstances is profanity countenanced.

Only the boys who are morally clean and who live a strict health code—known among the Latter-day Saints as the Word of Wisdom—are eligible to play. The code permits no smoking and no drinking and urges members to practice temperance and moderation in personal habits as well as in diet. Chastity is a strict requirement.

The former middleweight boxing champion of the world, Gene Fullmer, himself a product of the program, has said that MIA athletics and the Word of Wisdom are all that a young man needs to keep in good physical condition.

Perhaps the best measure of the success of the MIA is the appeal it holds for outsiders. Visitors are encouraged to participate—and often do. They are welcomed into every activity and are eligible for basketball, softball and volleyball, provided they respect the Word of Wisdom.

In Japan the MIA meetings have attracted more nonmembers than members. In 1956 the average attendance at the meetings in Japan was 760 Latter-day Saints and 1,500 nonmembers.

Rebecca Franklin, writing in the New York Times Sunday magazine in 1955, gave the program this tribute:

> Undoubtedly one of the most efficiently organized youth movements in the world, MIA provides spiritualized recreation for its members through music, drama, speech and athletics, a never-ending round of carefully supervised activities. For 100 years the Saints have been keeping 'em busy and out of mischief.

In concluding, Mr. Speaker, I find the reason for the success of this program very clear—it holds the key of genuine happiness and has given that key to young Americans. It has shown them that lasting success and happiness do not lie in the pleasures and temptations of the material-rich world which surrounds them, but lie instead in the spiritual treasures in which home and church and faith and service abound.

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## Could Be a True Story

EXTENSION OF REMARKS

OF

### HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. ALGER. Mr. Speaker, you are a retailer and the manufacturer sets your prices on the merchandise you handle and sell. You must sell at that price. The manufacturer thus protected then makes the same product for a big chain or department store who puts on the product his own trademark or brand. This he sells at a price of his own choosing—let us say a six-tube radio—considerably below your identical radio.

You cannot lower your price—your prices are controlled by the manufacturers. You lose your customers to the department store or chainstore. You go broke. Why?

Because Congress changed the entire free enterprise system, and did it to help you, the little retailer.

Fantastic? Yes, but it could be true. This is exactly what the fair trade bill, H.R. 1253, will do.

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## West Virginia's Request for a North-South Route To Be Included in the Interstate Highway System

EXTENSION OF REMARKS

OF

### HON. ELIZABETH KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mrs. KEE. Mr. Speaker, last week, on March 19, it was my privilege to attend an important conference here in Washington with reference to West Virginia's urgent request for the addition of a north-south route to be included in the Interstate Highway System.

Present for this conference, which was conducted under the chairmanship of Representative ARCH A. MOORE, JR., of West Virginia, were Commissioner E. L. Armstrong and other officials of the U.S. Bureau of Public Roads; State officials and citizens of the State of West Virginia under the leadership of Gov. Cecil H. Underwood, officials and citizens of the State of Pennsylvania under the leadership of the Honorable Parke Martin, who attended both as secretary of highways and the authorized representative of Gov. David L. Lawrence; interested Members of the Congress from the State of Pennsylvania; and our West Virginia congressional delegation under the leadership of Senator JENNINGS RANDOLPH and Senator ROBERT C. BYRD.

Representatives and spokesmen from both Pennsylvania and West Virginia were unanimous in recommending an extension of the interstate route from Washington, Pa., to Beckley, W. Va., and to continue to the West Virginia-Virginia border in the immediate vicinity of my home city of Bluefield. This requested extension will connect the Great Lakes and Florida.

Mr. Speaker, I strongly feel that the benefits which may be derived from allocating the some 200 miles requested for this specific route fully justify this request.

In addition to the advantages this route would provide for national defense—the closest available sheltered north-south route in the East, protected by the Allegheny Mountains—the availability of adequate underground area for protecting industrial facilities, and so forth, this route would help West Virginia's present industries to expand and help West Virginia attract new industries and create vitally needed new productive payrolls.

West Virginia suffers more from unemployment and lack of prospective job opportunities than any other State in the Union.

Mr. Speaker, nature has given West Virginia some of the most beautiful

scenery to be found in the world. One of our brightest economic spots lies in the attraction of tourists. One of our difficulties today is the lack of adequate roads and highways. This proposed route would provide an accessible avenue which would greatly benefit our entire State. Even with the present handicap, tourism now ranks in dollar value as the third most important income producer in West Virginia, following mining and manufacturing. I understand that $240 million was spent in our State by tourists during 1958.

Additional highway construction would provide employment for thousands of our presently unemployed. Private industry would then be able to develop facilities to better accommodate the traveler who would enjoy the great natural beauty of our State of West Virginia.

While I deeply appreciate the careful consideration that will be given by officials to this request—in the event mileage should become available in the interstate program—the fact remains that 41,000 miles have been allocated, with the exception of a small amount reserved for contingencies. Therefore, I am happy to introduce in the House a bill to amend the Federal-Aid Highway Act of 1958 (72 Stat. 89) to provide additional funds for the construction of highways in labor surplus areas. This measure is identical to S. 423 which is presently pending in the U.S. Senate.

Mr. Speaker, it is my hope that similar legislation will be passed by this Congress, and I am grateful to be privileged to give this proposal my full and complete support.

## Price Fixing—Vertical Becomes Horizontal

EXTENSION OF REMARKS

OF

### HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. ALGER. Mr. Speaker, vertical price fixing is illegal according to antitrust law. Collusion or conspiring to set prices by manufacturer, distributor, or dealer is declared illegal by antitrust law serving as a protection to businesses in healthy competition. Horizontal price fixing is illegal, too. Manufacturers, distributors or dealers respectively must not get together to set prices. No one questions the need for such protection. Not until now, that is.

Now, the terms of the proposed fair trade bill H.R. 1253 are simple—set aside this antitrust protection of business and permit vertical price fixing by the manufacturer stipulating the retailers' price.

Well, there's a sleeper in this one. Problems of definition always trip up the bureaucrat or economic planner trying to control the uncontrollable, namely the market place of healthy competition. Vertical price control will result in horizontal control too. As Stewart Lee, chairman of economics at Geneva College points out:

> If the owners of pharmacies would agree to sell all brands of toothpaste at the same price to avoid price competition, the law would declare this horizontal price fixing. But if the pharmacists would persuade each manufacturer to fair trade his products, the end result is horizontal price fixing.

Thus, vertical and horizontal price fixing both result and declaring one legal or illegal in this case necessarily affects the other. Simply saying this is not so in a bill. Fair trade will not change the result.

## Comments by Representative Joe L. Evins of Tennessee

EXTENSION OF REMARKS

OF

### HON. ESTES KEFAUVER

OF TENNESSEE

IN THE SENATE OF THE UNITED STATES

*Tuesday, March 24, 1959*

Mr. KEFAUVER. Mr. President, Representative JOE L. EVINS, the very able Representative from the Fourth Tennessee Congressional District, wrote a splendid newsletter on the commemoration of the 170th anniversary of our Constitution, and on the occasion of the congratulation of the Speaker of the House, the Honorable SAM RAYBURN, on his long tenure of service in the Congress.

This thoughtful and well prepared newsletter appeared in a number of Tennessee papers.

Mr. President, I ask unanimous consent that the newsletter be printed in the RECORD.

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

[From the Johnson City (Tenn.) Chronicle, Mar. 14, 1959]

CAPITOL COMMENTS

(By JOE L. EVINS, Member of Congress, Fourth District Tennessee)

The House last week, on March 4, paused in its deliberations to observe two historic events. First, the 170th anniversary of our Constitution—that historic document which has provided the framework for our Government; and, secondly, to congratulate the Speaker of the House, SAM RAYBURN, on his long tenure of service in the Congress.

The 170 years that have passed since our Constitution went into effect have seen the Nation expand and grow from Thirteen Colonies on the Atlantic seaboard to 49 States stretching from coast to coast. Today America is the most highly developed nation in the world, covering half the continent and reaching into the Arctic Circle. From a thin population of 3 million it has grown to its present teeming 175 million.

The problems of today are far different, and many feel far more numerous, than they were 170 years ago; but the Constitution still stands with only a few amendments, still successfully guiding the course of our Nation and still preserving the freedoms that are our tradition. Our Constitution is the oldest living and active document of its kind in existence today. Never in the history of the world has a constitution served a nation so long and so well.

CONGRATULATE RAYBURN

While celebrating the anniversary of the Constitution, several Members took occasion at the same time to congratulate Speaker SAM RAYBURN, who on March 4 completed his 46th year of service as a Member of the House of Representatives. Speaker RAYBURN has already held this office longer than any man in our history. In entering his 47th year of service, he now has also exceeded all previous records of service in the Congress. So far as is known, this record is also unprecedented in the history of the entire world.

William Gladstone served in the Parliament of Great Britain for 60 years and Winston Churchill is serving his 54th year. But both these great English statesmen were elected to Parliament for only a limited period and later appointed to the House of Lords in perpetuity. So that it appears that Mr. RAYBURN has served as an elected member of a national legislature longer than any man in the history of modern democracies.

Our great State of Tennessee may rightfully take pride in this unprecedented achievement because SAM RAYBURN was born in east Tennessee, in Roane County, adjoining our own Fourth District. The Speaker is one of the many distinguished men whom our great State has contributed to the history of Texas—a list that includes Sam Houston, Davy Crockett and many others. Our State has contributed three Speakers by election—John Bell, James K. Polk, and Joe Byrns; we can add with pride the name of SAM RAYBURN by nativity.

Although the principal duty of the Speaker is to serve as the presiding officer of the House, the office carries with it many other exacting duties, great power and responsibility. In his ability to influence the course of our Nation, the Speaker is probably second only to the President.

Speaker RAYBURN has served our Nation well and uses his great office with a high sense of public duty. Though the leader of the Democratic Party in the House, he has discharged his official duties as an American, without narrow partisan consideration, and always with a truly national rather than provincial point of view. Tennessee, Texas, and all America may take equal pride in his record of service in the public interest.

## Women Will Rebel

EXTENSION OF REMARKS

OF

### HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. ALGER. Mr. Speaker, fair trade is the setting of prices by manufacturers and will occur if and when Congress sets aside antitrust price-fixing protection by an alleged fair trade bill—H.R. 1253. Some retailers blame discount houses as the cause of retailers pricing troubles. Not so. Discount houses may well be a manifestation of a change in our whole distribution apparatus. Discount houses, in short, are a recognition of a fact of life, not the cause of it.

Fair trade is unenforcible in the courts and in the marketplace. It is unenforcible because people can see for themselves that it is not fair, but unfair. Price setting is in the retailers province, price acceptance in the buyers—neither is the manufacturers choice at the retail level. Either this is so or we do not have a competitive economy.

In this Nation people cannot be regimented by economic controls—not yet anyway. Just wait until the shoppers of this Nation, the women, realize the import of the fair trade price setting under H.R. 1253, or similar bills.

## Need for an Overall Science and Technology Agency

EXTENSION OF REMARKS

OF

### HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. ANFUSO. Mr. Speaker, the first sputnik aroused great public and congressional concern over the state of American science and technology. That event served to alert us and to spurt us on to action, with the result that during the past year and a half we have made considerable progress and scored some notable achievements in these fields.

There is some evidence, however, that as a result of our own recent successes in astronautics we are once again lapsing into a state of complacency. The Eighth Annual Report of the National Science Foundation warns us as follows:

> We have only made a beginning; the major job is still to be done. As a nation, we appear to forget that we live in a competitive world and shall continue to do so. It seems abundantly clear that we shall rapidly lose in competition, unless we can show more determined and constructive efforts than we have during the past years.

This is a warning we should heed. It deserves our fullest attention. I have given it considerable thought and it is as a result of this warning that I was prompted to take the action described in the succeeding paragraphs.

A vital element in an adequate science program is, to my mind, the creation of a single agency in which the National Science Foundation, the National Aeronautics and Space Administration and other existing Federal science agencies can be gathered together under one roof. This would make for efficiency, economy, better coordination and cooperation, and above all for greater achievements in less time.

At the present time, our Government administers a vast and highly diversified research and development effort in science. This, in itself, is a task of almost incredible complexity. Considering the dimensions of this task, it is not surprising that we have as yet not been able to devise the most effective ways and means for managing such a gigantic and varied program. To be sure, there have been attempts in the past to relate the research and development activities of various Government agencies to each other, as well as to research activities being carried on outside of the Government. These efforts, however, have had limited objectives and even more limited results. Consequently, the fundamental problem, that is, to devise effective means to manage our scientific research program, remains unsolved.

In order to help solve this problem and to establish the means whereby effective management of our science program could be obtained, I have introduced a bill, H.R. 5612, which calls for the creation of a Science and Technology Agency. It is to be known as the "Science and Technology Agency Act of 1959."

The bill would create an independent Science and Technology Agency for the coordination and improvement of Federal functions relating to the conduct and support of scientific training and research. It takes the first necessary step of reorganizing and integrating the various science programs of the Federal Government. The Science and Technology Agency is to be headed by a Director appointed by the President with the consent of the Senate.

To this new Science and Technology Agency shall be transferred certain existing agencies and functions of the Government, together with their personnel, property, records, et cetera. Specifically named in the bill are the following agencies: National Science Foundation, National Aeronautics and Space Administration, National Bureau of Standards, and such other agencies as the Congress believes should be incorporated in the overall agency.

Such additional matters as the processing and distribution of scientific information, educational grants and loans, national institutes of scientific research and cooperative international programs may later be incorporated in the bill, or discussed in the committee's report to the House, as the recommendations of the executive agencies and the testimony at the hearings on the measure would demonstrate their need. The bill was referred to the House Committee on Science and Astronautics, and I trust the committee will place it high on its calendar for early hearings and due consideration.

## Celebration of the 41st Anniversary of Byelorussia's Independence

EXTENSION OF REMARKS

OF

### HON. FRANCIS E. DORN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. DORN of New York. Mr. Speaker, on Sunday, March 22, Americans of Byelorussian descent celebrated the 41st anniversary of the independence of Byelorussia.

The history of the struggle for independence by Byelorussian people was long, constant, sacrificial, dedicated and determined, marked with armed uprisings and reflected in most of the Byelorussian literature as well as being led and inspired by all of the national leaders and supported morally by many neighboring countries.

On March 25, 1917, the Byelorussian Rada assembled in Minsk declared an independent Byelorussian Democratic Republic, thus marking the end of occupation.

Unfortunately the Byelorussian Democratic Republic was short lived. Once again the Russian Army under a new slogan of communism overran the country and forced the first Byelorussian Government into exile. However, neither the difficult path of exile nor countless persecutions that followed on Byelorussian territory swayed the firm stand of the Byelorussian people.

The declaration of independence gave to every Byelorussian a special sacred meaning of freedom, a special respect and loyalty to all free nations seldom experienced by other peoples.

So this year on March 22, Americans of Byelorussian descent, marked the day of the independence of Byelorussia extending their brotherly hand to all men of Byelorussia who never yielded to the will of any aggressor.

I hope that Byelorussian Independence Day will be celebrated each year not only by Americans of Byelorussian descent but by all citizens and all men who value, respect and jealousy guard freedom.

## Free People Need Free Prices for Progress

EXTENSION OF REMARKS

OF

### HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. ALGER. Mr. Speaker, it is argued that the fair trade bill, H.R. 1253, will give the price protection needed because there are other forms of Manufacturers' control of prices at retail such as selling on consignment and manufacturer-owned retail stores. If a manufacturer is really interested in controlling the retail price, then maybe that same manufacturer should assume some of the risks which manufacturers assume when selling on consignment or when owning the retail outlet. Risk and responsibility are part of consignment selling and owning retail outlets, but what are the additional responsibilities and risks which will be assumed by the manufacturer under this resale price maintenance bill?

The rise of the so-called discount house is used as an argument for enacting a Federal fair trade bill, but a study of the discount house indicates rather strongly that State fair trade laws stimulated its growth. A high, well advertised price with a wide profit margin naturally stimulates such competition. Since when is Federal law designed to assure a guaranteed fat profit?

The truth of the situation concerning the entire fair trade genesis may be found to be resistance to better merchandising, a fighting of the progress in more efficient merchandising and distribution. But progress we will, with or without

the Federal mandate of a fair trade bill, conceived in shortsightedness. Customers will demand greater efficiency, better production, distribution, and merchandising—that is, so long as they are a free people.

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## Human Rights Are Everybody's Problem

EXTENSION OF REMARKS

OF

### HON. HUBERT H. HUMPHREY

OF MINNESOTA

IN THE SENATE OF THE UNITED STATES

*Tuesday, March 24, 1959*

Mr. HUMPHREY. Mr. President, on February 22, it was my privilege to address the Chicago Conference for Brotherhood at the Shoreland Hotel, Chicago, Ill. The theme of my address was that Human Rights Are Everybody's Problem.

I ask unanimous consent that this speech be printed in the RECORD.

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

REMARKS BY SENATOR HUBERT H. HUMPHREY, BEFORE THE CHICAGO CONFERENCE FOR BROTHERHOOD, FEBRUARY 22, 1959, CHICAGO, ILL.

Throughout our country people have been meeting this past week in commemoration of National Brotherhood Week.

Such gatherings reflect a growing awareness of the importance of human brotherhood and understanding in a free and democratic society. As never before in our history, there is a recognition that suspicion and prejudice stand as a mortal threat to the political and social health of the Nation. Discrimination, bigotry, and prejudice are the dangerous subversive forces at work in our society.

The denial of equal rights to so many of our citizens, as a result of such prejudice, is the reason that we are gathered here tonight. The denial of the God-given right to freedom is the No. 1 moral and political issue which we face today in America and in the world.

The present struggle between the free world nations and the Communist bloc is, after all, based upon the fundamental issue of man's right to freedom. This is what the present conflict, when all is said and done, is all about. The issue is whether government should be the servant of the people or master of the people.

In such a basic and crucial struggle we cannot afford to ignore denials of freedom right here in America. We must put our own house in order if we are not to be considered hypocrites when we point an accusing finger at the Soviets for their denial of human rights.

And may I add that the problem we face right here at home is not a regional problem only confined to the South. We know this only too well from firsthand experience. Minority groups still face employment barriers and by gentlemen's agreements a system of restrictive covenants is effectively maintained in many towns and cities of the North.

At the conclusion of the recent New York hearings of the Civil Rights Commission, Father Hesbergh, president of Notre Dame, speaking on behalf of the Commission members, said that it had been demonstrated beyond a doubt that the problem of discrimination in housing is nationwide in scope.

"We are talking about the face of America," said Father Hesbergh, "and that face must have the beauty and dignity and harmony of the Constitution." Equal protection of the laws, he said, must begin in the homes of all Americans.

In spelling out the problem which we face, I do not wish to leave the impression that we are not making progress. Advancements in the field of civil rights and human understanding are being made every day.

I was heartened to read only the other day that your new State superintendent of public schools here has announced that he intends to take affirmative action against segregation in certain schools in southern Illinois.

Yes, more and more jobs are opening to qualified Negroes. Fewer and fewer trade unions maintain color bars. Progress is being made, slowly to be sure, toward nonsegregated housing.

And in the South there is encouraging progress also. The recent opening of integrated schools in Virginia is a milestone. Its significance cannot be overestimated. The doctrine of massive resistance in that historic State has collapsed completely.

In Kentucky, 85 percent of the schools have been integrated.

In the border State of Maryland, integration of schools is almost complete and has taken place without any difficulties.

Tennessee is in the second year of a start with its capital city integration plan as accepted by the court.

In North Carolina, its largest city, Charlotte, is proceeding with an accepted plan; its fine university has for years had Negro students.

In Texas, Negroes were admitted to the university several years ago, and many of its towns and cities have integrated their schools.

Louisiana admitted Negroes to the State University 2 years ago, and this year admitted Negroes to its undergraduate school in New Orleans.

In Florida, a Negro has been admitted to its law school, and Governor Collins, a courageous and good man, has proposed the abolition of all Negro graduate schools and the admission to the regular university of their students this coming September.

There are only four States in the South which have made no start toward integration and in which a policy of massive resistance continues unabated.

So progress is being made. And this is the encouraging thing to remember. The job remaining to be done is still tremendous, but we have every reason to feel confident that we have reached the time in our country's history when the goal we seek of first-class citizenship for all our people is in sight.

Both as mayor of Minneapolis and as a U.S. Senator I have worked for legislation to protect the rights of all the people. I have advocated civil rights legislation on the basis of the moral law and the constitutional guarantees of freedom to all citizens.

I would like to set forth to you these basic and fundamental principles upon which I have based my stand. Emotional outbursts and arguments of those who oppose civil rights must not cloud the basic issue; namely, the moral and constitutional duty of the State to protect and to guarantee the rights of its citizens, regardless of their race, religion, creed, color or national origin.

In the year 1896, a great American wrote the following words on this duty of the Government:

"The sure guarantee of peace and security of each race is the clear, distinct, unconditional recognition by our Governments, National and State, of every right that inheres in civil freedom, and of equality before the law of all citizens of the United States without regard to race. We boast of freedom enjoyed by our people above all other people. But it is difficult to reconcile that boast with a state of the law, which, practically, puts the brand of servitude and degradation upon a large class of our fellow citizens, our equals before the law."

These are the words from the dissenting opinion of Justice Harlan in the historic case of *Plessy* v. *Ferguson*. As we all know, Justice Harlan's colleagues on the Supreme Court rejected his defense of man's rights under the Constitution by adopting the "separate but equal" doctrine.

However, Justice Harlan's dissenting opinion was finally accepted in 1954 in the case of *Brown* v. *Board of Education* in which the Court stated: "We conclude that in the field of public education the doctrine of separate but equal has no place. Separate educational facilities are inherently unequal."

Justice Harlan had been a slaveholder himself, and an opponent of the 13th amendment. He was, however, a just and righteous man with a deep reverence for the Constitution, and he clearly understood what was intended by the 14th amendment. As his biographer stated:

"The simplicity and directness with which he viewed it approaches that of a layman. He believed that it should be construed in accordance with the views of the framers and the dictates of commonsense."

Justice Harlan's opinion should be read and heard today by every citizen in the land. It demolishes the emotional arguments which have been raised in an effort to bury the simple and fundamental constitutional guarantee of equal protection of the law.

Yes, it is this guarantee which we must constantly keep in mind. We must not let it be pushed aside and obscured. The 14th amendment is clear:

"No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws."

When the Supreme Court in 1954 overthrew the "separate but equal" doctrine, it breathed new life into the Constitution. Such a decision was inevitable in an age when second-class citizenship can no longer be tolerated. There can be only one class of citizens permitted under our legal structure; and those who argue otherwise are in opposition to the supreme law of the land and the basic and fundamental principles upon which our Nation was founded.

The framers of the Declaration of Independence laid down the basic philosophy of our Government when they wrote:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain inalienable rights, that among these are life, liberty, and the pursuit of happiness. That to secure these rights, governments are instituted among men, deriving their just powers from the consent of the governed."

In these short sentences is summarized two great and abiding ideas which have served to guide our country for almost 200 years.

First of all, that man has certain rights under the natural law; rights given to him not by the government, but rights given to him by God, Himself. As such these rights are unchangeable and everlasting and above the power of Government to destroy or deny.

Second, governments are established by the people for the primary purpose of securing these natural rights—which include that of liberty—and to protect the individual in their enjoyment.

This indeed was a radical philosophy of government in the 18th century, and there were many who deemed it both dangerous and visionary. But this doctrine has served us well and under it our Nation has grown and prospered and government has remained

the servant rather than the master of the people. Unfortunately, however, this great concept of a government established to protect the rights of all the people is still not accepted by all. There is still a denial of freedom and equality to many of our fellow citizens—particularly those of the Negro race.

To the extent that our Federal, State, and local governments fail to protect the natural rights of the citizens, such governments are failing to fulfill their function according to our basic philosophy of the role of government.

Human rights are inalienable rights. They are God's gift to man—and their protection and advancement is the first obligation of organized society.

Government at all levels must give constructive and imaginative leadership in the effort to overcome discrimination throughout the Nation.

Protection of human rights is the moral responsibility of government officials in a free and democratic society. They have the obligation to establish standards and practices of equal rights and equal protection of the law for all citizens to follow.

However, action of representative government generally reflects moral and political standards of its citizenry. For that reason fulfillment of civil rights and civil liberties is the continuing responsibility of every community, of every civic organization, and of every individual. Action in Congress is vital and important, of course—but it is not enough alone.

Leadership from the President, the executive branch of our Federal Government, from our Governors and from our mayors is equally important, of course—but it too is not enough alone.

We need courageous leaders in behalf of human rights in every community. We need local action, as well as national action. We need private action as well as public action.

The cause of civil rights should enlist the active support of government, of voluntary organizations, of religious groups and institutions, and of civic bodies. Only by such unified action can we truly fulfill mankind's inalienable rights.

Great progress, as I have already noted, has been made in recent years in the field of civil rights, but we still have a long way to go.

So long as segregation is practiced in schools, parks, libraries, hospitals, buses and trains, we will not have achieved true freedom. So long as color bars exist in housing, hotels, restaurants and theaters, we will be short of the goal. So long as citizens are denied the right to vote or denied the right to a job because of their color, we will have failed to live up to our announced principles.

Those of us who maintain that it is the obligation of government to protect the civil rights of all citizens are proposing no new or radical idea. Our position is as old as the Declaration of Independence itself; founded on the basis of faith in the natural rights of man and in the Constitution of the United States.

I realize only too well that segregation cannot and will not be wiped out overnight. Prejudices which have developed over scores of years cannot simply be ignored in working toward the goal of equality under the law. But these very real problems and roadblocks to understanding should not and cannot be permitted to serve as excuses for refusing to act.

It is my firm conviction that government must give constructive and imaginative leadership in this endeavor. This will require patience, understanding, and a determination on the part of men of good will to cooperate in a dispassionate manner.

This is no time for name calling or for emotional tirades or for holier-than-thou attitudes. It is the time to calmly and rationally discuss and work out methods whereby equality under the law shall be assured to all citizens in as orderly and civil a manner as possible. I am convinced that it can be done if we but put our minds and our hearts to it.

We in the Congress have a grave responsibility to aid in protecting the rights of all the people. And we are making headway.

The Civil Rights Act of 1957 was the first civil rights legislation passed by Congress since 1875. It added greatly to the excellent record of the 85th Congress. While it failed to contain many of the proposals that I, and many of my colleagues, had hoped and worked for, it was a positive step forward. Under this act there was created a Commission on Civil Rights, a Civil Rights Division in the Department of Justice, and most important of all, the Attorney General was empowered to seek an injunction when a person was deprived or about to be deprived of his right to vote. These were provisions which many of us had striven for many years to achieve.

This civil rights record of the 85th Congress, however, should not serve as an excuse for failing to take further action in the 86th. And I am confident that we will have reason to be proud of the civil rights record of this Congress.

As you know, a number of civil rights bills have already been introduced in the Congress this year.

Senator JOHNSON has offered a bill which would (a) make it a Federal crime to bomb schools, churches and other buildings; (b) grant the Attorney General subpena power in investigations of violations of voting rights; (c) extend the life of the Civil Rights Commission another two years; and (d) establish a Community Relations Service to provide conciliation service to communities involved in civil rights disputes.

The administration's proposed bills would (a) make the use of force or threat of force to obstruct court orders in school integration cases a Federal offense; (b) provide funds for education of the children of members of the armed services in areas where the public schools have been closed; (c) make it a Federal offense to travel in interstate commerce to avoid prosecution for the bombing of religious or school property; (d) prohibit the destruction of voting registration lists and make such lists and records available for examination by the Department of Justice; (e) authorize appropriations by the Federal Government to assist local school agencies in desegregation programs; (f) extend the life of the Civil Rights Commission 2 additional years; and (g) create a Commission on Equal Job Opportunity under Government Contracts.

Your own Senator PAUL DOUGLAS and I, joined by several other Members of the Senate, have introduced a bill which (a) endorses the principle of the antidiscrimination decisions of the Supreme Court; (b) provides that the Attorney General may institute a civil action for the purpose of preventing any interference with a person's right to equal protection of the laws; and (c) authorizes the Secretary of Health, Education, and Welfare to (1) render technical assistance to aid in school desegregation; (2) provide grants to areas where desegregation in public schools is being carried out; (3) prepare plans for the elimination of segregation in public schools where no effort has been made to comply with the Court's decision; and (4) institute legal proceedings to enforce compliance when such plans are rejected by State or local officials.

I personally feel that the most meaningful legislation is that which Senator DOUGLAS and I are sponsoring. This is not to say that the bills as offered by Senator JOHNSON and by the administration are not desirable. I think that they are. They would be steps forward. Not as long strides forward as I and many of my colleagues in the Congress favor, but forward strides nevertheless.

Senator JOHNSON is to be commended for offering his civil rights bill and for indicating that he intends to push for its adoption by the Senate.

I think it is significant that under the leadership and direction of Senator JOHNSON, a Senator from a State which was part of the Confederacy, no less than 5 of the 22 southern Senators voted for the Civil Rights Act of 1957. For the first time the solid South split on the civil rights issue.

There is general agreement that the 86th Congress will pass further civil rights legislation. And it will be significant action.

Yes, we are moving forward. We are making progress on wiping out the great evils of discrimination and segregation. The gap between the flowing words embodied in the Declaration of Independence and the Constitution and the denial of first-class citizenship to so many of our people, is being faced up to. This gap is slowly but surely being closed.

The words of a distinguished American, a former Senate colleague from North Carolina, Frank P. Graham, summarize the opportunity which we now have to advance the cause of freedom:

"With human liberty in peril around the earth, may the people of the United States, in cooperation with free nations, light up the wide heavens of the hopes of all peoples with another great declaration of the equal freedom and dignity of all people. Now is the time to make clear to the friends of freedom in the East and West that freedom, due process of equal justice under law, and the equal opportunity for all people are the historic and living sources of the faith of the American people in themselves, of the world's faith in America, and of America's moral influence and power in the world."

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## Fair Trade Anachronism

EXTENSION OF REMARKS

OF

### HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. ALGER. Mr. Speaker, the fair trade is a legislative anachronism. The language of the bill would do credit to the Government control of socialism. At the least it contains the bureaucratic dictation of the planned economy concept, not free enterprise. What is meant by such phrases as "prices that are adequate to stimulate said distribuion and low enough to enable distributors of such identified merchandise to compete effectively with those marketing goods of the same general class and to satisfy the needs of ultimate consumers."

Now, what does this mean? Prices "high enough to"—"or low enough to"—and who is so wise to know what to prescribe by legislative edict? What means the phrase "of the same general class" or "to satisfy the needs?" And who will play the Almighty in giving the answers?

The answers can be found only in the marketplace where merchandise in competition is selected or rejected for a price or for bargaining between seller and buyer. Thousands of transactions daily provide the answer—not a bureaucrat, nor we in Congress assembled.

## American Education in the Space Age

EXTENSION OF REMARKS

OF

### HON. DAVID S. KING

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. KING of Utah. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the speech which I delivered March 20, 1959, to the first meeting of new Space Law and Sociology Committee of the American Rocket Society. The speech, entitled "American Education in the Space Age," follows:

AMERICAN EDUCATION IN THE SPACE AGE

It is no secret that there has been a good deal of dissatisfaction with American education in recent times.

The question as to how much of it may be warranted is, no doubt, open to dispute. But the dissatisfaction is there, and I believe it merits a long, hard look. Let us take a moment to explore the reasons for this phenomenon.

Educators say that this era of scholastic soul searching has been consistently picking up steam ever since World War II, which—like all wars—initiated a strong trend toward social introspection. World War II and the Korean war disclosed weaknesses and soft spots in many phases of our civilization. And so we became conscious of certain rips and tears in our educational fabric. This is one reason for the dissatisfaction.

Another is that we have reached a point in the evolution of history where rates of change and the tempo of events have speeded up tremendously, and are steadily gathering more speed. What was good enough yesterday will not be good enough tomorrow. Scarcely any social facet of our civilized world either was or is prepared to adjust rapidly enough to match the whirling pace of invention, of science and of population. Education is one of those social facets.

A third reason, of course, has been the overnight appearance of the specter of Soviet science, which—like the genie from the bottle—materialized on the world's political horizon with the launching of Sputnik I. This sudden realization that the Soviets were not only playing in the same technical league as the United States but, in some respects, were leading us by a disturbing margin was a rude shock to our superiority complex.

Such was the picture as we entered the space age 17 months ago. I need not describe the berating which American education has taken since then. At times the flaying has assumed almost hysterical proportions. And, while subsequent spectacular demonstrations of our own aptitude for space have quieted the clamor to a degree, it can still be heard. Our educational system remains under a blanket of heavy criticism, and the conviction is still general that we must do something about it.

This leads to the key question: Is all this concern and criticism a healthy thing?

Generally speaking, I believe that so long as we do not undermine public confidence in our school system the answer is, yes. The reasons for the conclusion will be presented later. First, however, let me say that I do not hold myself out as a professional educator or education expert. However, I have taught school. My native State has a fine reputation in education. And I have always been deeply interested in the general problem.

More important, perhaps, I have listened to many scores of hours of testimony from those who are educational experts in this matter of where-we-stand on education today, and from them I draw certain conclusions.

One of those conclusions is that the present disposition of the American public to cast a critical eye on its educational process is more than justified. Improvement would seem essential to our continued role of leadership in the world community.

At the same time, my plea is for balance. If, for example, we go on a nationwide educational binge which favors only the natural sciences—we shall almost certainly be as poorly off as if we totally ignored the need for more and better scientific training. Clearly we cannot do the latter. Nor can we do the former.

All the science in the world will not achieve the fine destiny most of us visualize for our country if we do not also continue to nourish our gifts of philosophy, law, and effective self-government—to show sustained progress in the social sciences and the humanities and, above all, in spiritual values. These are areas in which we have a strong lead, I believe, over all but a very few of the homogenous, highly civilized small nations; and the gap between the Soviets and ourselves in these areas is pronounced.

Nevertheless, the social sciences are no more static than the physical ones. They call for continuing research and application of trained effort. Otherwise, we shall not be able to make maximum use of them in the cause of world leadership.

This is something the Russians seem to have learned very well in regard to the natural sciences. While it has become trite to call attention to the great efforts the Soviets are making in education, I am, nonetheless, impressed with the uniform observation of American educators, scientists, and lawyers who have recently spent time in the U.S.S.R., studying their institutions, an observation to the effect that education has become almost a fetish in the Soviet Union.

"Education," says U.S. Commissioner of Education Lawrence Derthick, "is paramount in Russia. It is a kind of grand passsion—this conviction that children, schools, and hard work will win them their place in the sun, and on the moon. We are today in competition with a nation of vast resources, a people of seeemingly unbounded enthusiasm for self-development, and fired with conviction that future supremacy belongs to those with the best-trained minds, those who will work hard and sacrifice."

I am not one of those who believes we must emulate the Soviets in all things. So far as education is concerned, it seems clear that they are, in many ways, trying to emulate us—whether or not they know it or will admit it. As one recent visitor to the U.S.S.R. put it: "Everywhere in Russia are evidences not only of passionate love of country but of a burning desire to surpass the United States in education, in production, in standard of living, in world trade, and in athletics. The slogan we saw most, in posters, films, and everywhere, was 'Reach and overreach America.' "

In this quest, Russia has followed the United States example. It has adopted philosophy of mass education, to attempt to raise the knowledge level of all its people, and not simply to educate a chosen few.

But if the Soviet emphasis is different from ours, and if (as our experts allege) it is topheavy in the physical sciences, stereotyped in the arts, and rigidly controlled in other ways for political purposes—still we cannot afford to ignore what is proving effective in their system.

Obviously the Soviets are making prodigious strides in science, in mathematics, physics, biology, astronomy, chemistry, nucleonics, electronics, and other sciences. And their great achievements in rocketry and the aeronautical and space sciences leave little doubt of a growing proficiency in engineering and technology. So while I believe in balance and scope for American education, a look into the future assures the high strategic importance of physical science to our national security, our prosperity, and our international preeminence. We cannot afford to lag in this direction.

After mulling over Soviet school curriculums and the reports of competent educators who have made careful studies of the Soviet educational system—what it is accomplishing and how—I am convinced that we can find in the Russian effort much that is worth serious reflection. We might even take a few leaves from their book on such points as these:

1. Provide wider and better basic scientific training at the elementary and secondary school level, using revised and up-to-date text and learning aids.

2. Emphasize languages at these same levels. I am informed that by the time a Russian youngster completes his 10th year in school, he not only reads but has conversational competence in a foreign language. Significantly, 45 out of every 100 students at this level know English, 35 know German, and 20 know French. Common sense suggests the great advantage of this in reaping the benefit of knowledge which others have acquired in other tongues.

3. Step up rapidly the translation of foreign scientific writing into English, especially Russian ones, and insure their dissemination. We may as well face the fact that Americans do not have the same everyday necessity for foreign language as Europeans, and therefore we will probably never have the same language proficiency no matter how much educational emphasis we place upon languages. We must offset this with translations. Some are being done now at Government level by the Library of Congress, the Central Intelligence Agency, and the Department of Commerce. But for the most part our translations seem to be a matter of too little and too late, with a circulation that is far too limited. The Russians' astounding progress in science is undoubtedly due in part to their assiduous work in translating scientific publications. They translate our scientific articles, journals, and textbooks into Russian soon after they are published. And their translations of our work are widely circulated among their scientists. We accept a serious handicap in the technology race when we fail to take similar advantage of their scientific publications. Naturally, not all of their scientific publications are available to us, but we are making no consistent effort to translate and distribute those which are.

The best example of this was the sputnik surprise. In scientific publications available to us, the Russians announced, some 90 days before they shot their first sputnik into orbit, the very date on which the satellite would be launched. Because we had failed to translate this information, the sputnik caught us by surprise.

4. Elevate the stature of our teaching profession. This is probably the most important and, at the same time, the most difficult of all our educational problems. Somehow it must be done.

Perhaps the root of the problem lies in the public attitude toward education. I sometimes wonder whether we Americans have the respect for education and educators that we imagine we have. If our respect were as great as we imagine, our teachers already would enjoy the professional stature they deserve. Instead, we often find them in the embarrassing plight of being their own best advocates, of waging their own fight for a comfortable living standard which would allow them to give their undivided attention and energy to training our children.

I firmly believe that in the lives of our children, education should have first priority. But in American homes I find that schoolwork is seldom given proper priority—that

it must compete for time and attention with television, radio, and recreation, with social engagements, and with the preparations for those social engagements. Too much emphasis is placed on fun. Not enough emphasis is placed on the orderliness and stern self-disciplines without which there can be no significant progress in any academic field of endeavor.

*In an age* when the volume of man's knowledge is growing at a fantastic rate, at the time when our need for intellectual discipline has never been as great, we surround our children with temptations and distractions which obscure the importance of learning and the value of a cultivated mind. Yes, any reformation of American education, if it is to be successful, will have to begin at home.

In Russia the teacher is at the top of the professional ladder, on a par with the scientist and the party leader. He is more highly regarded than the doctor, the lawyer, the journalist, the entertainer or the artist. No doubt this is why the Soviets now operate 484 teachers colleges not counting their universities.

In the United States there are 332 accredited teachers colleges, public and private, including the universities. While I am rarely moved by comparative figures, this, I submit, is a rather significant fact. We are having real trouble getting enough good teachers. The Russians are not. And we cannot put the blame on our educational system per se when it belongs to us, the public. So long as we make personal distinction and recognition synonymous with acquisitiveness, so long as we place teachers low on the success scale by paying them low professional salaries (far lower than comedians, ballplayers, and nightclub singers), we are going to continue to have difficulty recruiting good ones. In view of the immense importance of the teacher in our modern world and of his even more critical role in the future, this is, truly, an agonizing situation.

In conclusion, I reiterate my belief that our current penchant for criticizing American education is a good thing. It shows a flexibility in our makeup that is highly utilitarian; and it does not mean that we are not proud of our educational process which, on a broad scale, neither the Soviets nor any other people have yet been able to match.

If I may borrow words from one of this country's most experienced and penetrating educators, Byron Hollinshead:

"It would be strange if an educational system designed to carry out the democratic idea or ideal did not have defects and difficulties. No nation at any time in earlier history has ever tried to give everybody educational opportunity. But it is not only that we have tried to follow a great ideal. We can be genuinely proud of what our schools and colleges have accomplished, proud of their present efficiency, variety, and scope, and particularly proud that the professional conscience of our educators has given them the humility to see faults and the desire to correct them."

## Fair Trade a Misnomer

EXTENSION OF REMARKS

OF

### HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. ALGER. Mr. Speaker, fair trade, the setting of consumer prices by manufacturers under Federal mandate, is a misnomer. The language is as unfathomable as Washington gobbledygook can contrive. What means "unfair and deceptive acts" or "satisfy the needs of ultimate consumers" or "prices that are adequate"? Unscrambling the meaning and intent will assure all attorneys more business than they can handle and be a field day for the courts, and they do not need the business.

Heavy litigation and court redefining or legislating the intent of Congress will be the end result if Congress passes the fair trade bill, H.R. 1253.

## USDA Announces Development Program for National Forests

EXTENSION OF REMARKS

OF

### HON. LEON H. GAVIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. GAVIN. Mr. Speaker, steps to provide more timber, water, recreation, wildlife, and other renewable resources from the Nation's increasingly valuable national forest system were proposed today by Secretary of Agriculture Ezra Taft Benson.

With special letters to the President of the Senate and the Speaker of the House, Secretary Benson submitted a program to advance management and increase facilities of the national forests during the coming years to meet needs of a growing population and expanding economy.

The statement follows:

PROGRAM FOR THE NATIONAL FORESTS: COMMUNICATION FROM THE SECRETARY OF AGRICULTURE, TRANSMITTING A REPORT RELATIVE TO A PROGRAM FOR THE NATIONAL FORESTS

DEPARTMENT OF AGRICULTURE,
*Washington, D.C., March 23, 1959.*

THE PRESIDENT OF THE SENATE,
*U.S. Senate.*

DEAR MR. PRESIDENT: A report entitled "Program for the National Forests" is transmitted herewith for information of the Congress and appropriate reference.

President Eisenhower in his state of the Union message in February 1953 called attention to the vast importance to this Nation, now and in the future, of our soil and water, our forests and minerals, and our wildlife resources. He indicated the need for a strong Federal program in the field of resource development.

On July 31, 1953, the President supplemented that message by sending to the Congress a special message relative to a program designed to conserve and improve the Nation's natural resources.

In referring to the national forests administered by this Department and to other public lands, the President stated in that special message that the Federal Government has a responsibility to manage wisely those public lands and forests under its jurisdiction necessary in the interest of the public as a whole. Important values exist in these lands for forest and mineral products, grazing, fish, and wildlife, and for recreation. Moreover, it is imperative to the welfare of thousands of communities and millions of acres of irrigated land that such lands be managed to protect the water supply and water quality which comes from them. In their utilization of these lands, the people are entitled to expect that their timber, minerals, streams, and water supply, wildlife and recreational values should be safeguarded, improved, and made available not only for this but for future generations. At the same time public lands should be made available for their best use under conditions that promote stability for communities and individuals and encourage full development of the resources involved.

Accordingly, provisions for a marked increase in management activities on the national forests have been made in recent years. These Federal properties have been substantially improved. The flow of values stemming from them has markedly increased. Our management experience clearly dictated the need for still more intensive development and management.

As a result, in 1956 I asked the Forest Service to develop a long-range conservation program for national-forest resources. The first result of this request was a 5-year program, Operation Outdoors; the second is the enclosed "Program for the National Forests."

This conservation program embraces all the renewable resources of the national-forest system—water, timber, recreation, forage, and wildlife habitat. It includes both long-range objectives and interim proposals. The program provides for the continued orderly use and development of the renewable resources of these Federal lands in accordance with the basic conservation principles of sustained yield and multiple use. What is done in the next 10 to 15 years will largely determine whether these vastly important public lands will contribute by the year 2000 their fair share to a greatly expanded national economy.

The national forests are widely scattered throughout the United States, occurring in all but 10 States and in Puerto Rico. They are of direct benefit to millions of people. From them are derived an impressive portion of the Nation's supply of meat, fiber, shelter, water for irrigation, industrial, and domestic purposes, hydroelectric power, feed for livestock and wildlife, and outdoor recreation.

These national forests belong to all American citizens. Their resources and services are available for use by everyone. In recent years the use of these lands has been increasing steadily. Demands are now such that a comprehensive program for the orderly growth of development and management activities is of demonstrated urgency. Our rapidly growing population and expanding economy indicate mounting and competitive pressures for national forest resources.

Legislative authorities for the recommended program are generally adequate. Supplemental legislation will be proposed as the need arises. Appropriation requests to implement the program will be submitted to the Congress in future years in connection with budget presentations after due consideration of the overall fiscal needs and resources of the Federal Government.

A similar letter is being sent to the Speaker of the House of Representatives.

Sincerely yours,

EZRA TAFT BENSON,
*Secretary.*

PROGRAM FOR THE NATIONAL FORESTS [1]

There are presented herein long-range objectives and a short-term conservation program for the national forests and associated lands. The long-range objectives are related to the year 2000 and the short-term program to what needs to be done in the next 10 to 15 years toward meeting current needs and attaining long-range objecives.

[1] Prepared by the Forest Service, U.S. Department of Agriculture.

This program has been developed after much study. The Department of Agriculture has recently completed an exhaustive study of the U.S. timber situation entitled "Timber Resources for America's Future." Operation Outdoors is a 5-year recreation program for the national forests. Research needs are based in part on the findings of a departmental committee on research evaluation. The Forest Service has long maintained a project work inventory for the national forests. These and other studies are the background for the objectives and program herein developed.

The statutory authorities under which the national forests and associated lands are administered, and under which research is conducted, are generally adequate to permit carrying out the program subsequently outlined. Additional legislation which would be helpful in carrying out the program will be recommended as needed, particularly legislation to facilitate development of an adequate road system.

*The national forest system*

The national forests of the United States are invaluable national assets. These Federal properties, consisting of forest and rangelands and high mountain watersheds, occur in 39 States and Puerto Rico. There are 181 million acres of national forest land grouped into 148 national forests. Eighty-seven percent of national forest lands occurs in the West.

Of the land area of the continental United States, 1 acre out of every 12 is in national forest. In the West it is about 1 acre out of every 5. Every citizen owns a share of the national-forest system. It might be said that every man, woman, and child in the United States owns 1 acre of national-forest land.

The national forests consist largely of land reserved from the public domain by Presidential proclamation under the act of March 3, 1891. These lands have always been in Federal ownership. President Theodore Roosevelt proclaimed 148 million acres of public domain as forest reserves—far more than any other President. In 1905, the forest reserves were placed under the administration of the Secretary of Agriculture and the Forest Service was created to administer them. Later their name was changed to national forests to reflect a conservation policy of resource utilization rather than of preservation.

Most of the national-forest land in the East was purchased under the Weeks law of 1911, as amended in 1924, which authorized purchase of lands to protect the watersheds of navigable streams and for timber production.

Pursuant to the act of June 4, 1897, the 1911 act, and others, the national forests have been administered under the dual policies of sustained yield and multiple use of resources. Research has been conducted mainly under the act of May 22, 1928, as amended.

The national forests yield water, timber, forage, recreation, game and other wildlife, and minerals. Western agriculture and industry are dependent on water flowing from national-forest watersheds; hundreds of thousands of people earn their livelihood processing timber grown on national forests; millions of domestic livestock graze national-forest ranges; and many millions of people seek the national forests for rest, relaxation, and spiritual uplift. All of the renewable resources are to be utilized at a high sustained level of productivity and in harmonious relationship each with the other. This is the basic policy.

Most national-forest resources and services, such as recreation, wildlife habitat, waterflow, and scenery cannot be evaluated in monetary terms. There is no known way to measure the multiple intangible values and services of the national forests; but the timber, forage, and land alone are appraised at well over $7 billion.

The national forests are revenue-producing properties. Twenty-five percent of such revenues is distributed to counties in which national-forest lands are located in lieu of direct taxes. Current annual revenues are about $100 million and more than $1 billion has been received in total from the sale of national-forest goods and services. National-forest payments received by the counties, coupled with Federal expenditures for roads and fire control which States or counties would otherwise make, substantially exceed the taxes that the national forests would pay if subjected to ordinary assessment and levy.

In addition to the national forests, the Forest Service administers some 65 land-utilization projects totaling over 4.5 million acres in 27 States. These are largely forest and rangelands, submarginal for private ownership and acquired by the Federal Government during the 1930's for purposes of conservation and rehabilitation. The lands are administered under title III of the Bankhead-Jones Farm Tenant Act of July 22, 1937, and with the same general sustained-yield and multiple-use objectives as the national forests.[2]

*National forests in a changing world*

Rapid change in the United States is everywhere evident. Highway construction, housing developments, and expanding urban areas are prevalent throughout the land. The two foremost economic indicators of these and other changes are population and gross national product.

In the 13 years since the end of World War II population in the United States has increased 32 percent. An estimate of 332 million persons by the end of the century is more than double the 1950 census. In the same half century, gross national product is expected to increase more than five times. Furthermore, in the West, where most national forests are located, population growth is even more phenomenal. The estimate for the 11 Western States is for a tripling of population in the last half of the 20th century.

Another indicator of special significance from the standpoint of recreational impact on the national forests is the increase in leisure time. The average individual today has about 50 percent more leisure time than in 1920. By the turn of the century an individual may have a third more leisure time than he has today.

The impact of this national growth upon the national forests already has been tremendous as evidenced by recent trends in use. The impact will be even greater in the future. No longer are the national forests the inaccessible and distant hinterlands they were when the system was first established. No longer can the Forest Service be primarily a custodian whose principal function is protection of national forests from fire. Barriers of time, distance, and inaccessibility have been fast fading, especially in the last two decades. The people have found the national forests; and their vast resources are in great demand. Management must become progressively more intense and more adequately supported by research findings if the national forests are to keep pace with economic needs and national growth.

The role of the national forests in the national economy, and especially in that of the Western States, cannot be discounted. Nearly half of all softwood sawtimber in the Nation and more than half the commercial forest land in the West is found in the national forests. About one-fourth of the timber cut in the West comes from the national forests.

Nearly one-fifth of the 11 Western States is national forest land and these lands, because of their mountainous character and generally high elevation, receive one-third of the precipitation and furnish over half the streamflow. Western national forests are major sources of water for 1,800 towns and cities including such major metropolitan areas as Salt Lake City, Seattle, Portland, San Francisco, Los Angeles, and Phoenix. Over 600 hydroelectrical developments depend on the national forests for water.

Irrigation accounts for one-half of the Nation's consumption of fresh water. By 1975 daily use of water is expected to nearly double, an increase which would be equivalent to the daily flow of over 13 Colorado rivers. Inevitably, western national forests will continue their indispensable role as regulators of the kind and amount of fresh water available to western people.

Similarly in recreation the national forests are of increasing importance because of more leisure time, greater mobility of the average family, increased accessibility of the national forests, and the relatively low cost of a national forest vacation.

In the West, despite downward adjustments in the numbers of permitted livestock, over one-fifth of the sheep and one-eighth of the cattle graze national forest ranges. Over one-third of all big game in the Nation is found on the national forests along with 81,000 miles of fishing streams and over 2 million acres of natural lakes and impounded waters.

*National forest progress since 1953*

In his first state of the Union message on February 2, 1953, the President called attention to the vast importance to this Nation now and in the future of the soil and water, the forests and minerals, and the wildlife resources. It was recognized that the Federal responsibility in the field of resource development called for a strong program.

Since that time, substantial and gratifying progress has been made, both financially and physically, in the development and management of the national forests and associated lands.[3] Some of the outstanding achievements that have been accomplished since 1953 should be mentioned.

In timber resource management, the funds available for sales administration and management have risen from $5.9 million in fiscal year 1953 to $13.5 million in fiscal year 1959, and those for reforestation and stand improvement have risen from $1.2 million to $3 million. In 1953, 5.2 billion board-feet of timber with a stumpage value of $70.6 million were cut. After reaching a previous peak in 1957, 8 billion board-feet with a stumpage value of more than $100 million are expected to be cut in 1959. At the same time, the number of timber sales rose from 24,300 to an estimated 36,000 in 1959. In 1953, the area planted or seeded to trees was 51,200 acres. Almost double that amount is now being planted annually. Timber stand improvement work was done on 387,300 acres in 1953. Today this work is being carried out on approximately 800,000 acres annually.

In 1953, the sum of $2.4 million was available for range resource management: $1 million being for range management, $763,000 for range revegetation, and $658,000 for range improvements. In fiscal year 1959, the sum of $4.8 million is available, $1.7 million being for range management, $1.5 million for range revegetation, and $1.6 million for range improvements. During this period, reanalyses and revised range management plans were completed on 2,150 or nearly one-fourth of the 8,790 range allotments. The rate of range

[2] The statistics used in this report relate only to the national forests unless otherwise specified; but the objectives and program presented apply to both the national forests and associated land-utilization projects.

[3] Hereinafter referred to as the national-forest system.

reseeding has practically doubled the 53,600 acres reseeded in 1953. During the period 1953 through 1958 nearly a half-million acres have been reseeded. During the period 1953 to 1958 inclusive, about 1,600 range water developments have been constructed. Annual rate of construction is double what it was in 1953.

The Federal financing of the construction rehabilitation, and maintenance of recreational developments has increased from $3.1 million in fiscal year 1953 to almost $10 million for fiscal year 1959 and the amounts for wildlife habitat management increased from $223,000 to $805,000. During this same period, the recreation visits rose from 35.4 million in 1953 to 68.5 million in 1958, one-fourth of these being visits from hunters and fishermen. The number of developed campground and picnic sites in 1953 was approximately 4,600, containing 41,100 family units. Most of these were constructed in the mid 1930's and were badly in need of rehabilitation. Although the work of rehabilitating these areas had begun a few years earlier, the program for the recreational development of the national forests called "Operation Outdoors," was prepared and initiated in 1957. As a result, good headway has already been made in the rehabilitation of the developed campground and picnic sites and some new sites have been developed. There are now 5,100 developed campground and picnic sites containing 46,700 family units.

For soil and water management the sum of $137,000 was available in 1953. This has been increased to $1.4 million in fiscal year 1959. The number of national forest watershed rehabilitation projects increased from 12 in 1953 to 145 in 1958. This work is done specifically to improve and protect watersheds, lessen flood damage, or restore damaged and eroding lands, over and above that normally being done in connection with other national-forest activities.

In fiscal year 1953, there were $22 million of Federal funds available for the construction and maintenance of forest development roads and trails. The amount for fiscal year 1959 for this purpose is $35.4 million. In 1953, there were constructed with Federal funds 728 miles of forest development roads. In the 1953 through 1958 period, 5,289 miles have been constructed and it is estimated that 1,062 miles will be constructed in fiscal year 1959. In addition, purchasers of national-forest timber during the period 1953 through 1958, constructed 12,570 miles of forest development roads, with allowances therefor in timber appraisals.

One of the most troublesome problems was the need for housing, particularly to provide suitable housing for field personnel. In 1953, the amount available for structural improvements for fire and general purposes was $3.1 million, practically all of which was for maintenance. This has more than trebled and for fiscal year 1959, the amount is $10.6 million. Since 1953, there have been constructed 602 dwellings and related improvements, 769 service buildings, and 139 lookout structures.

In 1953, the total receipts from the sale of timber and from the use of the range and other surface resources was $76 million. It is anticipated that these receipts for fiscal year 1959 will be about $110 million. With these anticipated receipts for 1959, almost $600 million will have been received by the Federal Government since the close of 1953. This is almost 60 percent of the first billion dollars of national-forest receipts reached on November 21, 1958, after the national forests were placed under the administration of the Secretary of Agriculture in 1905. Twenty-five percent of these revenues were distributed for the benefit of schools and roads in the counties.

Federal financing of research bearing on national-forest problems in 1953 was $6.2 million. In 1959, it was $16.5 million, including $2.5 million for construction of research facilities. Any precise allocation of the benefits of forestry research to the support of management and development of the national-forest system is difficult. Generally, research projects benefit anyone who protects and manages forest resources regardless of landownership. Thus it serves private as well as public forestry. During this period, forestry research has made substantial and significant contributions to the development, management, and protection of the national-forest system. These include, to name only three, (a) development of a new aerial forest fire control method, with the result that in 1958 more than 1.4 million gallons of chemical fire retardant were dropped on 320 fires in the national forests with a high degree of success; (b) a new technique for fumigating tree nursery soils was perfected in 1957, increasing the efficiency and effectiveness of seedling production; and (c) a patch-type of cutting for lodgepole pine timber was developed for high, mountainous national-forest areas of the Rocky Mountains which increases late spring water yield by 25 to 30 percent because of its influence on snow accumulation and rate of melt.

There have been many other major conservation accomplishments in the management of the national-forest system. New or revised policies have been adopted since 1953 in order that the management of the national forests would be more responsive to the needs of the users. As a result of cooperative effort with both the forest and mining industries, authority was enacted in 1955 and procedures developed to provide for the multiple use of the mineral and surface resources. In 1958, "Timber Resources for America's Future," the most comprehensive study of the timber resources of the Nation, was published and as a result the timber goals for the national forests have been raised substantially. Changes have been made in national-forest grazing policies to give permittees increased stability in the utilization of the grazing resources. The number of public advisory committees at State, regional, and local levels, advisory to the Forest Service on activities covered by this program, has been increased to 170.

The national forests are clearly national in significance because of their impact on our people in both their work and their play. Wood and livestock products from the national forests enter into the commerce of every State; waters flowing from the national forests cross State boundaries; and the millions who hunt, fish, camp, picnic, and ski on the national forests come from every State and every walk of life.

The national forests are federally owned and their multiple-use management to produce a sustained yield of services and products is a Federal responsibility. Despite the splendid progress that has been made since 1953, these properties with their current assets and enormous potential must be responsive to national needs. In addition, there are opportunities for development primarily of localized significance in collaboration with non-Federal groups, both public and private.

Past trends, present use, and future expectations indicate clearly the need for a planned program of development and use supported by essential research. Resource development is a long-time proposition. What is done in the next 10 to 15 years will largely determine the heritage that our children and their children will receive from the national-forest system.

*A national-forest conservation program*

The program presented herein is geared to meeting the needs of this short-term period and to preparing the national-forest system to contribute its fair share to the national well-being at the end of the century.

The program is described in terms of both long-range resource objectives to be accomplished by the year 2000, and the specific work which will need to be done in the short-term period to attain these objectives. The program will be carried out as rapidly as possible within the overall budgetary requirements and financial resources of the Federal Government.

Resource Development and Management

The basic renewable natural resources of the national-forest system upon which the Nation will rely to an increasing extent in the years to come are the timber, water, range, and the recreation and wildlife habitat resources. Their intensive development and management is truly a conservation program of great significance to the continued development, prosperity, and welfare of the Nation.

Timber Resources

The long-range timber goal for the national-forest system is an annual harvest on a sustained-yield basis of 21.1 billion board feet of sawtimber by the year 2000. This goal is about 3 times the 1957 timber cut. Total sawtimber growth estimated to be needed in the year 2000 to meet national demands is 105.4 billion board feet. The national-forest goal is that portion of the national need which the national forests could reasonably be expected to produce under intensified management.

The objective is to reach this goal by: (a) Intensifying the management of existing stands, including measures to assure stand improvement and regeneration; (b) growing more and better trees on the lands that are not producing their full capacity today; (c) reducing losses from disease, insects, and fire; and (d) improving utilization. The short-term program steps to further items (c) and (d) are covered later under the headings "Protection and Research."

The program proposals for the short-term period are:

1. Harvesting will be increased toward the goal of full sustained-yield cut on all working circles so that annual cut will reach 11 billion board feet.

2. Harvesting will be developed in a manner that will, to the extent possible: (a) Accelerate cutting of stagnant stands, release advance reproduction by removing overstory of old growth, and increase the salvage of dead, dying, and diseased trees; and (b) encourage reasonable distribution of sales among small, medium, and larger operators.

3. Develop and apply on sale areas higher standards of regeneration, hazard reduction, salvage, and erosion control.

4. Up-to-date inventories will be obtained for all commercial forest lands and timber management plans will be completed for all working circles. When completed, they will be maintained by periodic reinventories and revisions.

5. Approximately three-fourths of the 4.4 million acres of nonstocked and poorly stocked plantable lands will be seeded or planted.

6. The productive condition of over 11 million of the 30 million acres of less than saw-log-size stands will be substantially improved by plantation care, pruning, weeding, thinning, release cutting, reinforcement planting of lightly stocked areas, and planting new burns in these stands.

Water Resources

In continuing their role as regulator of waterflows, national forest watershed will continue to be managed in accord with two principal long-range objectives: (a) Protection of the watershed by stabilizing the

soil and thereby preserving and improving water quality; and (b) management of the area to increase the quantity of water.

Protection of the watershed and water quality will continue to be a primary objective. Quantity of water yielded will receive major consideration in the multiple-use management of national forests.

To accomplish these objectives, an accelerated program of watershed management, rehabilitation, and protection will need to be carried out, including the application of new methods and practices as they are developed and proved.

Program proposals for the short-term period include:

1. More intensive management activities to assure full protection of the hydrologic condition of watersheds in the management and use of other resources. Management plans for other resources that involve manipulation of plant cover will adequately consider watershed management needs.

2. Reasonable protection to, and minimizing damage from the greatly increasing number of water development projects in and adjacent to the national-forest system.

3. Preparing and maintaining watershed management plans for areas which are the sole or major source of municipal water supplies.

4. Initiating field inventories of water supplies and yield with comparative data as to effects on water yield and quality of range, timber, and other uses and management practices.

5. Complete soil surveys on about 33 million acres, or 22 percent of the total area in need of survey.

6. Watershed rehabilitation measures to stabilize gullies and channels, control sheet erosion, stabilize dunes and earth slides, control erosion on roads and trails, and accomplish water spreading will be done in varying degrees ranging from one-tenth to one-third of the total work needed. Work scheduled includes 10,000 miles of gully and channel stabilization; 1.3 million acres of sheet erosion control; 20,000 acres of dune and blowout stabilization; erosion control on 14,000 miles of substandard roads and trails; 5,600 acres of water spreading; 535 structures for flood prevention; and 170 stream pollution control projects.

Range Resources

The development and management of the 68 million acres of rangeland in the national-forest system has two major long-range objectives:

(a) Proper stocking and improvement of the range resource to achieve desirable watershed conditions and sustained high-level production of forage. Over many years the Forest Service has attempted to bring livestock numbers into balance with available forage. This is being done by building up forage production through reseeding, other range-improvement measures, and better management. Where this is not sufficient, necessary adjustments to grazing capacity have been made in either numbers of permitted livestock or season of use.

(b) Making lands suitable for livestock grazing available for use under conditions that promote stability for communities and individuals, and encourage full development of the range resource with due regard to other resources and uses.

These policies can be furthered by intensifying management of all range allotments; obtaining and maintaining desirable forage to high capacity; constructing, rehabilitating, and maintaining range improvements needed to attain intensive management on all ranges; and making adjustments in numbers of livestock or seasons of use when necessary.

In order to make substantial progress toward the long-range objectives, the short-term program proposals are:

1. Complete and thereafter keep current range analyses and management plans on all range allotments.

2. Where stocking adjustments are necessary to balance utilization and available forage, these will be carried out as rapidly as practicable bearing in mind the needs of the range and other factors.

3. Separation of cattle and sheep grazing on common use areas, and substantial reduction of livestock trespass.

4. Properly coordinate all range use with other resource use.

5. Revegetation and control of noxious or poisonous range plants and farm weeds will be undertaken on about 4.4 million acres of rangelands needing one or both treatments.

6. Reconstruction or rehabilitation of presently deteriorated range improvements will be completed; other improvements will be maintained.

7. Construct 18,000 miles of fences and 9,500 water developments to initiate programs of intensive range management for control of livestock and more efficient use of forage.

Recreation and Wildlife Habitat Resources

As previously described, the growth and development of the Nation already has had a terrific impact on the national forests in increased use of the recreation and wildlife habitat resources. It is estimated that these uses will rise from the 68.5 million recreation visits of 1958 to 130 million visits by 1969, with a continued rapid annual increase to a possible 600 million visits by the year 2000. This expected increase to nearly double the present use by 1969 and about nine times the present use by the year 2000 is far in excess of the expected rate of increase in population.

The long-range objective is that: (a) National-forest recreation resources will be so developed and managed that the kind, quality, and quantity of their development and maintenance will be sufficient to keep abreast of this tremendously increased demand; and (b) the wildlife habitat will yield a fish and game population adequate to meet the equally tremendous increase in sportsmen use.

The program proposals for the short-term period are:

1. Complete part 1 of Operation Outdoors, which is a 5-year program initiated in 1957 to reconstruct and rehabilitate the then-existing recreation facilities consisting of 4,700 campgrounds and picnic sites containing 42,400 family units, construct additional facilities, and adequately maintain and service these facilities to meet the existing and predicted situation.

2. Complete inventory and evaluation of recreation and wildlife habitat resources. This will be done partly in cooperation with the Outdoor Recreation Resources Review Commission, and with respect to wildlife habitat resources, in cooperation with the States.

3. Revise and complete recreation management plans for all administrative units and thereafter keep them current.

4. Prepare and execute development plans on 10,000 new campground and picnic sites containing 102,000 family units.

5. Repair and reconstruct dams and spillways as necessary in order to place them in a safe condition for recreational use.

6. Provide adequate sanitation, cleanup, safe water, fire prevention, and public safety at all developed recreation sites and in heavily used unimproved areas.

7. Protect and manage wilderness-type, roadside, and other special areas.

8. Review at least 30 of the remaining 41 primitive areas as to their wilderness characteristics and reclassify them accordingly.

9. Revise and complete wildlife habitat management plans for all administrative units, assuring proper coordination between uses of wildlife habitat resources and other resources.

10. Participate in planning, inspection, and control phases of all habitat improvement projects conducted on lands of the national-forest system by States and by other Federal agencies to insure that the projects will benefit wildlife and be in harmony with other resource values.

11. Improve food and cover on 1.5 million acres of key wildlife areas.

12. Develop wildlife openings, food patches, and game walkways in dense vegetation by clearing or controlled burning on about a half million acres.

13. Improve 7,000 miles of the 81,000 miles of fishing streams and 56,000 acres of lakes by stabilizing banks, planting streamside cover, and constructing channel improvements.

*Protection*

The total adverse impact of disease, insects, fire, weather, destructive animals, and other forces on the uses and values of forest resources is not generally recognized. They kill and destroy, retard or prevent reproduction and growth, impair and damage values, and disrupt uses.

The total growth impact on sawtimber from destructive agencies in the continental United States and coastal Alaska in 1952 was estimated to be equal to 92 percent of the net sawtimber growth. Cause of the impact on sawtimber growth was distributed 45 percent to disease, 20 percent to insects, 17 percent to fire, and 18 percent to all others.

These destructive forces also have a seriously adverse effect upon the watersheds and their life-supporting waterflows, and upon the other renewable forest resources.

The long-range objective is to hold the damage from destructive agencies below the level which would seriously interfere with intensive management of the national-forest system under principles of multiple use and high-level sustained yield of products and services. This can be accomplished substantially by a continued trend toward better facilities and techniques for fire control and more resources to cope with critical fire periods, and a more intensive application of a program of prevention, detection, and control of insect and disease infestations. In addition to direct protection measures, more intensive management of timber resources will result in reduction of losses from insects and disease.

Protection From Insects and Disease

In the short-term period, it is proposed that insect and disease control on the national-forest system be stepped up to a level of prevention, detection, and control of insect and disease infestations that will substantially reduce the occurrence of large infestations toward the end of the initial period. This will require about a 50-percent increase over the present level of protection. The work will consist of:

1. Intensification of present activities through (a) quicker, more extensive, and more thorough surveys to detect incipient outbreaks; (b) more reliable evaluation of the potential of initial outbreaks to cause widespread damage; (c) quicker and more effective control action in the initial stages to prevent a large-scale epidemic. The initial suppression activities would cover about twice the acreage currently being treated.

2. Continuation of present blister rust control work plus extension of control to 250,000 acres not now protected but which should be managed for white pine production. The objective is to achieve sufficient effectiveness of control on all of the area now under treatment plus the additional acres so that after the initial period only maintenance control will be needed.

3. Initiating a program to control dwarf-mistletoe on several hundred thousand acres of selected better stands of young softwood sawtimber on better growing sites.

4. Coordination of timber harvesting with pest control objectives in order to reduce the loss from high-risk old-growth trees and to reduce the possibility of old-growth stands serving as a focal point of infection.

Protection From Fire

It is proposed that by the end of the initial period all commercial timberlands, all critical watersheds, and other lands in the national-forest system developed or proposed for intensive use will be given protection from fire adequate to meet the fire situation in worst years and under serious peak loads. This will include 125 million acres compared to 23 million acres now receiving such protection. An additional 15 million acres will be given a lesser degree of protection but adequate to meet the average fire situation.

Meeting these levels of protection from fire calls for:

1. Expansion, modernization, and development of fire control to a proficiency and strength of force which will prevent as many fires as possible and suppress fires before they spread beyond permitted standards. This is to be accomplished by nearly doubling the present level of preventive effort, detection, skilled firefighting crews, training, supervision, and equipment.

2. Development and use of new and modern techniques for prevention, for suppression of fires while small, and for stopping large fires while running and burning intensely.

3. Reduction of hazardous fuel conditions to minimize the chances of large fires developing and spreading to high-value areas. This work will cover the most serious one-fourth of all land needing such treatment, and will consist of burning 300,000 acres of highly hazardous debris concentration, felling snags on 320,000 acres of high lightning-occurrence areas, prescribed burning on 3.5 million acres, removing roadside fuel on 37,000 acres, and clearing and maintaining 12,000 miles of firebreaks.

Protection From Other Damage

Rodent control work for the short-term period will be aimed at control of the most serious infestations of harmful rodents, such as porcupines and mice, on high-value areas of forage and commercial timberlands. These areas comprise about half of the total area of rodent infestation on the national forests. Approximately 1.8 million acres of rangelands and 9.4 million acres of timberlands would be treated in this period. Control would be limited to those rodents for which economical means of control are known.

*Roads and trails*

The road and trail system which serves the national forest lands is a complex of highways and access roads and trails under various ownerships and jurisdictions. This transportation system is vital to the multiple use of all the resources of the national forest system.

For administrative purposes, the road and trail facilities are grouped into a forest highway system and a forest development road and trail system. All these facilities benefit the national forests. There are now 24,400 miles of forest highways; 149,700 miles of forest development roads, and 112,200 miles of trails. When fully installed, there will be about 70,000 miles of forest highways; 542,000 miles of access roads, and the trail network will be reduced to about 80,000 miles.

The forest highway program is administered by the Bureau of Public Roads in the Department of Commerce. The forest highways are therefore not included in the program herein outlined.

An adequate system of roads and trails is essential to proper management of forest lands. The presence or lack of access roads has a direct and controlling influence on many phases of forest management, such as the volume of timber that can be marketed; the size, duration, and distribution of sales within working circles; the level of salvage cutting; protection of national-forest resources from fire, insects, and disease; and recreational and forage use.

Financial losses occur every year to the Federal Government through inability to market mature timber now inaccessible but in need of harvesting, and to promptly and completely salvage losses resulting from fire, windstorms, insects, and diseases. As the road and trail system is expanded the revenue to the Government increases, primarily through expanded timber sales. Timber access roads for the national-forest system are investments which will pay for their own way over a period of years.

The long-range objective is to have and maintain a system of roads and trails to service the national forests adequately at the levels needed to meet expected demands. Such a system will not only make that possible, but will at the same time enhance the value of the timber and other resources being utilized.

Construction of about 392,600 miles of new roads and 6,000 miles of new trails will ultimately be needed, along with reconstruction of about 112,600 miles of roads and 11,300 miles of trails. Also about 41,400 miles of existing trails will be replaced by construction of new roads.

In the short-term period the program proposals are:

1. Complete construction and reconstruction of about 90,000 miles of access roads and 8,000 miles of trails. This constitutes about 19 percent of roads and trails included in the long-range objectives. Approximately half of the value of the work on timber access roads planned for this period will be constructed by national-forest timber purchasers, but paid for by the Government through adjustment of stumpage prices.

2. Provide maintenance to full standards on the 261,900 miles of existing development roads and trails and on 58,600 miles of new construction.

*Land adjustment and uses*

Effective management of the national-forest system requires reasonable consolidation of ownership where there are intermixed public and private lands. Accomplishment of these ownership adjustments will contribute much toward meeting resource demands by the year 2000 and will be largely accomplished by that time.

In the initial period, national-forest boundary and ownership classification studies will be completed for all national-forest lands as the basis for landownership adjustment. Such adjustments will be brought about mainly by exchanging on a land-for-land basis approximately 1.4 million acres of scattered or checkerboard national-forest parcels for other lands needed to consolidate the national-forest land pattern. This will (a) enable national-forest boundaries to be modified to exclude about 11 million acres of private and State land from within national-forest boundaries; and (b) materially reduce the checkerboard pattern of ownership. Special attention will be given to completion of consolidation of national-forest ownership in the boundary waters canoe area and in certain key watersheds of the Cache National Forest in Utah. In addition, about 217,000 acres of land utilization project lands will be exchanged in the initial period to promote more effective management of such projects. Thereafter there will be a continuing program in the national forests and related areas to adjust ownership problems and further consolidate these public properties.

There must also be accomplished in the short-term period: (a) Development of an improved and more adequate land status record system with provision for continuous maintenance; and (b) establishment and marking of public property corners and the surveying and posting of over 100,000 miles of property lines between national-forest and other lands which now are inadequately located and marked.

The uses of national-forest lands for many special purposes, including the extraction of mineral resources, will continue to increase at a rapid rate. The supervision of these uses will need to keep pace in order that such uses can be properly correlated into multiple-use management of the national-forest system, and to prevent unauthorized use. The program for the determination of surface rights which has been under way since the approval of the act of July 23, 1955, will be completed.

*Administrative structures and equipment*

To facilitate the resource management and development work, construction and maintenance of administrative and fire-control improvements will need to be provided at an increased rate in the short-term period. This will consist of completing the present backlog of housing needs for field officers and of administrative and fire improvements, and the construction of additional housing and improvements. New construction needs include 2,730 dwellings and related improvements, 2,710 service buildings, and 530 lookout structures. Completion of the communications system needed for protection and management of the national forests will require 2,000 additional radios and replacement of 9,000 radios and 3,000 miles of telephone lines. The increasing use of aircraft as an efficient and economical means of transportation for protection and management of wild lands will require an additional 25 landing fields and reconstruction of 37 existing fields.

*Research*

Forestry and allied research is needed to keep the national forests and the utilization of their resources moving ahead on an efficient, effective, and economical basis to play their proper role in the progress and development of the Nation. Resource managers and administrators need answers to their everyday problems. Resource development, management, protection, and utilization have an additional need, and organized research has an additional objective to achieve significant breakthroughs that will show the way to new methods and new horizons in the management of timber, soil and water, forage, wildlife habitat, and recreation resources. The short-term research program is needed to yield both quick results of applicability during the initial period, and information of value in attaining long-range objectives.

The research proposals for the initial period embrace work that should yield information of wide application of high value. These proposals include—

1. Accelerated research in forest genetics to produce trees superior to present ones—in growth rate, wood quality, resistance to insects and diseases, and other special qualities—for use in the needed planting programs on national forests.

2. Development of new cultural practices to increase the production of high-quality seed through establishment and management of seed orchards; better methods of harvesting, storing, and processing of seed; and more efficient planting practices, including direct seeding with aircraft.

3. Better implementation of the national-forest pest control program by developing a broader knowledge of the life histories of

damaging insects and diseases and of new methods for controlling them through use of diseases and predators of the pests themselves, as well as through improved selective chemicals for use in direct control action.

4. Better implementation of the national-forest fire control program by developing a better understanding of fire behavior and new techniques and equipment needed to eliminate the runaway fires now responsible for 90 percent of fire losses in the national-forest system.

5. Development of new and improved practices required to facilitate good watershed management so vitally important to the management of national-forest timber and range resources. This will include studies of water yields, both quality and quantity, and management of snowpacks at high elevations and soil stabilization.

6. Design and evaluation of new and improved equipment for logging without damage to watershed values—as by an overhead cable system in order to extend harvesting operations into steep mountainous slopes not now operable by ground skidding methods; and equipment to increase the efficiency of woods utilization of forest products.

7. Improvement of volume and yield tables, rotation age data, and other information for regulating timber growing-stock levels for use in the national-forest timber-management plans.

8. Development of silvicultural bases to guide timber harvesting and regeneration practices in new forest types and areas, particularly in Alaska and the more remote areas of the western national forests to be newly reached in sustained yield operations.

9. Continuing investigations of the physical and chemical properties of wood and of processing methods to increase the efficiency of forest products utilization from national-forest timber sale areas.

10. Development of new uses for the large volume of low-quality timber, for logging and milling residues, and for thinnings in order to broaden the utilization and market base, and to facilitate timber sales and sustained yield management.

11. Development of log and tree grades and other information needed in the marketing of national-forest timber.

12. Development of improved livestock grazing management practices on the national forests to increase forage yields and to protect watershed values.

13. Develop methods of improving national-forest wildlife habitat through modified timber and range management practices, as well as through development of special measures such as propagation of browse and other game foods.

14. Determination of the needs and preferences of recreational uses of the national forests, and of the carrying capacities of campgrounds and other recreational areas in order to guide the development and management of the recreational resources.

15. Provision for laboratories, greenhouses, and other facilities, including modern scientific equipment, required to adequately implement the research program. This will consist of expansions through new construction and betterment of existing facilities. The needs include 17 specialized laboratories and related greenhouse and service facilities for the basic research on forest insects and diseases, tree genetics and physiology, forest soils and hydrology, forest fires, and forest products, and for development of new equipment for firefighting and for harvesting timber; 5 office-laboratory buildings at regional headquarters of forest and range experiment stations; 25 office-laboratories at centers of field research, and minor structures, fencing, stream gages, and other research installations that will be required on about 100 experimental forests and ranges.

*Program benefits*

Under the proposed program, management and utilization of national-forest resources will keep pace with population growth and national economic development and needs.

Many of the benefits from the program for the short-term period will carry over or will be delayed until after the end of the period. Investments in such measures as roadbuilding, tree planting, range reseeding, water conservation, research, recreation, and other improvements proposed in the initial period are geared not only to short-term needs, but also to the longer-range objectives of meeting expected demands on the national forests during the remainder of the century.

Benefits include direct financial revenues, secondary benefits, and intangible values.

Direct financial revenues from the national-forest system will rise to about $210 million annually by the time the short-term conservation program is completed, or double current receipts. Over 90 percent of such revenues will continue to come from the sale of standing timber. By the year 2000 national-forest timber sales should reach 21 billion board-feet of sawtimber worth $350 million at 1958 prices.

Payments from national-forest revenues for county schools and roads will increase correspondingly. These increased payments to counties coupled with increased national-forest expenditures for roads and fire control, will exceed the taxes that the national-forest system would pay, if subject to local taxation, by an even greater margin at the end of the initial period than at the present time.

The capital value of the timber, forage, and lands of the national-forest system will have increased by about a billion dollars as a result of the short-term conservation program.

In addition to direct financial income to the United States as a result of the national-forest conservation program, there will be both substantial secondary benefits and very real intangible benefits.

Secondary benefits include such things as numbers of people employed in the harvesting of national-forest timber and other products and the value added to those products by manufacture, distribution, and marketing.

In timber alone, it is estimated that for every dollar of national-forest stumpage sold the end products wil be worth $20 by the time they reach the ultimate consumer. This means that the annual sale of 11 billion board-feet of sawtimber expected to be reached by the end of the short-term period will have a total consumer value of $3.7 billion.

Furthermore, some 620,000 people will derive their livelihood from the harvesting, processing, hauling, and merchandising of national-forest timber and the products made therefrom. This wil be an increase of 60 percent over the current level.

Similarly, the value of meat, hides, wool, and other livestock products increases with reprocessing and handling as do the numbers of dependent people.

It is estimated that reactional use of the national-forest system will reach 130 million visits by 1969, in contrast to the 68.5 million visits in 1958, and a probable 600 million by 2000. The recreationists making these 130 million visits will put into trade channels a total of nearly a billion dollars for sporting equipment, transportation, licenses, lodging, and other items.

Most of the truly intangible values of the national forests are experienced by those millions of people who use the national forests for reasons other than commercial utilization of resources. No measure of value expresses the worth of the relaxation, pleasure, rest, spiritual satisfaction and improvement in health derived from the national forests.

No realistic dollar value can be placed on water from the national forests. Water is already the most precious commodity in the West and over half of all waterflow in the West originates on the national forests. These lands will continue indefinitely to be indispensable regulators of the kind and amount of fresh water available to western people. The national-forest conservation program will improve soil stabilization, result in more regular streamflow, and enhance water quality. It will foster infiltration of water in underground storage. These results will lessen the need for construction of surface reservoirs, settling basins, and other water construction works.

Nor can there be any complete assessment in dollars of the lives saved, damage prevented, and resources preserved by improved accessibility, suppression of insect and disease epidemics, fires prevented or controlled when small, and reduction and prevention of floods. All of these are benefits of the conservation program proposed for the national forests.

Substantial progress has been made. The foundation for progress is in place. This program builds on that foundation. The result will be full development of these extensive and valuable public properties.

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## How Business Operates Not by Price Fixing

EXTENSION OF REMARKS

OF

### HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. ALGER. Mr. Speaker, fair trade, the setting of retail prices by manufacturers would be a death blow to free enterprise, and the countless blessings enjoyed by consumers because of mass production, efficiency, research, streamlined operation—all resulting from competition between manufacturers, where all take risk and some make it, some do not.

If the manufacturer is assured a certain price by law where then is the incentive to discover and remove inefficiency, ingeniously to devise new systems, new manufacturing procedures, techniques and tools, more production, more efficient distribution? In free enterprise competition keeps the industries on their toes. Sure, it is a battle for survival. The customers must be pleased—a better product at a lower price with quicker delivery with better service and warranties, countless courtesies, advertising schemes, window displays. From raw material to customer's home competition drives each manufacturer, distributor, and dealer to do his best to please the consumer, who must be pleased at the right price or no sale.

Well, we can set prices by law but they will not stick. Before John Doe rebels the damage will be poorer products at higher prices, slower service, less striving to please, less volume, less efficiency and finally more bureaucratic laws to undo the damage of bureaucratic laws until in the struggle the whole system slips beneath the quicksand. Fair trade? Hardly.

### Political Danger

EXTENSION OF REMARKS

OF

**HON. BRUCE ALGER**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. ALGER. Mr. Speaker, the basic flaws of reasoning behind the fair trade bill, which would permit manufacturers to go around antitrust and set retail prices, will come to light sooner or later. Sometimes the obvious is difficult to see.

Imagine asking that antitrust price conspiracy laws, originated to protect businessmen and consumers alike, be set aside. Imagine, trying to eliminate the need for women shopping around. Imagine, eliminating competition in a free enterprise market system.

Fair trade is a contradiction, is self-defeating and will hurt most those it is designed to help. One has but to study the bill and understand marketing and merchandising to see this.

When the fatal flaws are clearly seen, the consumers will not be forgiving of these Federal representatives who put this law on the books. It is not unlikely that even those manufacturers and retailers who thought they wanted fair trade price fixing will turn against those legislators who accepted their earlier advice and passed this law.

### Marketplace, Not Manufacturer Nor Congress, Sets Prices

EXTENSION OF REMARKS

OF

**HON. BRUCE ALGER**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 24, 1959*

Mr. ALGER. Mr. Speaker, what Congressman, bureaucrat, judge, or jury can tell you the "prices that are adequate to stimulate—and low enough to enable"—page 2, H.R. 1253, fair trade bill.

They cannot. It takes thousands, even millions of buyers, a free people in a free society freely bargaining for competitive merchandise at a mutually agreeable price. The price naturally results then like water seeking its level.

Now comes Congress to tell the public that from now on by Federal decree, we will let manufacturers tell the retailer what price they must charge. Are manufacturers all-knowing? Can they set the prices substituting the resale price maintenance of the fair trade bill for the spontaneous price setting of people in the marketplace through supply, demand, and competition? Yes, anyone can set a price, but who will buy if the price is too high? And if they do not buy who is hurt—the consumer?

Possibly so, but most hurt will be the retailer for whom the fair trade bill is intended. Meanwhile, the big competitor chainstore or department store with his own brand merchandise cleans up. Fair trade indeed.

## SENATE

WEDNESDAY, MARCH 25, 1959

The Senate met at 10 o'clock a.m.

Rev. Peter N. Kyriakos, Greek Orthodox Cathedral, Boston, Mass., offered the following prayer:

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

Almighty God, who art worshiped and glorified at all times, at every hour, both in heaven and on earth, we fervently thank Thee for the rich and perfect blessings granted to Thy children, especially in our blessed land. We thank Thee for the high principles of our civilization, the democratic Christian principles, by which Thou hast seen fit to guide us, and for the spirit of brotherly love inspired by Thy teachings.

We beseech Thee, O Lord, our God, to receive at this very hour our supplications, and to direct our lives in the way of Thy commandments. Encompass us with Thy holy angels, that guided and guarded by Thy hosts, we may attain the knowledge of Thine unapproachable glory. Keep us ever mindful of the mercies of Thy grace. Make us ever grateful, not only for special blessings which we may personally enjoy, but also for the manifold blessings which, as citizens of this great Nation, we share in common. Give to us all—the leaders and citizens of our great Nation—Thy guidance and inspiration in our every endeavor. As we are today mindful of the martyrdom and sacrifice of the Greek people in their valiant struggle for independence and for their ancient principles of democracy, we pray Thee to strengthen us in those democratic convictions and to keep us ever mindful of our sacred responsibilities toward our fellow men, Thy children.

Bless richly, O Lord, Thy servants, the most faithful and God-fearing President and Vice President of our Nation, and the honorable representatives of Thy people, gathered here today. Strengthen them in their calling, and make them ever worthy of the great stewardship which Thou hast seen fit to entrust to them. Bless, enlighten, and direct all those upon whom the responsibility of leadership rests, for Thou art the way, the truth, and the life; and blessed art Thou now, and forever, from all ages to all ages. Amen.

### THE JOURNAL

On request of Mr. KUCHEL, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, March 24, 1959, was dispensed with.

### TRIBUTE TO REV. PETER N. KYRIAKOS

Mr. SALTONSTALL. Mr. President, it gives me great pleasure formally to welcome Rev. Peter Kyriakos, the assistant dean of the Greek Cathedral of the Annunciation, in Boston. Dean Kyriakos carries forward in this country the tradition of the Greek people and their church. Many freedom-loving citizens of Massachusetts and of the United States trace their ancestry to Greece; but, in a larger sense, all of us trace many of our proudest traditions of science, medicine, literature, and democracy to the culture of ancient Greece.

Today is the 138th anniversary of the independence of Greece. In their homeland and in many nations which, like ourselves, have received immigrants from Greece, this 138th anniversary is being celebrated today. We are proud to honor this anniversary, for there is no more independent people or greater lovers of freedom than the people represented here by Reverend Kyriakos.

I join in expressing the best wishes of all of us to the people of Greece.

Zito Héllas! Long live Greece!

Mr. President——

The VICE PRESIDENT. The Senator from Massachusetts.

### TRIBUTE TO GREEK ORTHODOX ARCHBISHOP

Mr. SALTONSTALL. Mr. President, it is a great honor to join with other Members of this body in welcoming back to the United States the new Greek Orthodox archbishop of the New World. Recently he served as metropolitan of Malta, having risen in responsibility to this position from a position as deacon of the Boston archdiocese. Boston viewed his ordination to priesthood in 1940, and following that event he served in Connecticut and St. Louis before returning to Boston to be dean of the Greek Orthodox Cathedral of the Annunciation from 1942 to 1954. From there he went to Malta.

Metropolitan James, while at Boston, took advantage of our great opportunities for further study in Massachusetts by taking an advanced degree at Harvard in theological studies. For a time he also contributed to our halls of learning by lecturing at Harvard, Boston University, and other institutions. He served as a director of the Holy Cross Orthodox Theological School in Brookline, Mass., which, I understand, is the only school of its kind in our Nation.

Father Coucouzis, as he was known to his friends and admirers in Boston, who number in the thousands, was greatly admired for the fine work he did while with us in Massachusetts. We wish him well in his new office as archbishop of the Greek Orthodox Church of North and South America and his former parishioners in Boston look forward to his continued leadership in their church.

### MESSAGES FROM THE PRESIDENT

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